

The result will be loss of jobs and economic disaster for wide areas, especially in the already hard-pressed South. It also will involve costly restraining of workers and disruptive population movement to provide other jobs for displaced textile workers.

The need for a thriving textile industry to assist the upward economic movement of minority groups in the South ought to be apparent to anybody. Preservation of the textile industry should be one of this country's top socio-economic goals. Instead, the flood of imports threatens to destroy the industry.

The pending textile quota measure as proposed by Representative Mills, Ways and Means Committee chairman, is a reasonable proposition. In and of itself it should not set off a trade war or escalate the one already being waged against this country by foreign textile producers.

Neither would the Mills proposal pose any sort of threat to American consumers, as some opponents charge. Textile imports would continue, giving consumers adequate protection against price-fixing by the American industry. The widely-distributed textile industry is just about the last that could be accused of price-fixing in this country anyway.

But the Mills proposal is threatened by a combination of factors. There is the danger it will become a Christmas tree bill if import quotas on other products are added. If that happens, the bill will be vetoed by President Nixon.

Whether the measure as now being written, with quotas on footwear and stand-by authority for other quotas, is acceptable to the President is not clear at the moment. It is clear, however, that the textile quota measure is in dire danger of being overloaded.

The textile industry and its workers are not out of the woods by any means. They still are in a political thicket in which textile relief can be lost while the Democratic Congress and the Republican administration blame each other.

JACOBS ARRESTS DISTRICT OF COLUMBIA CRIME

HON. LEE H. HAMILTON
OF INDIANA

IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 28, 1970

Mr. HAMILTON. Mr. Speaker, my distinguished Indiana colleague, ANDREW JACOBS, JR., recently set an example for

each of us to follow in our capacities as individual citizens concerned about rising crime rates.

In a letter of July 23, 1970, to Congressman Jacobs the District of Columbia Chief of Police commended him for his "alertness and assistance" which produced the arrest of a robbery suspect whom he had observed exchanging gunfire with a special police officer at the scene of the robbery.

The letter from Chief Jerry V. Wilson, as well as an Indianapolis Star article describing the incident, follow:

DISTRICT OF COLUMBIA METROPOLITAN POLICE DEPARTMENT,
OFFICE OF THE CHIEF OF POLICE,
Washington, D.C., July 23, 1970.

HON. ANDREW JACOBS, JR.,
Longworth Building,
Washington, D.C.

DEAR CONGRESSMAN JACOBS: The Commander of the First District has brought to my attention your commendable action and assistance in obtaining the tag number of the vehicle in which robbery suspects made their escape from the scene of a robbery (hold-up) at the Acme Supermarket, 45 "L" Street, S.W. on June 12, 1970.

The official report indicates that about 11 a.m., Friday, June 12, 1970, while in a private auto westbound in the unit block of "K" Street, S.W., you and Mr. Chris Fager observed the exchange of gunfire between Special Officer Adams and two subjects getting into a maroon Ford parked at the curb and then driving off at a high rate of speed.

Realizing that a very serious crime had been committed, you directed Mr. Fager to drive around the block back to South Capitol Street to get behind the getaway car. While pursuing the suspects into the southeast area, you copied the tag number before they made good their escape in the area of Alabama Avenue and Stanton Road, S.E.

Your swift action at the time of this crime saved our officers many hours of investigative police work and assisted in the arrest of one of the hold-up men and a warrant being obtained for the driver of the getaway car.

It is very encouraging to know that there are citizens like yourself in our community who abhor criminal acts and respond to assist the police in the solution of serious crimes.

In recognition of your alertness and assistance, I am pleased to congratulate you and extend my personal thanks for your help.

Sincerely yours,

JERRY V. WILSON,
Chief of Police.

[From the Indianapolis (Ind.) Star,
June 20, 1970]

JACOBS HELPS IN PURSUIT OF BANDITS AT WASHINGTON

WASHINGTON.—When the bullets started flying, ex-deputy sheriff Andrew Jacobs, Jr. forgot he was a congressman and started chasing the hoods.

Detective Hermann Steiner of the Metropolitan Police Department credited Jacobs with helping catch the robbers of an Acme Supermarket on Washington's southwest side.

JACOBS and Chris Fager, a congressional intern from Indianapolis, had gone to a filling station June 12 to have Jacobs' car serviced. Fager was driving and protested when Jacobs urged him to make a left turn on a busy street.

"I know what I'm doing," Jacobs said, as the car turned into a hall of bullets.

JACOBS later complained that Special Officer Freddy N. Adams, an Acme employee, wasn't so good with his hand gun. "He grouped his shots, all right," ex-Marine Jacobs said, "but he was hitting a row of parked cars and not the fugitives."

Moments before Jacobs and Fager happened upon the scene, three men had entered the supermarket and disarmed Adams. The robbers scooped the money from a cash register, grabbed up three bags of newly-delivered coins and fled.

The getaway car was driven by a woman. Adams grabbed another gun from the manager's office and was busy trying to shoot the culprits when Jacobs and Fager came along.

After driving through the hall of lead, Jacobs and his young assistant pursued the getaway car.

The robbers fled over a bridge and into a remote Washington residential neighborhood. At Stanton and Alabama streets, southeast, the fugitive car turned into a housing project and came to an abrupt halt.

JACOBS ducked into a phone booth and called for police help.

When a cruiser arrived, he gave the policemen District of Columbia License No. 662-938 and a description of the car.

Subsequently, detectives interviewed a young woman who said her father's car with that license number had been stolen.

Questioning gave the detectives the name of the young woman's boy friend, Landin Mozon, who was listed in police files. They later went to pick Mozon up at his address and found his girlfriend and two other men taking narcotics.

Mozon was identified by Adams and others who were in the robbed grocery store. The young woman was arrested for narcotics violation and a warrant was issued for her on a robbery charge.

SENATE—Wednesday, July 29, 1970

The Senate met at 11 a.m. and was called to order by Hon. WILLIAM B. SPONG, JR., a Senator from the State of Virginia.

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

Eternal God, before the mountains were brought forth, or ever the world was formed—from everlasting to everlasting, Thou art God. Grant us now an awareness of Thy presence that shall brace us for new tasks. Empower us to work with sensitive spirits and sharpened minds. When evening comes may we be at peace with Thee and with one another.

Remember, O Lord, all those who labor under the danger of death that others may be comforted and protected. Sustain

those who represent the Nation in the Armed Forces and those who by diligent service and constant sacrifice enforce the law and keep the peace.

Bless all who work in the laboratory, at the bench, on the farms, or in offices, and grant that we may so hallow daily toil as to make it a divine vocation. Unite our endeavors to make us a better people and a better Nation.

In the name of the Craftsman of Nazareth. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore of the Senate (Mr. RUSSELL).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., July 29, 1970.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. WILLIAM B. SPONG, JR., a Senator from the State of Virginia, to perform the duties of the Chair during my absence.

RICHARD B. RUSSELL,
President pro tempore.

Mr. SPONG thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of

the Journal of the proceedings of Tuesday, July 28, 1970, be dispensed with.

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

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, at the conclusion of the remarks of the distinguished Senator from Virginia (Mr. SPONG), there be a period for the transaction of routine morning business with statements therein limited to 3 minutes.

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

ORDER OF BUSINESS

Mr. MANSFIELD. If the distinguished Senator from Arizona (Mr. FANNIN) would allow me, without losing any of his time, I should like to bring up a few unanimous-consent requests at this time.

Mr. FANNIN. I am happy to yield to the Senator from Montana.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the Executive Calendar will be stated.

NOMINATIONS PLACED ON THE SECRETARY'S DESK—IN THE COAST GUARD

The assistant legislative clerk proceeded to read sundry nominations in the Coast Guard, which had been placed on the Secretary's desk.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

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

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

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.

HOOD RIVER COUNTY, OREG.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 981, H.R. 914, and that the Pastore rule of germaneness not apply in this instance.

The ACTING PRESIDENT pro tempore. Without objection, the bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. H.R. 914, for the relief of Hood River County, Oreg.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. PACKWOOD. Mr. President, the Senate has an opportunity today to clear up a long-standing controversy concerning 160 acres of land in Hood River County, Oreg.

The problem stems from a misunderstanding regarding the ownership of a 160-acre tract of land located immediately south and east of the Hood River County Forest. This area was mistakenly designated a part of the Hood River County Forest in September of 1950 and was managed as a part of the county forest. In 1961, however, the county's ownership of the land came into question. Inquiries by the Bureau of Public Land Management resulted in a determination by the Government that the land was a part of the Mount Hood National Forest. The Hood River County Commissioners were notified of this determination in November of 1963.

Prior to that notification, the county, quite understandably, regarded itself as the sole owner of the land. Based on this assumption, the Forest Service, acting under contracts with the county, planned, supervised, and carried out five separate sales from the property between 1946 and 1961. Hood River County received a total of \$84,841.36 from those sales. The amount claimed by the United States is based on this payment to the county.

As a result of this unusual set of circumstances, Hood River County is faced with the very real problem of having to potentially repay the Federal Government \$84,841.36. I find the prospects of forcing payment on the taxpayers of Hood River County to be unacceptable. Officials of Hood River County, representing the taxpayers of that county, acted in good faith. An honest mistake was made—a mistake which Uncle Sam must share. The money was not wasted—it was used for valid purposes to better serve the citizens of Hood River County.

Let me also say something about the economic conditions of Hood River County. They are not good. The latest unemployment figures show that as of May 1970 there was an 8.3 percent unemployment rate in the county. In addition, the county's fruit crop suffered substantial damage earlier this year. So at this particular time, when economic conditions are far from the best, it seems ill-advised to ask Hood River County taxpayers to pick up the tab for a mistake of the Federal Government.

I believe that H.R. 914 will solve the problem. It would relieve the county of the obligation of paying the United States the \$84,841.36 claimed by the Government. Considering the tremendous burden that repayment would impose on the county, it seems to me that H.R. 914 offers a fair and equitable solution to an unfortunate situation.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91-977), explaining the purposes of the measure.

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

PURPOSE

The purpose of the proposed legislation is to relieve Hood River County, Oreg., of all liability to the United States, based on the proceeds of timber sales from 160 acres of land considered to have been a part of the Hood River County Forest in the period 1946 through 1961, which land was subsequently held by the United States to be Federal land.

STATEMENT

In its favorable report on the bill, the House Judiciary Committee set forth the facts of the case as follows:

During the 90th Congress a similar bill, H.R. 3165, was favorably reported and passed the House on June 3, 1968. That bill was the subject of a subcommittee hearing on Wednesday, April 24, 1968. At that time, representatives of Hood River County, Oreg., and of the Forest Service of the Department of Agriculture appeared and testified concerning the circumstances which gave rise to the claim by the United States against the county. At the hearing a map was submitted which shows the 160-acre tract to be immediately south and east of a tract of forest land which is part of the Hood River County Forest. The 160-acre tract was designated a part of the Hood River County Forest in September of 1950 and was managed as a part of the county forest. It was discovered in 1961 that there was a question concerning the county's ownership of the tract. The report of the Department of Agriculture indicates that at that time, the State's title to this particular land was challenged in private litigation and, in connection with that litigation, inquiries were made to the Bureau of Public Land Management concerning the status of the tract. These inquiries resulted in a determination by the Government that the land was a part of the Mount Hood National Forest. The Forest Service notified the Hood River County Commissioners of this determination in November of 1963.

At the hearing, the representatives of the county testified that prior to these developments, the county, in good faith, regarded itself the owner of the 160 acres of forest land. The county had regarded itself as the owner of the land for more than 40 years since the county had received a sheriff's deed to the property after delinquent tax foreclosure proceedings against the tract in 1922. The basis for the Government's determination that the land belonged to the Federal Government involved the discovery of an 1892 communication in the files of the Department of the Interior indicating that this particular property had been included in a large block of land that was intended for later designation as the Cascade Forest Reserve. This is the action referred to in the Department of Agriculture report when it states that on March 28, 1892, all of section 9 was withdrawn from entry under the public land laws for the purpose of creating the Cascade Forest Reserve.

This particular letter was dated a few months before the State of Oregon selected the 160 acres as "lieu" lands by filing Indemnity Selection List No. 226 on December 27, 1892. Hood River County traced its title from this selection for the State conveyed the 160 acres to a private owner, Mr. Edward Jones, on January 2, 1893. As has been outlined above, the county subsequently acquired the land as the result of foreclosure of delinquent taxes which had accrued subsequent to its conveyance to private ownership and prior to 1922. The Government's position is, in substance, that, notwithstanding the selection by the State, its subsequent conveyance to a private individual, and the acquisition of title by tax foreclosure proceedings by the county, and the subsequent 40 years during which the county asserted its rights as owner of the land, the U.S. Government still had title to the land and further never parted with title to the property.

In the report of the Department of Agriculture, it stated that prior to discovery of the question concerning title in the county, the Forest Service assisted the county in the management of this particular property along with more than 26,000 acres of the Hood River County forest lands. At the hearing on the bill, in the last Congress the representative of the Forest Service stated that at that particular time, the Forest Service relied on county records in determining the title and boundaries of forest land subject to management. On the assumption that Hood River County was the owner of the 160-acre tract, the Forest Service, acting under contracts with the county, planned, supervised, and carried out on behalf of the county five separate sales of timber from the property between 1946 and 1961. The Hood River County received from those sales a total of \$84,841.36. The committee is advised that the amount claimed by the United States is based on this payment to the county.

The committee was further advised that the Government also in 1965 claimed title to the property and has sold timber off the property in 1965-67 for which it has received some \$102,000 in revenues. These revenues are, of course, not involved in the amended bill.

The inequity to which H.R. 914 is addressed arises out of this assertion of rights by the Federal Government in the light of the particular circumstances concerning title and ownership of this specific tract. As a practical matter, no one was aware of the technicalities of the title situation until late 1961, after Hood River County had been considered the winner of the property for over the 40 years which elapsed since the 1922 tax foreclosure. It is also clear that the Government acted after five timber sales had been made on that assumption by the U.S. Forest Service acting for Hood River County. The amended bill will grant relief which, as a practical matter, is unavailable through judicial proceedings. The claim of the Government against Hood River County arose under circumstances demonstrating complete good faith upon the part of Hood River County which treated the 160 acres as its own property for over 40 years after 1922.

The testimony at the hearing indicated that Hood River County, in a court proceeding, probably could not successfully defend against the timber trespass claim of the U.S. Government based on the five timber sales between 1946 and 1961, and therefore could not legally establish its title to the subject property as against the U.S. Government.

The committee has further been advised that payment would impose a substantial economic hardship to Hood River County if the U.S. Government would force a payment of \$84,841.36. The total budget of this small county for the previous fiscal year was \$1,686,313, of which \$351,744 was raised from taxes imposed directly on its citizens and

their property. A timber trespass judgment for \$84,841.36 would represent approximately 5 percent of Hood River County's total annual budget. Since any such judgment would have to be paid from additional tax revenue, a judgment for \$84,841.36 would mean a 1-year increase of almost 25 percent in the total direct taxes imposed on the citizens of Hood River County. If the judgment was for double damages (approximately \$169,000), this would represent 10 percent of the county's total annual budget, and a 1-year tax increase of almost 50 percent over the present level of taxation.

The bill, as amended by the committee, would relieve the county of the obligation to pay the United States the \$84,841.36 claimed by the Government but would not grant the other relief originally included in the bill. In the 90th Congress identical amendments were made to the bill H.R. 3165 and the bill passed the House so amended on June 3, 1968. The bill H.R. 914, as introduced in the current Congress, would have also provided for a conveyance of the disputed 160 acres and would have further required a payment to the county of an amount equal to the money paid the United States as the result of sale of timber from the property since assertion of title by the Federal Government. The committee deleted the other provisions so that the bill does not alter the position of the parties as regards ownership of the land. As has been noted, the repayment would impose a heavy burden on the county and it is felt that the amended bill provides for an equitable adjustment of the matter and is fair in the light of all the circumstances which have been detailed in this report. While the Department of Agriculture has questioned relief, the committee feels the amended bill meets most of the Department's objections.

In this connection it should be noted that the General Accounting Office in its report to the committee on the bill has indicated it would have no objection to relief as is now provided in the amended bill if it is determined that repayment would work such a hardship. Accordingly, it is recommended that the amended bill be considered favorably.

The committee, after a review of the foregoing, concurs in the action taken by the House of Representatives and recommends favorable consideration of H.R. 914, without amendment.

The bill was ordered to a third reading, was read the third time, and passed.

DISCOVERY OF MERCURY CONTAMINATION IN OUR STREAMS, RIVERS, PONDS, AND LAKES

Mr. SCOTT. Mr. President, many Americans are alarmed about the discovery of mercury contamination in our streams and rivers, ponds, and lakes. My friend, the distinguished Senator from Vermont (Mr. PROUTY), is doing something about this problem.

In testimony before the Environmental Subcommittee of the Committee on Commerce, Senator Prouty laid the problem on the line and outlined ways of responding to mercury contamination.

I think they will find Senator PROUTY's testimony one of the most compelling to date on the problem of mercury pollution. I think that they will agree with his observation that:

What we have learned about mercury recently indicates that what we see and know about pollution is not as frightening perhaps as the unknown and unseen.

Mr. President, for the benefit of my colleagues, I ask unanimous consent that Senator PROUTY's testimony be printed in the RECORD.

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

STATEMENT OF SENATOR WINSTON PROUTY, REPUBLICAN OF VERMONT, TO THE ENVIRONMENTAL SUBCOMMITTEE OF THE U.S. SENATE COMMITTEE ON COMMERCE, JULY 29, 1970

Mr. Chairman, as we all know, at least 20 states are now experiencing major problems with mercury contamination. We are rudely confronted with the product of either our ignorance or inattention, or both.

Although it took us in the United States somewhat by surprise, we should have been prepared because mercury poisoning is not a totally new phenomenon. In the last decade Japan has suffered two crises of mercury poisoning, resulting in nearly 100 deaths and many cases of birth defects. Mercury poisoning in the past six years has left 35 dead in Iraq, 4 in Pakistan, and 20 in Guatemala. In December of last year, three children in New Mexico suffered permanent brain damage after eating pieces of a hog bred on mercury-treated seed grain.

In 1965, the Swedish Royal Commission on Natural Resources established the relationship between mercury pesticides and a large decrease in the bird population. In 1968, it was the Swedish delegation to the Codex Committee on Food Additives which presented concrete evidence of how mercury effluent from industrial production contaminates fish.

The toxicological, or poisoning, process of contamination is similar to that of DDT. Inorganic mercury (of which the U.S. annually dumps over 6 million pounds into its waters) is highly insoluble in water, and, therefore, of little danger to fish. However, it is taken into the food chain by microorganisms, which are in turn eaten by predators and so on up the food chain, until the mercury, now in a methylated organic form, is taken into the systems of the perch, walleye, carp, et cetera, and finally on to man, last link in the food chain. At each stage, the mercury is more concentrated.

When the highly compounded methyl mercury finally does reach man, it can cause neurological and brain damage, as well as injury to the liver and kidneys. Studies have shown the ease with which mercury in its methylated form can penetrate both the placental barrier and brain barrier, causing severe birth defects. In all cases, 10% of all the mercury we ingest goes to the brain; it is lethal to brain cells.

The mercury effluent remains in the environment from 10 to 100 years after dumping. This fact must not be lost on those who would urge delay in implementing mercury control.

Some states have now been forced to ban all commercial fishing in their waters due to actual or suspected mercury poisoning in fish. Michigan is one, Vermont is another. It is not necessary for me to describe the unavoidable hardships imposed by this ban. But several aspects of the Vermont case will, I think, interest you.

Following the ban on fishing, the State Agency of Environmental Conservation instituted a task force to undertake a complete study of the mercury problem.

After becoming aware of the troubles experienced along the Great Lakes, we were not surprised that our own Lake Champlain should have substantial amounts of mercury contamination. The figures show poisoning in fish as high as 1.4 parts per million in the Outer Mallets Bay zone, and 2.0 parts per million in the Missisquoi River (The Food and Drug Administration says that 5

parts per million of mercury is dangerous to human life and must be dealt with). These are areas which we checked first, as they have a certain amount of industrial concentration, and so were considered most probably to contain mercury.

But, as a matter of course, the task force checked Lake Memphremagog. I am sure that you can appreciate our amazement at finding levels of mercury in excess of .5 parts per million, since we are unaware of any industry now or in the past that has used any appreciable quantities of mercury in that region of Vermont or Canada.

Then it became apparent that we had a new ballgame. Consider an area like Silver Lake. It is located in the Green Mountain National Forest, atop a mountain and accessible only by four-wheel drive vehicles or by pack trip. It has no industry whatever—but it does have mercury contamination.

When Joe's Pond in Danville, Vermont produces fish contaminated eight times beyond the level set by the FDA, we are warned that the issue is far more complex than we had supposed. Presently, fish from all bodies of water 20 acres or larger are being analyzed. In almost every case, the findings show substantial amounts of mercury poisoning.

Vermont is not a heavily industrialized state, and has none of the chemical industries usually identified as the prime polluters. Almost no agricultural mercury seed grain is used. The orchards discontinued use of mercury years ago. So did most milk testing plants and paper processors. So where does the mercury come from?

Mr. Chairman, we realize now more than ever that this is no simple matter and that mercury pollution must be attacked from a number of fronts.

There are numerous other areas in which further research is urgently needed. One of the possible sources of pollution cited by our task force in Vermont is fallout—but, this is just a hypothesis. We know, too, that there is mercury naturally present in the environment, but are not sure how this affects our ecological balance. We in Vermont are doing all that we can, assisted by the facilities of our universities. Additionally, at my request, a program of sampling is now being undertaken by the U.S. Public Health Service. Yet the resources of a single state cannot solve all aspects of this nationwide problem.

Finally, we have come to realize that we can no longer afford to let these problems sneak up on us. With each day's dumping leading to some mercury contamination for 10 more years, we must anticipate the next ecological crisis. In Vermont, once we finish our investigation in mercury, we shall study lead, and continue with other minerals, until we are satisfied that we are not sacrificing permanent health to present convenience. After fish, we shall move to study muskrats, ducks, and other aquatic animals. Again, there is too much to do.

At the moment, we are stunned by our lack of knowledge. We cannot even identify all the sources of mercury contamination. Vermont is only a small state, but we are doing, I feel, a truly outstanding job of research to combat mercury pollution. I hope that other states which do not feel themselves threatened by the problem will take a hard second look. I hope states which mistakenly feel that by stemming the flow of mercury effluent they will end their troubles will learn from our experience in Vermont. And most of all, I hope that our state efforts will now be complemented by increasing concern from the Federal Government. Vermont's predicament is now the nation's problem.

Nationwide it is apparent that action is essential in three areas—assurance that (1) no contaminated fish are sold in the marketplace, (2) prevention of industrial effluent of mercury, and (3) development of a long-

range problem of information, analysis and transfer which will be adequate to prevent unintentional pollution.

First, we must be sure that all contaminated fish are removed from the market. It is the responsibility of the Federal Government to ensure that dangerous food fish are not introduced into interstate commerce, by co-operating with state authorities to sample and test for contamination.

While removal of the adulterated fish solves the short-term health hazard, secondly industrial effluence of mercury must also be halted. The Department of Interior is moving hard against mercury pollution. Two weeks ago, Secretary Hickel threatened court action against mercury polluters, and ordered the Federal Water Quality Administration and the U.S. Geological Survey to seek out polluters. He also wired the governors of 17 states where mercury pollution has become a major problem to urge them to take action at the state level. Last week he asked the Department of Justice to move against companies which have refused voluntary self-restraint.

Justice now says that they will bring suits against eight of these corporations, under the Refuse Act of 1899. The Administration has thus taken a large step forward. Establishment of minimum levels at which the government will act frees the states from the competition for business which sometimes causes ecological havoc. However, President Nixon also has the power, granted in the Water Quality Improvement Act, to designate mercury a "hazardous substance" and to recommend methods and means for the dealing with them when they become a problem? Before the crisis becomes more alarming, this should be done.

But the Administration must also realize that an end to an effluent is not an end to contamination. In view of Vermont's problems, and with the realization that Vermont is not an industrialized state, I feel that the present Federal concentration on large industries may in the end be misleading. Unless the larger industrialized states are aware of the findings we are getting in Vermont, they may very well end up in a complacent mood feeling that if they only zero in on large industrial users and figure once they correct that situation, all is well. (How many industries are there in Detroit compared to Vermont?)

Finally, we need to assure the acquisition and exchange of information on all matters of environmental pollution. To begin with, the present level of contamination labelled "dangerous" set by the FDA at .5 parts per million is only an "interim guideline" based on a safety factor of only 10 instead of the more usual 100. More study is needed to determine how much mercury we can allow the human body to consume. The formation of the Environmental Protection Agency will be an important step forward in researching and administering pollution control.

Should we fail to remove the contaminated items, fail to plug the sources of pollution, and fail to establish the means for interrelated study and legislative review of the problem, the consequences are staggering. As mentioned previously, once dumped, mercury will remain present in the environment from 10 to 100 years. Further, it concerns me that we have developed no practical way to remove mercury from our river-beds. At present, scientists are at work on various types of absorbent clays which might be introduced into our waters to tie up mercury and eliminate it from the food chain without altering the ecological balance. But as yet they have found nothing workable. In the meantime, what options are open to us in those states so heavily burdened with mercury pollution?

First, the mud from the river-bottom con-

taining the mercury can simply be removed. This would of course be terribly expensive, and result in unknown dangers to the whole environment.

Second, particularly offensive areas could be diked off. But aside from the resulting imbalances, this is only a partial measure. No matter where the mercury itself is dumped, it soon becomes generalized throughout the area as it is passed through the food chain. In bodies of water which have no known source of industrial effluent mercury, this method is useless.

In short, awaiting further scientific progress, we have no recourse against mercury already present in our waters. The mercury dumped while I am speaking will plague us for decades, and will probably end up in our own system.

What we have learned about mercury recently indicates that what we see and know about pollution is not as frightening perhaps as the unknown and unseen.

Perhaps it is wise to interject an optimistic note. I believe there is some reason for optimism. We have seen a change in the basic approach of government from the day it was only a referee among interests competing for resources to the day when government must be considered the trustee of the environment for all the people.

It must administer this trust not with stop-gap measures to halt specific abuses but with a clear top priority national goal of a quality environment for all. We must channel our wealth into protecting our future. If we fail to do this, we must be confronted by an environmental catastrophe that would render our wealth meaningless and which no amount of money ever could cure.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, both the Republican leader and I wish to thank the distinguished Senator from Arizona (Mr. FANNIN) for his courtesy and consideration in yielding to us at this time.

Mr. FANNIN. It was a pleasure to yield to the majority and minority leaders.

The ACTING PRESIDENT pro tempore. Under the previous order, the Chair now recognizes the distinguished Senator from Arizona (Mr. FANNIN) for a period not to exceed 20 minutes.

THE PROBLEM OF INFLATION

Mr. FANNIN. Mr. President, the people of this Nation are challenged by many vexing problems—lawlessness and disorder in our streets, the war in Vietnam, the apparent alienation of the young, the expansionist policies of Russian communism in the Middle East, and the erosion of the purchasing power of the dollar resulting from inflation. This last, in my view, is the most persistent and the most pressing.

Each month the Nation's newspapers headline every change in the cost of living. The workers win a wage increase and then watch their gains evaporate in the heat of higher prices. The process is particularly cruel for those on fixed incomes, retired producers living on pensions or savings.

There is a great divergence of opinion among the economists over many aspects of our present commercial and business structure. Some voices contend that a small amount of inflation contributes a beneficial influence on the Nation's economic health. But there is almost uni-

versal agreement condemning the escalated inflationary rates of recent years.

Various critics place some of the blame for the dangerous erosion of the purchasing power of the dollar on a variety of causes. But, Mr. President, I think there is almost unanimous agreement on the proposition that uncontrolled Federal spending, financed by borrowing, is the major cause of the inflation threatening our economic stability.

Mr. President, since the election of President Franklin D. Roosevelt Federal spending has exceeded Federal income in all but 4 of those years.

Deficit spending, which was inaugurated in an effort to overcome the great depression, was further accelerated during World War II and the Korean conflict. Even President Eisenhower, who was dedicated to balancing the budget, was able to achieve that objective in only 3 of the 6 fiscal years for which his policies were responsible. Without interruption, there has been a deficit—an excess of expenditures over income since fiscal 1960.

During this period many rational voices have argued the virtues of a balanced Federal budget. The leaders of both political parties have professed to be dedicated to bringing an end to deficit spending.

Most recently the Nixon administration hopefully projected a balanced budget for the fiscal year just concluded—a projection which failed to materialize because the Congress appropriated and spent more than the Government received in income.

Mr. President, every Member of Congress is painfully exposed to demands for increased spending. The Nation's unmet needs, some of them very real, are unlimited. Perhaps there are times when deficit spending can be justified. The tragedy is to be found in the truth that deficit spending has become a habit. The pattern has been established. Reasons, both personal and political, have destroyed the ability of the Congress to break the habit of deficit financing.

It is not my intention to condemn the Members for their actions. Each one of us, where our own particular constituency is involved, has on occasion stubbornly resisted every attempt to reduce some particular appropriation or curtail some particular program.

Indeed, it can be said with some certainty that a Member who adamantly refused to advance the claims of his constituency for some special governmental financing would arouse such voter wrath as to be replaced at the next election.

I shall not enlarge on this theme. It is, I think, a truth which must be recognized.

Must we then continue to borrow against the future? To commit our children's children to repay the funds borrowed today to indulge our own desires?

History is littered with the ruin of nations destroyed as a consequence of reckless governmental spending.

The well-intentioned Members of Congress, recognizing the danger which threatens us—and I say all Members of Congress are well intentioned in this par-

ticular—are unable to escape the established pattern and resolutely bring a halt to deficit financing.

Therefore, Mr. President, it is our responsibility to find a remedy, a rescue method which can work to halt the evils which now hold us prisoner.

It is, therefore, my intention, Mr. President, to offer as a practical, workable solution the adoption of an amendment to our Constitution.

This amendment would require that the Federal Government expenditures in any fiscal year be limited to the Federal Government's income from sources of taxation, with two exceptions provided: First, in the case of a declared war and the need for defense outweighing the need for fiscal restraint; and second, to provide more latitude in a time there was a Presidentially declared national emergency—for example, such as the great depression which paralyzed our society in the early 1930's.

The effect of such an amendment, Mr. President, would be to require the Congress and the administration in the preparation of the national budget and appropriation bills to either forgo the spending or to increase the taxes.

In my experience, Mr. President, the Members of Congress have always exhibited an admirable reluctance to increase taxes. Yet there have been tax increases when the need for increased income was clearly justified.

Mr. President, the prudent household is required to live within his income or face bankruptcy. Confronted with this unpleasant alternative, the housewife manages her expenditures within the limits of the family income.

Every family in America, every wage earner, has a desire to acquire certain material things which are beyond his income. Reality requires the establishment of essential priorities, and those items, sometimes purely luxury items and sometimes near necessities, must await acquisition until the money is available.

Mr. President, we all know that money is easy to spend and difficult to earn. The Congress in many cases behaves in the manner of an indulgent father with an inexhaustible reservoir of resources, catering to the whims of all his children. This has been possible because the Congress has not been under any restraint to earn the money it spends.

Mr. President, we can no longer postpone a decision. We have hopefully indulged in wishful thinking that one day the economic productivity of the people of the United States would produce sufficient tax revenue to catch up with our spending habits.

A continuation of our present course will increase the hardship threatening all of our people, will contribute to the tension between labor and management, will add to the discontent of the consumer, and will, in my judgment, if unrestrained, eventually destroy the Government of the United States.

Both prudence and our responsibility to the office we serve requires us to recognize the truth of our present unpleasant situation.

Such an amendment as I propose would

not mean an end to those social programs which consume such a great percentage of governmental income at the moment.

Such an amendment as I propose would not cripple our ability to provide for the national defense. Such an amendment would only require a more careful appraisal of the needs as they are presented to us. If the need for this program or that activity, or this governmental financial support upon examination is determined to be truly paramount, then there would be justification for increasing the tax rates.

I suspect, Mr. President, that if such an amendment were in effect today, the Congress would give much closer scrutiny to many of the spenders' demands.

I suspect, Mr. President, we would discover the people could be quite happy and very properly cared for at a level of Federal spending within the limits of Federal income.

And I suggest, Mr. President, there is no more urgent need confronting this Nation today than the need to restructure the fiscal policies of the United States, and bring a halt to the cruel destruction of the purchasing power of the dollar.

Inflation is the thief invading the bank vaults to destroy the savings of the prudent.

Inflation is the thief robbing the pay envelopes of America's working men.

Inflation is the silent partner of America's enemies determined to destroy our freedom and our Government.

Let us then, as Members of the Congress, recognizing our own inability to cure this difficulty, provide the people with an opportunity to impose limitations on spending which will be effective and bring an end to the miseries caused by inflation.

ORDER OF BUSINESS

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

The PRESIDING OFFICER (Mr. ALLEN). Without objection, it is so ordered. The Senator from Virginia is recognized in accordance with the previous order for not to exceed 30 minutes.

STRETCH JETS AT NATIONAL

Mr. SPONG. Mr. President, since reversing its longstanding policy against larger jets at Washington National Airport, the Federal Aviation Administration has been laying down a smoke screen of rationalizations and misinformation designed to obscure the importance of the issues involved.

Appearing before the Senate Aviation Subcommittee last month, FAA Administrator John Shaffer professed to be at a loss to explain public opposition to the decision. Specifically, he denied that the larger jets would help to perpetuate the overutilization of National, advancing

the ingenuous argument that "a bigger airplane will not bring greater numbers of customers into the terminal" and that "all the people who want to use the airport are already using the airport."

The point, of course, is not that more people will want to fly because there are stretch jets at National, but that more people will be able to fly out of National and presumably will fly out of National rather than Dulles or Friendship Airports as the air travel market experiences an expected threefold growth over the next decade.

That is the significance of the stretch jet decision and Mr. Shaffer is fully aware of it as is indicated in his March 18, 1970, letter to me explaining why it was unlikely that stretch jets would ever be allowed to operate at National:

In my opinion, we are getting close to the day when the quota restriction at Washington National Airport will prompt the carriers to transfer service, particularly Chicago service, from National to Dulles Airport and any different action today, particularly during a "soft" period in passenger load factors, might postpone air carrier actions on this matter.

The point was made even more forcefully in a report prepared for the Administrator by his own top experts in the National Capital Airports Bureau which operates National and Dulles:

The hard, cold facts are that the stretch 727 cannot be employed profitably at National without substantially altering the prospects for growth of Dulles and Friendship. Under present circumstances, the critical point in the growth of Dulles will occur when restrictions at National force transfer of significant service, particularly Chicago service, from National to Dulles Airport and any that day is not far off now. . . . But the decision to admit the stretch 727 to National (possibly setting the precedent for the even larger air bus) will postpone that day indefinitely.

In light of that warning, it is instructive to note how many of the new stretch jets have been put into service on the Chicago route.

In April, the first month of their operation, 40 of the Boeing 727-200's flew to and from Chicago. That was about 16 percent of the total of 242 stretch 727's using National that month.

In May, the number on the Chicago route increased to 100, or 20 percent of the 487 total, and in June, the number was 196, or 27 percent of the 702 stretch jets using National.

For the first 12 days of July, when a total of 372 stretch jets operated out of Washington National, 127 or 34 percent were on the Chicago schedule.

Mr. President, these figures, which I obtained from the FAA, make clear beyond question what was involved in the stretch jet decision and why the air carriers lobbied so hard to get it. Without it, they would have been forced to begin leveling off their use of National and making better use of Dulles Airport. But with approval of larger aircraft, that day can be put off indefinitely and National Airport can continue as the principal base for commercial jet operations in this region.

The stretch jet decision virtually nullifies any passenger-limiting effect of the 40-flights-per-hour quota at National,

for if you can pack up to 40 percent more passengers in a stretch jet, who needs additional flights? For that matter, with three-engine stretch jets and air buses, who needs four-engine aircraft, which is another of the now meaningless restrictions at National.

Contrary to the testimony of Mr. Shaffer that the stretch jet would be admitted only on a "rare basis," it appears that the air carriers are substituting the new equipment as rapidly as they can. In April, the average number of stretch jet flights each day was 11. By May that had risen to 15.7 and in June to 23.4. In the first 12 days of July, the daily average was 31, with as many as 39 using the airport on 2 days of the month.

Administrator Shaffer has attempted to downplay the critical report of his own experts by contending that it is based on unrealistic assumptions about the number of stretch jets that ultimately will use National and their passenger-carrying capacity.

In fact, the report assumed that the airlines would substitute stretch jets on only about 30 percent of their flights at National for a daily number of 134. Moreover, it was assumed that it would take until mid-1971 to reach that figure. In roughly 3 months' time, the air carriers are already a quarter of the way there.

The report went on to predict that this level of usage would result in an additional 1 million passengers a year at National. That calculation was based not on some wild and fanciful assumptions about passenger load factors, as Mr. Shaffer has suggested, but on the actual seating configurations and load factors of jets in operation today.

Mr. President, the stretch jet is only the beginning of what can be done to expand the use of National Airport by expanding the capacity of the aircraft permitted to operate there. Just around the corner are the DC-10 and the Lockheed 1011 air buses, three-engine giants which are fully capable of using the runways of National Airport. These jumbo jets can carry between 250 and 270 passengers in mixed seating, and up to 345 in all-economy flights.

Moreover, both of these aircraft themselves can be "stretched" or lengthened to increase the maximum capacity of the DC-10 to 475—or about the same capacity as the Boeing 747—and of the L-1011 to about 375.

Mr. President, the FAA is now assuring the public and the Congress, in much the same way that it assured them about stretch jets, that it has no plan to permit the introduction of air buses at National when those jets begin operating next year.

But there is not a doubt in my mind that these jumbo jets will be permitted to use National Airport and that the FAA will invoke the precedent of stretch jets to justify its action.

Already, the manufacturers of the air bus engines are engaged in a national advertising campaign to win public acceptance of these jets as no more polluting or noisy than smaller jets now flying. If that is true, I congratulate the industry on the progress it has made.

But that is far from saying that the

noise and pollution caused by the operation of these jet planes in the midst of a heavily congested residential area is tolerable. It is not. Nor would it be if it were reduced to half the present level.

Of even greater concern to me is the potential safety hazard represented by this outmoded and congested airport. While it is true that National enjoys a good record in this regard to date, I believe we are tempting the fates to continue overtaxing and expanding its facilities. It should not take a fatal crash such as occurred off National's runway a few weeks ago to make us realize the potential that exists for a major disaster at that airport.

The introduction of larger and heavier aircraft will compound the safety hazards that already confront light planes using the airport. The turbulence that rolls off the wings of such big jets is quite capable of upsetting smaller planes following in the wake and I would not be surprised that with the continued buildup of stretch jets and the introduction of air buses to see the airport closed to most general aviation.

That, of course, would permit the FAA to allocate an additional number of flights per hour to commercial air carriers, something Administrator Shaffer has indicated in correspondence with the airlines he is anxious to do.

Mr. President, of all the objections that can be raised to the stretch jet decision, the most disturbing is what it tells us of the relationship of the FAA with the air carriers it is supposed to regulate. It could not be put more strongly than it was in the report of FAA's own National Capital Airports Bureau:

The Bureau and FAA have a responsibility to foster the operation of Dulles as a successful airport serving the public interest. The taxpayers have a right to expect that it will fulfill that role. Economic self-sufficiency for Dulles even if it could be totally achieved as a price for the increased use of National will not serve that right or fulfill that duty. Moreover, there is every reason to believe that financial self-sufficiency for Dulles cannot be attained as the price for this decision.

Dulles Airport was built at the expense of \$110 million to the American taxpayers for the express purpose of relieving congestion at National which as far back as 1949 was judged by the Commerce Department to be "taxed to the utmost" by the then existing air traffic. But, despite that investment of taxpayers funds, and the clear intent of the Congress in appropriating the money, the FAA has allowed the airlines to continue making National Airport their primary base in this region.

Since fiscal year 1957, National Airport has consistently operated at a profit considering all costs. Dulles, on the other hand, has been grossly underutilized. Operations for fiscal years 1963 through 1969 resulted in total revenues of \$20.4 million while total expenses, including depreciation and imputed interest on investment, amounted to approximately \$76.6 million. The taxpayer has had to make up the difference.

The FAA is fond of quoting passenger growth percentages at the two airports

in an attempt to show that Dulles is not doing too badly. Those percentages, however, obscure the true picture since they obviously favor the airport which started from a zero base.

The facts are these:

From fiscal year 1964 through 1969, passenger traffic growth at Dulles expressed in percentages, averaged 21.9 percent per year. During the same period, passenger traffic growth at National averaged 11.4 percent.

However, the total passenger traffic at Dulles increased by only 1.2 million. For the same period, National passenger traffic increased by 4 million.

The FAA also contends that with a little more than 19 percent of the region's air traffic, Dulles Airport's development is about on schedule. Yet, at the time of Dulles' construction the FAA concluded that a proper distribution of the region's air traffic would give Dulles 45.8 percent and National only 3.9 percent instead of the 65 percent it accommodates today.

Mr. President, from the very opening of Dulles it was clear that the air carriers preferred to stay at National and that the FAA was not prepared to assert its responsibility to bring about a balanced use of the two facilities. That is reflected in the original Dulles use agreement which, in establishing the landing fee formula, provided that the new airport would be operated at a planned deficit in this major cost area for at least 10 years.

In justifying that unprecedented agreement, the FAA argues that it has no real authority to require the air carriers to use Dulles notwithstanding the intent of Congress in building the airport. For the record, the FAA made this observation:

The air carriers did not ask for Dulles and saw no need for it when it was proposed. They already had staffing and equipment at two airports to serve what they considered (with CAB concurrence) to be a single market. They were reluctant to duplicate this investment at a third airport which they felt would not be needed for some time to come.

Even accepting that plea of regulatory impotence, the FAA might have used its proprietary power in such ways as setting higher use fees at National in order to encourage a greater utilization of Dulles. It might have, that is, until 1966 when the FAA signed another agreement with the air carriers tying the fees at the two airports together. It is what is known in the FAA as the rig.

That agreement effectively ruled out any possibility of a fee differential and over the short run at least, actually had the effect of giving the FAA an incentive to limit the growth of Dulles and to continue heavy use of National. While it appears that this reverse incentive would have been corrected over a longer term, what is most significant about the agreements is that they contracted away one of the powers available to the FAA to manage these airports in the public interest.

I might add here that this agreement also makes it impossible for the FAA to share measurably in any profit that may result from the admission of stretch

727's at National, profits which the FAA has indicated could be quite substantial.

Mr. President, I can well understand the desire of the air carriers to continue to make the maximum possible use of National Airport which is unrivaled anywhere in the country for its proximity to the major city it serves. The air carriers have been allowed by the FAA to invest a great deal of their own money in expanding the terminal facilities of National and it is natural that they would want to make full use of them.

Someone, however, must represent and protect the public interest in seeing that rational limits are placed on the use of National and that the investment of tax dollars in Dulles is not wasted as it has been up until now. The airlines themselves will not and cannot be expected to do this voluntarily as General Quesada, former FAA Administrator, observed in recent testimony on this subject:

The fact remains that one should not expect and certainly should not hope for the solution to National's problems to be reached by agreement among the airlines. The competitive instincts are such that this is not a hopeful solution.

Certainly, those problems will not be solved by an agency whose attitude too often seems to be what's good for the airlines is good for the country.

Mr. President, in testifying on a bill I have introduced to take the management of National and Dulles Airports away from the FAA, Administrator Shaffer conceded that the management of these facilities was inconsistent with the FAA's principal function of promoting the development and safety of civil aviation.

I would add only that it is a promotional role the FAA has grown too used to and that it is time for a change.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order the Senate will now proceed to the transaction of routine morning business, with a limitation of 3 minutes on statements.

HOW OUR POW'S ARE TREATED—A BLACK RECORD

Mr. PACKWOOD. Mr. President, through ages past war has been the ultimate expression of intransigence. When the ambitions of one nation or one ruler ran counter to those of another—and are nonnegotiable—a war has almost always resulted. An inevitable result has always been untold suffering and loss to the defeated army, their dependents and, indeed, to all the inhabitants of the defeated nation. Because the demands of war are traditionally greater than self, war becomes a justification for all the otherwise inhibited cruelties with which man's nature is endowed.

As the years have marched onward, however, and the ideals of civilization grew, men undertook to reduce the horrors of war insofar as they have affected the innocent victims. They have gone so far as to recognize that even the

soldiers themselves are in a very clear sense merely victims of the war. And it has become customary among civilized nations, a part of international law in fact, that captured warriors are to be treated with compassion.

By mutual agreement of ages past, the leaders of warring nations have generally been immune from the direct personal effects of war. Of recent years this has been less so, but in the meantime the growing humanity of man has extended this understanding to the common soldiers who, by no stretch of the imagination, deserve to be blamed for the war or its effects.

Mr. President, the measure of a civilized nation these days is clearly determined by the manner in which it treats the unfortunate soldiers, seamen, or airmen who, through the fortunes of war, have fallen into the hands of their enemies. The world should know that Hanoi but convicts herself by the way she treats these men. The black record which that nation is forging for itself will lie in the scales of international justice for many years to come.

ORDER OF BUSINESS

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

The PRESIDING OFFICER (Mr. SPONG). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

TRUTH IN TAXATION

Mr. TOWER. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "Truth in Taxation," published in the Washington Post of July 18, 1970.

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

TRUTH IN TAXATION

In case you haven't noticed, the airlines no longer advertise that the fare from here to the West Coast (coach fare) is \$135 plus federal tax. Instead, they say the fare is \$145.80 including federal tax. The reason is that Congress, in its wisdom, has made it a federal crime for any airline to say in its advertising how much it charges for transportation and how much the government adds to that in taxes.

In fact, this tax-hiding law of 1970 goes even further. It bars airlines and travel agencies from breaking down the total fare into its two parts on the tickets they sell. Just the other day, for instance, we were teasing an airline ticket clerk about this and she said, "Oh, I can tell you what the tax is. I just can't write it down." Now she may be carrying the law a little far but who can blame her? Nobody wants to be dragged into criminal court and fined up to \$100 for telling you the truth about air fares and taxes.

There is, of course, an argument for this new practice and it is the one Senator Long adopted in explaining on the Senate floor what this is all about. This, he said, "will give assurance that the public will know the total airfare for a particular domestic flight and not be misled into assuming that the fare alone represents the total cost." Un-

doubtedly, some people have been misled by the \$135 plus federal tax bit. But we suspect that Senator Tower also caught some of the seasoning behind this new criminal law in his complaint that its purpose is to conceal from the taxpayers the tax increase on airline tickets that went into effect July 1.

Laying aside, for the moment, all the arguments about the First Amendment and the peoples right to know (we may haul them out later on this issue if nothing else works) we would remind Congress of the Truth in Lending Act and all the recent speeches about truth in advertising. There ought to be something in the slogan, Truth in Taxation. If Congress were really concerned about keeping people informed of the full cost of travel, it would not have barred airlines from mentioning taxes but would have required simply that they state the total fare as well as their share of it. That's what the gasoline stations have been doing on their pumps for years and we've never seen an effort in Congress to stop them from talking about federal taxes.

ORDER OF BUSINESS

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

The PRESIDING OFFICER (Mr. HARRIS). The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

REPORTS OF COMMITTEES

The following reports of committees were submitted:

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

S. 3766. A bill to authorize appropriations to carry out the Fire Research and Safety Act of 1968 (Rept. No. 91-1040).

By Mr. ELLENDER, from the Committee on Appropriations, without amendment:

H.J. Res. 1328. Joint resolution making further continuing appropriations for the fiscal year 1971, and for other purposes (Rept. No. 91-1041).

FLAMMABLE FABRICS ACT AMENDMENTS OF 1970—REPORT OF A COMMITTEE—INDIVIDUAL VIEWS (S. REPT. NO. 91-1039)

Mr. MAGNUSON. Mr. President, from the Committee on Commerce, I report favorably, with amendments, the bill (S. 3765) to authorize appropriations for fiscal years 1971, 1972, and succeeding fiscal years to carry out the Flammable Fabrics Act, as amended, and I submit a report thereon. I ask unanimous consent that the report be printed, together with the individual views of the Senator from New Hampshire (Mr. COTTON) and the Senator from Kentucky (Mr. COOK).

The PRESIDING OFFICER (Mr. MILLER). The report will be received and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from Washington.

BILLS INTRODUCED

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

By Mr. SAXBE:

S. 4138. A bill to amend the Federal Water Pollution Control Act to promote the purposes of such act by authorizing loans to industry to abate and prevent water pollution; to the Committee on Public Works; and

S. 4139. A bill to amend the Internal Revenue Code of 1954 to authorize an incentive tax credit allowable with respect to facilities to control water and air pollution, to encourage the construction of such facilities; to the Committee on Finance.

(The remarks of Mr. SAXBE when he introduced the above bills appear later in the Record under the appropriate heading.)

By Mr. ERVIN:

S. 4140. A bill for the relief of Fan Zu Ming; to the Committee on the Judiciary.

By Mr. PASTORE:

S. 4141. A bill to amend the Atomic Energy Act of 1954, as amended, to eliminate the requirement for a finding of practical value, and for other purposes; to the Joint Committee on Atomic Energy.

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

S. 4142. A bill to establish a National Development Bank to provide loans to finance urgently needed public facilities for State and local governments and to help achieve a full employment economy by providing loans to business and industry when adequate loan funds at reasonable rates cannot be obtained from conventional lending sources, and to provide needed capital for other socially useful purposes; 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. HARTKE:

S. 4143. A bill to provide that certain expenses incurred in the construction of a school in Jeffersonville, Ind., shall be eligible as local grants-in-aid for purposes of title I of the Housing Act of 1949; to the Committee on Banking and Currency.

By Mr. MONDALE:

S. 4144. A bill for the relief of Seela Samarakoon; to the Committee on the Judiciary.

By Mr. MONDALE (for himself and Mr. JAVITS):

S. 4145. A bill to authorize loans under title I of the Housing Act of 1949 to aid in the development of the United Nations Development District; to the Committee on Banking and Currency.

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

By Mr. MONDALE:

S. 4146. A bill to amend the Federal Trade Commission Act to prohibit certain unfair sales practices in the copper industry; to the Committee on Commerce.

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

S. 4138 AND S. 4139—INTRODUCTION OF BILLS DIRECTED AT POLLUTION ABATEMENT

Mr. SAXBE. Mr. President, I introduce two bills directed at pollution abatement.

The first amends the Water Pollution Control Act and makes available to industry a revolving loan fund for the acquisition, construction, and installation of water pollution control equipment and facilities. This bill is directed at small- and medium-sized businesses. Its dollar limitation is \$350,000, paralleling the statutory limit of federally guaranteed small-business loans. These direct loans will be made only if other sources are not available for industry to borrow at reasonable terms and conditions.

The thrust of this bill is to allow industries the financial means to clean up the discharge into our Nation's rivers and streams. The bill will allow smaller businessmen to acquire and install pollution equipment that has already been developed. This is not to say that additional funds should not be directed into the research and development of new pollution control equipment, rather it is to prevent businessmen from using the excuse of financial hardship as a reason for not installing pollution abatement equipment.

The small businessman today finds himself in a position where much-needed Federal, State, and local pollution standards have forced him into installing pollution control equipment. He usually has to borrow for this equipment and has a difficult time finding a bank who will lend him enough money for the installation and operation of nonproductive equipment. If such a businessman cannot find pollution control financing he is forced either to run the risk of being enjoined and penalized by Government for polluting the streams or going out of business and consequently putting his employees out of work.

Simultaneously, I am introducing a bill providing for an incentive tax credit for the taxpayer who undertakes construction programs for pollution abatement facilities.

This legislation permits a 20-percent tax credit to all business taxpayers installing pollution control equipment. The tax credit applies to all costs of the pollution control facility, including buildings, improvements, machinery, equipment, and total land cost.

As an alternative, the taxpayer is permitted at his election to amortize these expenditures over a 5-year period as provided in section 169 of the Internal Revenue Code.

For the taxpayer to qualify for the benefits of the incentive tax credit, he must obtain approval from an appropriate State agency that the facility, when constructed, will meet Federal-State standards for control of air and/or water pollution. The provisions of this legislation encourage the construction by industry of pollution abatement facilities to help solve some of the Nation's critical pollution problems.

The money expended for these projects would be put into nonproductive facilities. These are costly facilities to construct and require high nonproductive operating costs which must be charged against future earnings. An incentive tax credit will enable the business and industrial sector of our economy to take prompt action, in cooperation with Federal, State, and local governments, to solve the grave pollution problems facing our Nation.

This legislation allows the Government and industry the opportunity to share equally the cost of pollution abatement. Government has long been lax in enacting laws setting forth adequate standards to prevent pollution. Industry has taken advantage of the lack of action by our Congress and the legislatures of the several States. It is only fair that Government and industry participate in

tandem to abate and clean up the ravages of industrial pollution.

Industrial discharge certainly does not account for all our water pollution problems. Sewage from residential dwellings and inadequate municipal treatment plants contribute greatly to pollutants in our rivers. For example, the Potomac River has almost no industry along its banks but is one of the dirtiest rivers in America.

President Nixon's proposed legislation, introduced by the distinguished minority leader from Pennsylvania, Senator SCOTT, thoroughly attacks these pollution problems. I am a cosponsor of these measures and I hope they will be reported soon for consideration by this body.

Mr. President, the bills I introduce today are geared to work in cooperation with the administration's programs and existing Federal pollution legislation. They provide realistic incentives and financial means for industry to control the discharge of pollutants into our atmosphere and waterways.

The PRESIDING OFFICER (Mr. SAXBE). The bills will be received and appropriately referred.

The bills, introduced by Mr. SAXBE, were received, read twice by their titles and referred as indicated:

S. 4138. A bill to amend the Federal Water Pollution Control Act to promote the purposes of such act by authorizing loans to industry to abate and prevent water pollution; to the Committee on Public Works; and

S. 4139. A bill to amend the Internal Revenue Code of 1954 to authorize an incentive tax credit allowable with respect to facilities to control water and air pollution, to encourage the construction of such facilities; to the Committee on Finance.

S. 4142—INTRODUCTION OF THE NATIONAL DEVELOPMENT BANK ACT OF 1970

Mr. SPARKMAN. Mr. President, on Monday of this week the senior Senator from New York (Mr. JAVITS) spoke to this body in regard to the "liquidity crisis" which has resulted because of inflation and tight money. This liquidity crisis, Senator JAVITS points out, caused one of the Nation's largest corporations to go into bankruptcy.

In his speech the able Senator from New York pointed also to the other large corporations which reportedly have moved frantically under today's economic conditions to seek short-term money. In addition, he declared other corporations have either postponed or delayed public offerings because of the high interest rates presently being demanded.

In his statement he said, and I quote: It is clear that the continued ability of certain large businesses to operate is very much in the national interest. It would have been tragic for our economy and for the national security of the United States if the Penn-Central bankruptcy had seriously disrupted the essential commercial paper market—and paralyzed companies dependent on it for operations.

There is much to be learned and much for which to be concerned when one

studies Senator JAVITS' remarks. I commend him on his statement, and I commend him for the position he has taken in introducing his bill, S. 4127, to provide emergency authority for the guarantee of loans to aid business enterprises to meet temporary and urgent financial needs.

Certainly, I share the same concern as do Senator JAVITS and others for the financial stability of our large corporations as well as for our Nation.

But, Mr. President, as always there is another side to this coin. Very frankly, I have equal concern for our towns and cities, for our small businessmen—corporations, partnerships, and individuals—and for the people in rural and urban areas who find themselves in just as great a personal financial dilemma as does the Penn Central.

Inflation and the high cost of money, in fact, the inability of our towns and cities, small businessmen, and individuals to obtain funds they urgently need at any cost, is a very serious matter.

Inflation and high interest costs, which have continued to spiral upward for some time now, some months ago drove many of our communities as well as our large cities completely out of the money market. These entities, as both State and local governments, have simply been unable to finance urgent and necessary public works and facilities and, as a result, there has been an accelerated deterioration in existing facilities to the point where in many areas the health and welfare of our people are materially being affected.

Plans and programs to expand water and sewer systems, to build new schools or add additions to existing schools, hospitals, and airports have had to be shelved, simply because financing for such facilities is just not available or available at such a price that it is economically unfeasible to undertake these programs. In addition, plans to combat water pollution and air pollution have also had to be shelved or postponed indefinitely for the same reasons.

Tax and other financial sources available to our State and local governments are strained beyond capacity and yet, as times goes on, the demand for funds to provide the programs of which I am speaking will multiply many times in the near future.

Small businessmen; that is, the smaller corporations, partnerships, and individuals were among the first to be cut out of the money supply because of inflation and the high cost of money. Whereas, the bankruptcy or demise of the small businessmen certainly does not create or generate on a national basis a near economic crisis as did the bankruptcy of the Penn Central, the effects and implications in local economies—especially in rural economies—are just as severe as were the effects and implications of the Penn Central bankruptcy on the national economy.

When a person is laid off—is unemployed and cannot find a job—it makes little difference to him personally whether he worked for a major corporation or for a small businessman. In general, the implications and effect of unemployment are all the same. We are all aware that

unemployment figures in the Nation have been on the rise for several months now. In summation local problems add up to national problems.

I agree with Senator JAVITS that the time has come when legislative steps are needed so that we can avoid the economy skirting the edges of economic disaster. I am not convinced, however, that our legislative efforts should be solely for the purpose of assisting "necessitous borrowers."

In fact, Mr. President, had a leadership position been taken and moral suasion and other powers of the President's office been used at an early date with some of our "necessitous borrowers" as well as with labor organizations and others, I wonder if we would now be looking for legislative means to avoid near misses to economic crisis.

I feel that if Federal exposure is to be used to provide liquidity that is not now obtainable on reasonable terms and conditions that such exposure must be made available on a loan or guaranteed loan basis to all those who are eligible and who urgently need this type of assistance not only to continue in business but also to provide essential public works and facilities and full employment for the unemployed as well as the underemployed.

It is in this connection then, Mr. President, that I introduce a bill to provide for the establishment of a National Development Bank. I ask unanimous consent that the bill be printed in full in the RECORD at the conclusion of my remarks.

Very generally, my bill would establish a banking facility at the Federal level for the purpose of making or guaranteeing long-term loans to State and local governments for public works and facilities to provide urgent and vital public services to safeguard the health and welfare of our people. In addition, the bank to be established by my bill could make or guarantee loans to businesses and commercial concerns for expansion and for the purpose of achieving a full employment economy for our people.

My bill provides that the interest rate on loans to State and local governments and public agencies would not exceed per annum the Federal Reserve discount rate which is presently 6 percent. This interest rate for those public entities which cannot find funds at any price would be extremely helpful in letting programs that have been shelved proceed.

Loans made or guaranteed to businesses and commercial concerns would be made at an interest rate no less than the Federal Reserve discount rate and no more than one and a half percentum added to that rate.

The bill further provides as a prerequisite of obtaining loans from the bank that the borrower must show he is otherwise unable to obtain funds on reasonable terms and conditions.

Among the other usual and necessary powers provided to this new banking facility, the bill would authorize the bank to have capital stock of \$500 million to be subscribed by the U.S. Treasury. The outstanding indebtedness of the bank at any one time, including contingent liabilities on outstanding guarantees, could not

exceed 20 times the paid in capital stock of the bank at that time.

Mr. President, my bill in essence establishes a reconstruction finance corporation for this era of our economic plight. A companion bill is being introduced by my counterpart, Mr. PATMAN, the chairman of the Banking and Currency Committee in the House of Representatives. We both feel that if our proposal is enacted into law, the legislation will overcome many of the problems for State and local governments, businessmen, and the people—problems brought about by inflation, and the tight-money, high-interest rate conditions in our present economy.

The PRESIDING OFFICER (Mr. HARRIS). The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 4142) to establish a National Development Bank to provide loans to finance urgently needed public facilities for State and local governments and to help achieve a full employment economy by providing loans to business and industry when adequate loan funds at reasonable rates cannot be obtained from conventional lending sources, and to provide needed capital for other socially useful purposes, introduced by Mr. SPARKMAN, was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

S. 4142

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

SHORT TITLE

SEC. 101. This Act may be cited as the National Development Bank Act of 1970.

FINDINGS AND DECLARATION OF PURPOSE

SEC. 102. (a) The Congress hereby makes the following findings:

(1) Inflation and tight money-high interest rate conditions make it impossible to achieve sound and orderly development of the Nation's communities to accommodate our growing population. Adequate and timely provision of a wide variety of public works and community facilities, such as streets, water, sewers, schools, hospitals, airports, mass transit, recreation as well as facilities to reduce and eliminate air and water pollution are immediately needed to provide required social services, safeguard the health and welfare of the population and halt rising unemployment.

(2) Tax and other financial sources currently available to State and local governments to finance such public works and facilities are strained beyond capacity yet the demand for such funds will multiply many times in the near future.

(3) Public investment in our Nation's communities, when efficiently planned and carried out, will add to the wealth of individual communities as well as the wealth of the Nation as a whole.

(4) It is necessary to provide an adequate source of loan funds at reasonable rates to help finance expansion and development of businesses and industries in order to achieve a full employment economy, especially for those Americans trapped in depressed urban and rural areas.

(b) It is the purpose of this Act to establish a National Development Bank to make and guarantee long term loans to State and local governments for public works and facilities and for business and industrial expansion and development to provide urgent, vital public services, safeguard the health

and welfare of our people and to achieve a full employment economy for our citizens.

DEFINITIONS AND RULES OF CONSTRUCTION

SEC. 103. (a) The definitions and rules of construction set forth in this section apply for the purposes of this Act.

(b) The term "public facility" means the structures and equipment owned and operated by State and local governments to provide medical, social, education, transportation, pollution control and other services.

(c) The term "supporting public facilities" means those facilities which are usually publicly owned and are necessary for the operation of businesses and industries, such as roads and sewer and water systems.

(d) The term "effective interest rate" means the total amounts paid on a loan for interest, commissions, bonuses, discounts, premiums and other similar charges.

ESTABLISHMENT

SEC. 104. There is hereby created a body corporate to be known as the National Development Bank (referred to in this Act as the Bank).

BOARD OF DIRECTORS

SEC. 105. The management of the Bank shall be vested in a Board of Directors consisting of the Secretary of the Treasury, the Secretary of Commerce, the Secretary of Labor, Secretary of Agriculture, and eleven other persons who shall be appointed by the President with the advice and consent of the Senate. Persons so appointed shall include representatives of State or local governments, private enterprise, organized labor and rural organizations dealing with economic and social problems of depressed areas. In making such appointments the President shall (1) seek to achieve a balanced representation of the interests of urban and rural areas, and (2) select persons who, among other relevant considerations, are knowledgeable in the social and economic problems of low income persons. The terms of directors appointed by the President shall be two years, commencing with the date of enactment of this Act. Any director appointed to fill a vacancy shall be appointed only for the unexpired portion of the term. Any director may continue to serve as such after the expiration of the term for which he was appointed until his successor has been appointed and has qualified.

APPOINTMENT OF OFFICERS AND EMPLOYEES

SEC. 106. The Board of Directors of the Bank shall appoint a president of the Bank and such other officers and employees as it deems necessary to carry out the functions of the Bank. Such appointments may be made without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and persons so appointed may be paid without regard to the provisions of chapter 51 of subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates. The president of the Bank shall be an ex officio member of the Board of Directors and may participate in meetings of the board except that he shall have no vote except in case of an equal division. No individual other than a citizen of the United States may be an officer of the Bank. No officer of the Bank shall receive any salary or other remuneration from any source other than the Bank during the period of his employment by the Bank.

CONFLICT OF INTEREST

SEC. 107. (a) No director, officer, attorney, agent, or employee of the Bank shall in any manner, directly or indirectly, participate in the deliberations upon or the determination of any question affecting his personal interests, or the interests of any corporation, partnership, or association in which he is directly or indirectly personally interested.

(b) The Bank shall not engage in politi-

cal activities nor provide financing for or assist in any manner any project or facility involving political parties, nor shall the directors, officers, employees, or agents of the Bank in any way use their connection with the Bank for the purpose of influencing the outcome of any election.

GENERAL CORPORATE POWERS

SEC. 108. Except to the extent inconsistent with the provisions of this Act, the Bank shall have the general corporate powers of a corporation organized and existing under the laws of the District of Columbia.

PRINCIPAL OFFICE; BRANCHES

SEC. 109. The principal office of the Bank shall be located in the District of Columbia, and it may establish agencies or branch offices in any city of the United States.

CAPITAL STOCK

SEC. 110. (a) The Bank shall have capital stock of \$500,000,000 subscribed by the United States, payment for which shall be subject to call in whole or in part by the Board of Directors.

(b) The Secretary of the Treasury is authorized to, and upon request of the Board of Directors shall, purchase stock in amounts designated by the Board of Directors up to a total of \$500,000,000.

BORROWING AUTHORITY

SEC. 111. (a) The Bank may issue notes, debentures, bonds, guarantees, and other evidences of indebtedness in such amounts and on such terms and conditions as the corporation may determine subject to the limitations prescribed in this Act.

(b) The aggregate outstanding indebtedness of the Bank at any time, including contingent liabilities on outstanding guarantees, may not exceed twenty times the paid-in capital stock of the Bank at that time.

(c) The obligations of the Bank under this section shall be fully and unconditionally guaranteed both as to interest and principal by the United States and such guarantee shall be expressed on the face thereof.

(d) In the event that the Bank is unable to pay upon demand, when due, any of its lawful obligations, the Secretary of the Treasury shall pay the amount thereof and thereupon to the extent of the amount so paid by the Secretary of the Treasury shall succeed to all the rights of the holder of the obligations.

PURCHASE OF ASSETS BY TREASURY

SEC. 112. The Secretary of the Treasury is authorized to purchase from the Bank any asset of the Bank at such price as may be agreed upon between the Secretary and the Bank.

INVESTMENT STATUS OF OBLIGATIONS OF BANK

SEC. 113. All obligations issued by the Bank shall be lawful investments for, and may be accepted as security for, all fiduciary, trust, and public funds the investment or deposit of which is under the authority or control of the United States or of any officer or officers thereof.

LIMITATIONS ON LOANS AND GUARANTEES

SEC. 114. (a) No loan may be made or guaranteed by the Bank if the borrower is otherwise able to obtain funds on reasonable terms.

(b) The Bank may not make or guarantee any loan to finance any enterprise or activity outside the United States, its territories and possessions.

LOANS FOR COMMUNITY DEVELOPMENT

SEC. 115. (a) The Bank may make or guarantee loans or purchase obligations to finance capital expenditures for comprehensive land use planning, public works, community facilities, land for housing development, public transportation, and similar community facilities, such projects and fa-

ilities to conform with comprehensive area land use plans. Whenever possible such facilities and projects are to be of direct and substantial benefit to residents of urban slum and depressed rural areas, or provide other benefits specified by the Bank to carry out the purposes of this Act.

LOANS TO COMMERCE AND INDUSTRY

SEC. 116. (a) The Bank may make or guarantee loans for the purchase of real and personal property, for working capital, and for training purposes to assure that existing businesses and industries have adequate funds and skilled manpower resources to compete in the market place for establishment of new businesses and industries. Any such loan shall be made upon such of the following conditions as the Bank may require:

(1) That the borrower agrees to fill a specified number of job openings to be determined by the Bank with people who, prior to such employment, were unemployed and underemployed.

(2) That the borrower agrees to conduct training courses for a specified number of unemployed and underemployed persons to be determined by the Bank with the result that these persons will, within a period of time to be determined by the Bank, be employed full time by the borrower.

(3) That the borrower agrees to any other requirements laid down by the Bank to carry out the purposes of this Act.

LOANS FOR SUPPORTING PUBLIC FACILITIES

SEC. 117. (a) To carry out the purposes of this Act, the Bank may make or guarantee loans or purchase obligations to finance the purchase or construction of roads, sewer and water systems, power and similar facilities necessary for the operation of businesses and industries or the operation of public facilities providing social, health, welfare, educational and other services to residents of urban slum and depressed rural areas.

(b) The effective interest rate for such loans shall not exceed the Federal Reserve discount rate.

TECHNICAL AND OTHER ASSISTANCE

SEC. 118. (a) The Bank may provide to borrowers whatever assistance, technical or otherwise, it considers necessary to protect its investment and to carry out the purposes of this Act.

(b) To assure fulfilling the purposes of this Act, the Bank shall direct an adequate number of staff members to seek out and confer with representatives of State and local governments, public agencies, nonprofit private organizations, companies, corporations, partnerships and individuals, in order to provide information about the services furnished by the Bank and to provide whatever assistance is necessary for utilization of such services.

SECURITY REQUIRED

SEC. 119. The board of directors of the Bank shall, when practicable make whatever arrangement it considers adequate to secure loans made by the Bank.

MAXIMUM MATURITY

SEC. 120. (a) Each loan made by the Bank to any State or local government may be made for a period not exceeding twenty years, and the Bank may from time to time extend the period of payment.

(b) Each loan made by the Bank to any private corporation, company or individual may be made for a period not exceeding ten years, and the Bank may from time to time extend the period of payment until the loan is retired or until the loan is refinanced through another lending institution and the borrower's obligation to the Bank is extinguished.

GUARANTEED LOANS

SEC. 121. The Bank may fully guarantee the entire principal of any loan made by any

bank, savings bank, trust company, building and loan or savings and loan association, insurance company, mortgage loan company or credit union, if

(1) the loan is made to carry out the purposes of this Act; and

(2) the effective interest rate for the loan is not less than the Federal Reserve discount rate, or more than such rate plus $1\frac{1}{2}$ per centum per annum.

DIRECT LOANS

SEC. 122. To carry out the purposes of this Act, the Bank may make direct loans to State and local governments, public agencies, nonprofit private organizations, corporations, companies, partnerships and individuals. The effective interest rate for such loans (1) in the case of State and local governments and public agencies, shall not exceed the Federal Reserve discount rate; (2) in the case of other eligible entities and individuals, shall not be less than such discount rate, or more than such discount rate plus $1\frac{1}{2}$ per centum per annum.

TAXABLE STATUS

SEC. 123. The Bank, its property, its franchise, capital, reserves, surplus, security holdings, and other funds, and its income shall be exempt from all taxation now or hereafter imposed by the United States or by any State or local taxing authority; except that

(1) any real property and any tangible personal property of the Bank shall be subject to Federal, State, and local taxation to the same extent according to its value as other such property is taxed, and (2) any and all obligations issued by the Bank shall be subject both as to principal and interest to Federal, State, and local taxation to the same extent as the obligations of private corporations are taxed.

AUDIT BY GENERAL ACCOUNTING OFFICE

SEC. 124. The General Accounting Office shall audit the financial transactions of the Bank, and for this purpose shall have access to all its books, records, and accounts.

AUTHORIZATION OF APPROPRIATIONS

SEC. 125. (a) There is hereby authorized to be appropriated, to remain available without fiscal year limitation, the sum of \$500,000,000 for subscription to the capital stock of the Bank.

(b) There are authorized to be appropriated such sums as may be necessary to pay the difference, if any, between the interest paid by the Bank on its obligations and interest received by the Bank on its loans, and to reimburse the capital of the Bank to the extent of any defaults.

(c) There are authorized to be appropriated such sums as may be necessary for payments of \$125 a day to members of the board of directors for each day they are engaged in the performance of their duties to the Bank together with such sums required for travel expenses by members of the board of directors when the performance of their duties requires them to be away from home.

COSPONSOR

Mr. JAVITS subsequently said: Mr. President, a very interesting and important bill was introduced today by the chairman of the Committee on Banking and Currency (Mr. SPARKMAN), together with the chairman of the Committee on Banking and Currency in the other body. The bill is S. 4142. The bill endeavors to deal with the question of a present-day RFC and the problem of dealing with the present and long-term liquidity crisis in the American corporate field.

This is also the subject of a bill I introduced on Monday seeking an extensive program of loan guarantees to deal

with the very same crisis. I think it is urgently desirable that action take place on such legislation.

This proposal seeks a National Development Bank. I have discussed this matter with the Senator from Alabama and he is agreeable to my name being added as a cosponsor of his bill. Inasmuch as I think action in this field is urgently required in the economic interests of our country, I ask unanimous consent, with the consent of the sponsor of the bill, which I have already obtained, that my name may be added as a cosponsor of S. 4142.

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

S. 4145—INTRODUCTION OF A BILL PROVIDING FOR THE FEDERAL GUARANTY OF BONDS TO BE ISSUED BY THE UNITED NATIONS DEVELOPMENT CORP.

Mr. MONDALE. Mr. President, I am pleased to introduce legislation which serves a vital national interest—the continued ability of the United Nations to pursue its role of promoting progress and maintaining peace throughout the world. Specifically, this legislation would provide for a guaranty by the Federal Government of taxable bonds sold to private investors for the purpose of financing the much needed construction of United Nations related facilities opposite the U.N. site in New York City.

In 1945 the U.S. Government invited the United Nations to make its headquarters in New York City. When it did this, the United States assumed both a legal and moral obligation to assure that adequate facilities are provided for the world organization. A contemporary report of the House Foreign Affairs Committee which considered the headquarters agreement recognized this obligation:

The United States is under special responsibilities to assure that the arrangements made suffice for the efficient functioning of the United Nations. . . .

The House report went on to underscore that the United States has a peculiar relationship in that it is more deeply involved—than other member nations—domestically in the nature of the arrangements and the manner of their working.

Recognition of this obligation was expressed in the June 26, 1947, agreement between the United States and the United Nations which established U.N. headquarters in New York City. That agreement also provides that the United States will "take all reasonable steps to insure that the amenities of the headquarters district are not prejudiced and that the purposes for which the district is required are not obstructed by any use made of the land in the vicinity of the district."

The present situation at the U.N. is as follows: The member nations have more than doubled from the original 51. There are now 126. Annual visitors to the U.N. have quadrupled since 1946. Last year there were 2 million. This same scale of

growth applies to the number of U.N. personnel.

The practical consequences of this growth are severe crowding and congestion which adversely affect the city, U.N. personnel, and visitors to the U.N., 90 percent of whom are Americans.

More specifically, there is a severe shortage of office space for missions and related U.N. organizations. Housing for international personnel, always a sensitive issue, presents greater problems than ever. Pedestrian and vehicular traffic is heavy, mixed, and dangerous. There is still no convenient hotel space for visiting dignitaries and other visitors, official and private. This creates unusual security problems whenever visiting heads of state come to the U.N.

The current inconvenience, expense, and congestion irritate diplomats, staff and visitors, and interfere with the effective operations of the U.N. One example is the crush of visitors who can hamper the normal business workings of the U.N. There are no adequate cafeterias and auditoriums, no bus terminals for the visitors or educational facilities. Unlike the excellent visitor facilities provided at national parks, the United States ironically provides nothing for the U.N. which is one of the Nation's top tourist attractions. This makes it difficult for visitors to understand the work of the United Nations, and the vital U.S. role in maintaining world peace.

The importance of having the U.N. in this country, the obligations of being host nation, the responsibilities explicit in the original headquarters agreement, the inadequacy of current U.N. visitor facilities and its effect on our citizens, and the obvious impact of U.N. overcrowding on our foreign relations all serve to make a program offering relief a matter of prime national interest.

In order to provide these vitally needed facilities, a United Nations Development Center has been planned to develop a two-block area adjacent to the U.N. Building. The United Nations Development Center will be constructed by the United Nations Development Corp., a nonprofit public benefit corporation created by special act of the New York State Legislature. Its income and its obligations are exempt from New York State and city income taxes, and it is exempt from Federal income tax. Its purpose is to assist the United Nations with its related space needs through a comprehensive and coordinated development project next to the present United Nations Headquarters.

The planned development includes office space for U.N. missions and related nongovernmental organizations; housing units for members and staff of missions to the U.N.; a hotel for visitors and dignitaries attending the U.N.; and a visitors center for assembly, orientation and education of groups touring the U.N. The U.N. center is designed to meet the need for facilities of this type in connection with U.N.-related activities for the next 25 years. The total projected cost, including land acquisition, is currently estimated at \$308 million.

This plan has been developed with the aid and consultation of the Secretary General to the United Nations, the United Nations Secretariat and the U.S. mission to the United Nations. It has also had the benefit of advice and support from New York City and State officials, and from congressional and administrative figures. Secretary of State Rogers, for example, found the purpose and program of the corporation to be "in the national interest" and important "to the effective functioning of the U.S. mission to the U.N. and to the successful pursuit of the U.S. interests in the U.N." The Secretary has given "strong and wholehearted endorsement" to the legislation I am introducing today which is so crucial to the realization of this program.

The corporation consists of nine members who also constitute its board of directors. Two directors serve by virtue of their offices as heads of the New York City Housing and Development Administration and the New York City Planning Commission. Two of the others are appointed by the Governor of New York and five by the mayor of the city of New York after consultation with the Secretary General of the United Nations and the U.S. Ambassador to the United Nations. The chairman of the board of directors is John J. McCloy. The remaining directors are key local citizens and officials. The corporation was organized in January of 1969. Since that time, it has undertaken studies of the needs of the United Nations and related organizations, and has prepared a development plan to meet them.

The activities of the corporation will be comparable to those of a local public agency operating in an urban renewal area with assistance under the 1949 Housing Act. The corporation is a special-purpose public agency and will conduct specific activities of a public nature. Its plan for a U.N. center has been approved by three local public authorities: namely, the New York City Housing and Development Administration, the New York City Planning Commission, and the New York City Board of Estimate after the required public hearings. The activities and the expenditures of the corporation are subject to annual fiscal review by the city and State of New York.

The proposed legislation would add a new section 119 to the Housing Act of 1949 authorizing the Secretary of Housing and Urban Development to make commitments for loans to the corporation to finance the acquisition and clearance of real property, and the development and construction of buildings and other facilities within the United Nations Development District in New York in accordance with the approved development plan.

Commitments for loans under section 119 would be the same as those which the Secretary is authorized to make for urban renewal projects assisted under the 1949 Housing Act. It is not anticipated, however, that any loans would in fact be made because the Corporation, using the security of the commitment,

will be able to obtain such funds from private investors. The effect of this arrangement is a federal guaranty of the payment of interest and principal of the corporation's obligations.

Before the Secretary can make any commitment under section 119, he will be required to receive assurances that the corporation will provide an adequate relocation program and assistance for those displaced by its activities, as is required in connection with any urban renewal project assisted under the 1949 Housing Act, and he is authorized to impose any additional conditions he may deem advisable.

No advances for planning are authorized under section 119 and the corporation will bear all such costs which, subject to the approval of the Secretary, may be included in the cost of the project. In addition, no project grants or capital grants would be made by the Secretary to assist the corporation. In contrast the Federal Government makes project capital grants to finance the Federal share of urban renewal projects and pays the full cost of relocating persons and business concerns displaced from these projects. Under section 119, these costs would be borne by the corporation and not the Federal Government.

Section 119 expressly provides that section 102(g) of the Housing Act which exempts interest on obligations issued under title I from Federal taxation, as well as section 103 of the Internal Revenue Code will not apply to bonds sold to finance the development—although the corporation will have exemption from New York City and State income tax. Under existing law, interest on all or a portion of the corporation's bonds—depending on the use of the proceeds—would be exempt from Federal income tax. The proposed amendment would make all interest on the corporation's bond fully taxable for Federal income tax purposes.

It is rare a project of this kind can be constructed without the use of public funds for direct grants or loans. All the proposed legislation involves is a Federal guarantee of the U.N. Development Corp.'s obligations which imposes only a contingent liability on the Federal Government in the event of a default. The likelihood of such a default occurring is extremely remote since the projected net revenues are more than adequate to meet annual debt service requirements.

I respectfully submit the proposed legislation serves a fundamental national interest—the maintenance of international peace—and I urge its prompt enactment by the Congress.

The PRESIDING OFFICER (Mr. BENNETT). The bill will be received and appropriately referred.

The bill (S. 4145) to authorize loans under title I of the Housing Act of 1949 to aid in the development of the United Nations Development District, introduced by Mr. MONDALE (for himself and Mr. JAVITS), was received, read twice by its title, and referred to the Committee on Banking and Currency.

S. 4146—INTRODUCTION OF A BILL TO RESTORE COMPETITION TO THE COPPER INDUSTRY

Mr. MONDALE. Mr. President, I am introducing today a bill to restore a semblance of free competition to a basic industry which is vital both to domestic and defense needs.

I began looking at the copper industry last year when it was revealed that domestic copper prices were rising at a 25-percent annual rate.

Such a price rise, of course, does not in itself absolutely prove anticompetitive behavior in the industry—even though copper happens to be one of our most concentrated industries, with four firms controlling some 70 percent of all domestic mining and 80 percent of all domestic refining capacity. In fact, the increase in the price of refined copper is, at least to some degree, a reflection of a worldwide shortage of copper which has driven up prices throughout the world.

But my examination soon made me aware of an anticompetitive situation even more insidious than the typical oligopolistic price management. This situation—I think unique to the copper industry—is the existence of a “two-tiered” pricing system.

Under this system, the giant domestic producers, which mine, smelt, and refine the copper that is then sold to the fabricators, have maintained a price which, since 1964, has generally been at least 30 to 40 percent below the world market price for refined copper as reflected for the London Metal Exchange. At first glance, this would seem to be a strange but fortuitous situation—a domestic price in a heavily concentrated industry which is actually lower than it seemingly could be. And, in a limited sense this is so: In spite of the astronomical increases in the domestic price of refined copper, the current price of about \$0.60 a pound is indeed below that price which would probably prevail in a truly open and competitive world market.

However, since there is not enough domestically produced refined copper to meet our needs and supply the demands of our domestic fabricators, the additional demand must be met either through the purchase of scrap copper or through buying foreign copper at the higher world price as quoted on the London Metal Exchange.

In April of this year, the world price was nearly \$0.80 a pound compared to a “producer” price of about \$0.56 per pound.

Currently this gap is much less due to recent increases in domestic prices and a great sudden drop in the world price. But indicators are that the gap, in existence since 1964, will soon open up again, with world prices considerably outrunning domestic producer prices.

So far, the situation may look simply like a competitive anomaly, where the domestic producing giants persist in selling, at an unnaturally low price, a supply of refined copper that is unable to meet the needs of the more competitive copper fabricators. But the great problem—and the disturbing situation—is in which

fabricators get this limited supply of lower priced domestic production.

Since 1963, when this two-tiered system came into being, the domestic producers, dominated by the half dozen giants, have allocated their refined copper to their preferred customers, forcing all those fabricators not so fortunate to produce and attempt to compete by buying from the world market at far higher prices. Many of these preferred fabricators are, in fact, subsidiaries of, or controlled by, the producing giants. All of them enjoy an enormous competitive edge in the crucial fabricating sector of the industry. Any of them can continue to exist and show a substantial profit even though it may be far more inefficient than the struggling fabricator which gets no domestic supply. None of them has a strong motivation to increase efficiency or capacity, in spite of persisting copper shortages and the high prices for fabricated copper goods. And the entire industry is virtually foreclosed from any new entrants which would be unable to compete without a cut of the producer's supply.

Mr. President, all of this has been fully documented in the May 13, 1970, report of the Subcommittee on Copper to the Cabinet Committee on Economic Policy. This task force was chaired by Hendrik Houthakker, of the President's Council on Economic Advisers. Also serving on this Committee were Assistant Secretary of State Philip Trezise, former Assistant Secretary of Commerce Kenneth Davis, Assistant Secretary of the Interior Hollis Dole, Assistant Attorney General Richard McLaren, and Fred Russell and William Truppner of the Office of Emergency Preparedness.

Their report, which has yet to produce any concrete action, reads in part:

Firms whose allocations of producer copper are disproportionately low are placed at a serious competitive disadvantage. Where the copper content represents a fairly large proportion of the value of a product, even a very efficient fabricator who has to obtain all or the great bulk of his metal on the open market may not be able to absorb this difference in his raw material costs without losses. Over several years this situation has led to the shutting down of some plants and reductions in the net worth of some companies that did not have access to the cheaper metal. It has also restricted the entry of new concerns because of their inability to obtain producer allocations.

On the other side, firms obtaining large allocations enjoy a broader spread between raw materials cost and product price. They can, therefore, make larger profits even at lower levels of efficiency.

Mr. President, this report documents the perversion of competition within the copper industry: enormous concentration with vertical integration, discriminatory selling, reciprocal dealings between producers and fabricators, indisputable and serious damage to many independent fabricators, and the great possibility if not probability of collusion in restraint of trade.

I put great stock on free competition. It is the best way the world has yet found for promoting economic justice, freedom, and efficiency. Wherever possible, the role of the Government in the

private sector ought to be to strengthen and preserve free competition.

It is patently clear to me that something must be done to restore free competition to the copper industry. Without trying to make a restraint-of-trade case at this time, I will simply cite another section of the Houthakker report:

Nevertheless, the potential for anticompetitive behavior and for deviations from free market efficiency are obviously great. Under the two-price system it is simply too easy for a producer to bias his allocations of low-priced copper toward firms that do not compete with its fabricating subsidiary and away from those that do. It is also very unlikely that the pattern of allocations, whatever the design of the producers, would work out to be the same as that obtaining in an open and competitive market.

Dr. Houthakker hit upon the anticompetitive nature of the copper industry even more directly in a speech last March 11 at Duke University:

The mere coexistence of these two very different prices for essentially the same commodity (refined copper in the form of electrolytic wirebars) is evidence that competition is severely curtailed.

Obviously, this is not an equilibrium situation and could not have occurred in a competitive market . . . a two-price market means a market that is not free.

Mr. President, this is a unique threat to free competition in a key industry. Perpetuation of the current system means that a half dozen vertically integrated giants will continue to supply their own fabricating subsidiaries and a few select customers at a rate which is far below the world price. They hold the economic life of every fabricating company and every employee of those companies in their hands. This situation is contrary to our free enterprise system and antithetical to the principles of efficient production, free entry, and fair pricing.

Mr. President, the Honorable RAY BLANTON of Tennessee has taken up this cause on the other side. He introduced a resolution—H.R. 885—in the House on March 19 to create a select committee to study this problem. He also introduced a bill on May 18—H.R. 17657—along with Congressman Moss which would amend the Federal Trade Commission Act to make the dual pricing system an unfair method of competition. Hearings have been held on H.R. 17657, and a valuable record is finally beginning to emerge on this phenomenon.

The bill I am introducing today is nearly identical to H.R. 17657. It would preclude the selling of refined copper at a price significantly below the world price unless a system were devised to allocate this copper among domestic users in such a way as to insure fair competition among these users.

Mr. President, there may be other solutions—indeed, the Houthakker report lists five—and the Justice Department is allegedly investigating the situation at this time. However, the danger to the fabricators who are not within the anointed few is immediate and catastrophic. Something must be done now to save fabricating industries which are viable, efficient, and potentially profit-

able in every way but in their lack of access to the "inner circle." I urge congressional study and prompt action on this bill, and I ask that the text be printed in the RECORD in full.

The PRESIDING OFFICER (Mr. BENNETT). The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 4146) to amend the Federal Trade Commission Act to prohibit certain unfair sales practices in the copper industry, introduced by Mr. MONDALE, was received, read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

S. 4146

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5 (a) of the Federal Trade Commission Act (15 U.S.C. 45 (a)) is amended by adding at the end thereof the following new paragraph:

"(7) It shall be an unfair method of competition within the meaning of paragraph (1) of this subsection for any person to sell refined copper in commerce at a price which the Commission determines is significantly below the world market price for refined copper of a similar grade, unless such person allocates such copper or refined copper of such grade in a manner which the Commission determines is fair and equitable to such users."

Sec. 2. The amendment made by the first section of this Act shall apply with respect to sales occurring more than ninety days after the date of enactment of this Act.

ADDITIONAL COSPONSORS OF BILLS

S. 2005

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from Maine (Mr. MUSKIE), I ask unanimous consent that, at the next printing, the name of the Senator from New Jersey (Mr. WILLIAMS) be added as a cosponsor of S. 2005, the Resource Recovery Act.

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

S. 3486

Mr. BELLMON. Mr. President, I ask unanimous consent that, at the next printing, the name of the Senator from Alaska (Mr. STEVENS) be added as a cosponsor of S. 3486, to establish a Commission on Oil Imports, as an independent agency of the Government, to authorize the Commission to impose quotas on imports of petroleum and petroleum products, and for other purposes.

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

S. 3546 AND S. 3687

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from Maine (Mr. MUSKIE), I ask unanimous consent that, at the next printing, the name of Senator HARRIS from Oklahoma be added as a cosponsor of S. 3546, the National Air Quality Standards Act of 1970, which would accelerate the designation of air quality control regions required by the Air Quality Act of 1967, and of S. 3687, the National Water Quality

Standards Act of 1970, which would increase the Federal grant authorization for waste treatment facilities to \$2.5 billion a year for 5 fiscal years and extend the standards program to all navigable waters.

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

S. 3650

Mr. GOLDWATER. Mr. President, on behalf of the Senator from Nebraska (Mr. HRUSKA), I ask unanimous consent that, at the next printing, the name of the Senator from Iowa (Mr. MILLER) be added as a cosponsor of S. 3650, to amend section 837, title 18, United States Code, to strengthen the laws relating to explosives and the penalties with respect thereto, and for other purposes.

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

S. 3807

Mr. COOK. Mr. President, on behalf of the Senator from Illinois (Mr. SMITH), I ask unanimous consent that, at the next printing, the name of the Senator from Pennsylvania (Mr. SCOTT) be added as a cosponsor of S. 3807, to provide a program to improve the opportunity of students in elementary and secondary schools to study cultural heritages of the major ethnic groups in the Nation.

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

S. 3936

Mr. ERVIN. Mr. President, I ask unanimous consent that at the next printing the names of the Senator from Hawaii (Mr. INOUE), the Senator from Nevada (Mr. BIBLE), the Senator from Hawaii (Mr. FONG), the Senator from Nebraska (Mr. CURTIS), the Senator from Georgia (Mr. TALMADGE), the Senator from Rhode Island (Mr. PELL), the Senator from Texas (Mr. YARBOROUGH), the Senator from Minnesota (Mr. MONDALE), the Senator from Tennessee (Mr. GORE), the Senator from North Dakota (Mr. BURDICK), the Senator from Maine (Mr. MUSKIE), the Senator from Utah (Mr. MOSS), the Senator from Florida (Mr. GURNEY), the Senator from Oregon (Mr. PACKWOOD), the Senator from Illinois (Mr. SMITH), and the Senator from New York (Mr. JAVITS) be added as cosponsors of S. 3936.

This bill, the Speedy Trial Act of 1970, is designed to give effect to the sixth amendment right to a speedy trial for persons charged with offenses against the United States, and to reduce the danger of recidivism by strengthening the supervision over persons released on bail, probation, or parole, and for other purposes.

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

S. 4032

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from Oklahoma (Mr. HARRIS), I ask unanimous consent that, at the next printing, the names of the Senator from Indiana (Mr.

BAYH), the Senator from Nevada (Mr. BIBLE), the Senator from Missouri (Mr. EAGLETON), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUE), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Montana (Mr. MANSFIELD), the Senator from Minnesota (Mr. MONDALE), the Senator from Rhode Island (Mr. PELL), the Senator from Alaska (Mr. STEVENS), the Senator from Maryland (Mr. TYDINGS), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from Ohio (Mr. YOUNG), be added as cosponsors of S. 4032, to establish a National Advisory Commission on American Indian Education.

S. 4041

Mr. TOWER. Mr. President, I ask unanimous consent that, at the next printing, the names of the Senator from Indiana (Mr. HARTKE) and the Senator from Illinois (Mr. PERCY) be added as cosponsors of S. 4041, to repeal section 7275 of the Internal Revenue Code of 1954, relating to amounts to be shown on airline tickets and advertising.

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

S. 4056

Mr. BELLMON. Mr. President, I ask unanimous consent that, at the next printing, the name of the distinguished junior Senator of Alaska (Mr. GRAVEL) be added as a cosponsor of S. 4056, to provide an effective and workable system of fiscal stabilization.

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

S. 4118

Mr. DOLE. Mr. President, I ask unanimous consent that, at the next printing, the name of the Senator from Oklahoma (Mr. BELLMON) be added as a cosponsor of S. 4118, the Agricultural Act of 1970.

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

ADDITIONAL COSPONSOR OF A JOINT RESOLUTION

SENATE JOINT RESOLUTION 218

Mr. DOLE. Mr. President, I ask unanimous consent that, at the next printing, the name of the Senator from California (Mr. MURPHY) be added as a cosponsor of Senate Joint Resolution 218, providing for the establishment of an annual "Day of Bread" and "Harvest Festival Week."

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

SENATE RESOLUTION 435—SUBMISSION OF A RESOLUTION RELATING TO THE PROTECTION OF CONSUMER SUPPLY OF NATURAL GAS

Mr. TOWER. Mr. President, on behalf of myself and Senators STEVENS, DOLE, PEARSON, COOK, LONG, YOUNG of North Dakota, BELLMON and HANSEN, I submit, for appropriate reference, a sense of the Senate resolution.

The PRESIDING OFFICER (Mr. SPONG). The resolution will be received and appropriately referred.

The resolution (S. Res. 435), which reads as follows, was referred to the Committee on Commerce:

S. RES. 435

Whereas, a shortage of natural gas exists in some areas of the United States;

Whereas, this shortage will spread to other areas of the United States during the coming months unless immediate corrective action is taken;

Whereas, severe hardship would accompany such shortages;

Whereas, it is in the best interest of the Nation and of the consumer to alleviate this shortage by securing adequate domestic supplies of natural gas to meet the present shortage and future demands for natural gas;

Whereas, natural gas is a desirable fuel because it pollutes least of all fuels;

Whereas, the Federal Power Commission regulates the price of natural gas paid to the producer of natural gas;

Whereas, the main cause of the shortage of natural gas in the United States is the low price paid to the producer;

Whereas, exploring for natural gas is a relatively high risk endeavor;

Whereas, there must exist adequate economic incentives for those who explore for natural gas;

Whereas, one necessary incentive is the assurance that the price to be received by the producer will be high enough to reward the high risk of invested capital;

Whereas, the free market mechanism is the best method for determining the price to be paid to the producer for his gas;

Whereas, the Federal Power Commission intends to reconsider the price of gas to be paid to the producer under contracts entered into by the producer after June 17, 1970; and

Whereas, the urgency of the situation requires immediate action: Now, therefore, be it

Resolved, That for the above reasons and in consideration of the above facts, the Senate hereby goes on record that it favors the free market mechanism as the most desirable method for determining the price of natural gas to be paid to the producer of natural gas; that the present price of natural gas as determined by the Federal Power Commission is too low to provide the necessary economic incentives to explore for new reserves of natural gas; and that it is in the best interest of the Nation and the consumer to allow the price of natural gas to be paid to the producer to seek its own level in the free market as this would tend to guarantee continued existence of adequate supplies of this desirable fuel.

Mr. TOWER. Mr. President, today the United States faces a dangerous natural gas shortage. The magnitude of this shortage was revealed in a recent report to the Federal Power Commission. This report stated the 12 major interstate gas transmission companies would be unable to meet an estimated demand of 3.1 billion cubic feet of gas per day for the winter of 1970-71. However, the report noted that some duplication of demand might exist in the estimates since some potential users may have inquired at more than one reporting company about the availability of gas to supply their needs. Even taking into account possible duplications, this is a large deficit.

Clearly many consumers will be denied the use of natural gas this winter. This is especially unfortunate since natu-

ral gas is the one fuel which does not pollute.

Furthermore, this shortage is likely to become more severe. This is so for three reasons.

First, to end the shortage, our producing capability must be increased. Even if the factors which caused this shortage could be immediately eliminated, there would still be a delay of from 4 to 6 years before new gas reserves could be delivered to the consumer. This delay is a little understood fact of life in the petroleum exploration industry. It is due to the normal, necessary, and time-consuming method of exploration which can involve the talents of the geologist, seismologist, and geophysicist who determine where to drill to achieve the highest possibility for success.

Next, the lease-broker attempts to secure a minimum quantity of acreage at a reasonable price. Usually, the broker must deal with many widely scattered landowners. After that, attorneys must examine and approve the title to the leases. Finally, the drilling can begin. This is usually the least time-consuming part of the operation. If the well encounters evidence of oil or gas, testing of the various prospective zones follows. If it is believed that commercial quantities can be recovered from those geologic formations, production equipment is installed.

Then, the purchase contract must be negotiated. If the gas is to be sold in another State, the FPC must approve all terms of the contract including, of course, the price to be received by the producer for his gas. The gathering line must be laid to the well. The gas is then gathered, processed, and transported to the distributor who, in turn, sells it to the consumer.

I feel that the nature and effects of this time lag should be thoroughly understood and appreciated. This normal delay tends to increase the shortage. Recognizing its existence makes even more imperative the urgent need for immediate action to alleviate this fuel shortage.

There is a second reason why this shortage is likely to become more severe. In the past, our energy requirements have increased at a more rapid rate than our population. From 1960 to 1968, the population increased by 11 percent, while our energy requirements increased by 41 percent. There is no readily apparent reason why we should expect this trend to change. Since natural gas presently supplies 35 percent of our energy requirements, it follows that as our population increases during the next 4 to 6 years, the demand for gas should increase at an even faster rate.

Another reason for the gap between supply and demand for natural gas to widen is the recent restricting by States of the use of some fuels which significantly contribute to pollution. As I noted earlier, natural gas pollutes the least of all presently available fuels. As users meet increasing demands for reduction in pollution, natural gas consumption soars. Many potential new users are finding great difficulty in obtaining

natural gas and are forced to use other fuels which pollute the air to a much greater degree.

For these reasons, a worsening shortage appears inevitable.

Let us examine the more important factors which have caused this approaching crisis.

The most important factor, in my opinion, has been the 14 years of unrealistic and unworkable pricing practices imposed on the independent natural gas producers by the Federal Power Commission. The Supreme Court defined the "independent producer," in the 1954 landmark case of Phillips Petroleum Corp. against Wisconsin, et al., as a person who produced natural gas but who did not engage in interstate transmission of gas from the producing field to the consumer markets and who was not affiliated with any interstate natural gas pipeline company. Up to the time of this decision, the Federal Power Commission had held the position that the language of the Natural Gas Act of 1938, as amended, did not compel the Federal Power Commission to regulate the independent producer.

But, following the directive of the Supreme Court in that decision, the FPC instituted pricing practices which have been unfortunate. The FPC was ordered by the Court to regulate the independent producer as a utility. Normally, a utility is allowed to receive only a relatively low return on invested capital. This is justified on the grounds that the risk of not making a profit is virtually nonexistent. The utility simply proves its investment to the regulating agency, and it is allowed to adjust its prices upward in order to make the desired low profit.

The utility regulation approach as applied to the producer of natural gas virtually ignores the factors which differentiate the independent producer from a normal utility.

The most important difference between the two is the higher risk in exploring for petroleum. The risk is that the invested capital will be spent on a dry or commercially unproductive well. On the average, only one out of every nine exploratory wells encounters any trace of oil or gas, but only one out of every 50 exploratory wells produces enough oil or gas to repay its costs. Compare this risk to that of investing in a manufacturing plant, for example. The risk of failure is far less for a well-planned manufacturing venture than for an exploratory natural gas well. Even if the manufacturing enterprise fails, the investor still owns the land, building, and machinery which can be sold to diminish or eliminate the loss. On the other hand, when an investor spends his money on an exploratory well, the chances are much greater that he will lose his entire investment.

It is not difficult to understand, therefore, that when one considers the higher risk factor, there must exist some extraordinary incentive to induce an investor to spend his precious capital exploring for oil or gas. A fixed return of some 12 percent on the cost attributable to that single producing well

is not generally considered an adequate incentive. However, this is the rate of return which the FPC presently allows the independent producer. Of course, the FPC's formula for arriving at the profit margin is actually very complex, for it takes into consideration many varying possibilities. But 12 percent is the approximate rate of return permitted, and this is one of the basic reasons why we are presently facing a shortage of natural gas.

The FPC pricing system was designed to provide the consumer with a low-priced fuel. The system succeeded. The average retail price of natural gas has risen only 8 percent since 1960, while the consumer price index for all commodities has risen by 31 percent. The consumer bought this low-priced fuel. Consumption rose from 4.4 billion cubic feet of gas in 1947 to 19.4 billion cubic feet of gas in 1968. The share of natural gas in total U.S. power use has risen from 15.5 percent in 1947 to 34.9 percent in 1968.

While the sharply rising share of natural gas in total power has been due to a considerable extent to the qualitative advantages of natural gas, such as its ease of handling and its cleanliness, the primary reason for the increased consumption was due to the large cost benefits enjoyed by household and industrial users. For example, in 1968, in Brooklyn, N.Y., the cost of gas was exceeded by 35 percent for fuel oil, 47 percent for coal, and 168 percent for electricity. Similar disparities of price exist in other areas of the United States.

However, the FPC has held the price too low for too long. This neglect has caused serious economic stress upon independent producers. In the long run, the distributors and the consumers have also been adversely affected by this unrealistically low price for gas. As a result, they may not have adequate supplies of gas to distribute and to consume.

The low pricing policy has caused under investment in the exploration of natural gas. Referring to the problems facing producers of natural gas in its 1970 annual financial analysis of a group of petroleum companies, the Chase Manhattan Bank of New York City reported that:

The expenditures for exploration and development have been much below indicated requirements. And, as a consequence, the nation is faced with a growing shortage of both oil and natural gas. The reason for the deficit of spending can be traced directly to the exceptionally low price for natural gas imposed by regulation.

The report continued that revenues from natural gas sales contributed by far the smallest amount to total company revenues. This helped to explain the lack of incentive to provide the capital and exploration expenditures necessary to find additional reserves.

Another factor which has contributed to the present shortage of natural gas is the uncertainty that the price of the gas will not be further lowered even though contracted for between the producer and the pipeline company and approved by the FPC. In the past, the FPC has made a folly of one of America's hon-

ored principles—the sanctity of the contract.

The best known example of this occurred in a Louisiana case. There, Pan American Petroleum Corporation contracted to sell gas from the Thibodeaux gas field in south Louisiana. Deliveries began in 1959 under a gas sales contract given "permanent" and "unconditional" certification by the FPC. This price was later challenged and a court proceeding followed. The result was that the FPC ordered the price paid Pan American lowered 13 percent under this permanent and unconditional contract. Since the new price was retroactive, Pan American had to arrange refunds totaling \$839,000. This type of FPC action has had a serious lessening in the confidence of contract.

There are other similar examples of erosions of confidence in the sanctity of the contract. The sanctity of contract has been one of the cornerstones upon which this country's sound and dynamic economy was built and should remain inviolate. This fundamental principle was specifically written into our Constitution.

It should come as no surprise that implementation of these two policies of unreasonably low pricing and contract violation has resulted in a shortage of natural gas.

The FPC has been warned repeatedly. One such warning was given by former President Eisenhower. Shortly after the Supreme Court's Phillips decision in 1954, to which I referred earlier, Congress passed and sent to the President the Harris-Fulbright Act. This bill would have freed the independent producer from Federal regulation. By passing this act, Congress had repossessed the legislative prerogative delegated it by the Constitution by clarifying its intent that the independent producer be exempted from regulation.

President Eisenhower vetoed the bill for reasons other than those stated as its aims. He said when he vetoed it:

I must make it quite clear that legislation confirming the basic objectives [of the Harris-Fulbright Bill] is needed. It is needed because the type of regulation required under present law will discourage individual initiative and incentive to explore for and develop new reserves of natural gas.

In the long run this will limit supplies of gas which is contrary not only to the nation's interest but especially to the interest of the consumers.

President Eisenhower accurately foresaw the consequences of the debilitating effects of the FPC price regulations upon the independent producer and the consumer. Contrary to the interest of the Nation and consumer, a shortage now exists for the reasons given by President Eisenhower. Others have often and repeatedly warned the FPC and the Nation that shortages of natural gas would be the result of the repressive policies.

In all fairness, it should be noted again that the job of regulating the independent producer was not sought by the FPC. It was thrust upon the FPC by the Supreme Court's order following the Phillips decision.

Nothing will be gained by further ref-

erences to the past, well-intentioned errors of the FPC. The task imposed upon it by the Supreme Court was all but impossible to achieve.

Rather, we need solutions to the Nation's present natural gas shortages. Needed now are policies aimed at insuring the continued existence of adequate supplies of natural gas to meet our growing consumer and industrial needs and to maintain our national security.

A rate hearing scheduled to begin July 29, 1970, in Midland, Tex., represents a focal point in the establishment of such new policies. Through this hearing, the FPC has initiated the gathering and evaluating of evidence and testimony concerning the proper price to be paid to the independent producers of natural gas in the Permian Basin, that geologic designation encompassing several counties of west Texas and eastern New Mexico.

The hearing also represents a focal point in time. It was 14 years ago in a similar hearing that the FPC first began to wrestle with the problems of regulating the independent producer. The FPC has come full circle and is now beginning anew.

In a larger sense, this hearing will involve a revamping of the procedure for determining the fair price of natural gas, not only for the Permian Basin, but also for the entire United States. The process used there to determine the fair price of gas will most probably be employed in subsequent rate hearings for other producing areas in the United States.

Thus, there is a focus of national attention upon the hearing. The results achieved there will probably influence this Nation's energy supplies for decades to come.

I commend the courage and wisdom shown by the FPC in instituting these hearings. I sincerely hope that these hearings mark the beginning of a process which will alleviate the effects of harmful policies.

The most harmful policy is the repressively low price of gas. In my opinion, the free market mechanism offers the most efficient and fair method for regulating the prices and supplies of natural gas. The ideal solution for correcting this Nation's gas shortage, while maintaining an equitable price to the consumer and the producer, would be best achieved by allowing the producer and the buyer to bargain without Federal interference. However, I feel that immediate steps must be taken to help alleviate the current shortage. The most direct step would be to raise the price of natural gas to a level high enough to provide the necessary incentive to the investor to seek and develop new reserves of natural gas. The Commission can effect such price changes consistent with past contracts without further legislative assistance, and this higher price should immediately stimulate the search for new reserves.

I hope the Midland hearing results in a decision by the FPC to recognize and properly reward those investors who stand ready to risk the capital necessary to explore for and develop new reserves of natural gas. These reserves are badly

needed to maintain our national security and to insure an adequate supply. This recognition can be achieved, I feel, by an increase in the price of gas paid in the Permian Basin of no less than 10 cents per thousand cubic feet above the present price.

Using again the example of the Brooklyn consumer, the price of natural gas there is presently about 42 cents per thousand cubic feet. If a 10-cent increase were passed on to the consumer, his total price would be 52 cents per thousand cubic feet.

This compares favorably to the price of gas imported from abroad in a liquid state and the anticipated price of the gas transported from the Alaskan North Slope. The price of gas from either of those two sources is approximately 60 cents per thousand cubic feet.

Mr. President, it has been rumored that the FPC was considering an increase of from 3 to 5 cents per thousand cubic feet for natural gas. But, a recent study showed that an approximated 3-cent increase is needed just to offset the cost of inflation and another 2 cents to offset the increased cost to the producer of the reduced depletion allowance. In other words, a 5-cent increase only brings the producer back to par.

I feel that a 5-cent increase is too low to stimulate the exploratory efforts necessary to secure adequate domestic supplies of natural gas to meet the present and expected future demands.

Mr. President, I feel that the Senate should register its feeling on this matter as a guide to the FPC in its deliberations on determining a fair price to be paid to the natural gas producer.

Accordingly, I herewith submit a sense of the Senate resolution relating to the protection of consumer supply of natural gas.

This resolution acknowledges the existing shortage of natural gas, attributes the shortage to the low price of gas presently allowed, and states that the best solution to the problem lies in allowing free market forces to determine the price of natural gas.

Mr. President, I feel that it is in the best interest of the consumer to have adequate supplies of this nonpollution fuel. Our supplies are running low. We must do all that we can to stimulate the private investor to explore for and develop our abundant gas reserves.

Adoption of this sense of the Senate resolution will, I believe, aid this cause.

Mr. DOLE. Mr. President, I join the junior Senator from Texas (Mr. Tower) in cosponsoring his resolution urging the Federal Power Commission to adopt a realistic method for determining the price to be paid the natural gas producer for his product.

In 1954, the U.S. Supreme Court ruled that natural gas producers were subject to regulation by the Federal Power Commission and had the authority to fix the price of natural gas at the wellhead. The attempt by the Federal Power Commission to regulate the price of natural gas has been unsatisfactory. Price-fixing was implemented to protect the consuming public, but has instead discouraged natural gas exploration and develop-

ment. While the establishment of a fixed price stimulated demand, it did not allow gas producers to compensate for increasing costs. As a result, producers were forced to cut back on exploration, and the United States now faces a dangerous and growing shortage of energy reserves. Failure to expand domestic natural gas production will compound present shortages which are certain to be aggravated by increasing demand for nonpollutant energy sources.

This problem was accurately described by William D. Smith in the Sunday, July 26, 1970, New York Times inserted into the Record by the junior Senator from Wyoming (Mr. HANSEN) on Monday, July 27, 1970, page S12176. Mr. Smith realistically points out the adverse effect of past policies which have discouraged the exploration for and development of new oil and gas reserves. His prediction of a gas shortage proved to be correct as the Monday, July 27, 1970, New York Times reported that the chairman of the New York State Public Service Commission, Joseph C. Swidler, announced that New York State is considering restricting the number of new customers gas companies may add. It is interesting to note that the same Mr. Swidler was chairman of the Federal Power Commission from 1961 to 1965 when many of the decisions that have created our present problems were made.

The problems of the independent oil and gas producer in Kansas are representative of the problems faced by the domestic oil and gas industry as a whole. The severe economic straights in which they find themselves will compound our energy shortages unless the Federal Power Commission and other Government agencies adopt more enlightened policies.

I ask unanimous consent that an article in the Independent Petroleum Monthly by James L. Porter, describing the plight of the independent producer in Kansas, be printed in the Record at this point.

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

INDEPENDENTS NOW HOLD THE FATE OF KANSAS AS AN OIL- AND GAS-PRODUCING PROVINCE

(By James L. Porter)

Major oil companies in the past decade have practically ceased to search for new petroleum reserves in Kansas. Whatever oil and natural gas is found in the future will be up to the independents.

The Kansas oil industry today is mainly composed of small companies and individuals. The public thinks the oil business is composed of big companies because this is where they buy their gasoline. And even some of the state legislators do not know that the Kansas oil producing industry is composed mostly of small companies, which are owned by Kansas citizens. In the future, they will not be taxing and regulating large companies owned by out-of-state people.

The independents need to be treated differently from the major companies. Independents have only one product to sell: Their petroleum production, either oil or gas. They have no refineries, no chemical plants, no service stations from which to make a profit. A good share of their risk capital which is used to explore for oil comes from outside sources. This is not the case with

a major company. Therefore, a changed economic climate and revised tax laws are vital to independents if they are to find Kansas oil in the future.

MENACE OF IMPORTS

And a big if in the future of the independent producer is what action the Federal Government will taken on the Mandatory Oil Import Program. A rollback of crude oil prices by 80 cents per barrel as proposed by the staff of the Task Force on Oil Import Controls would have a disastrous effect on operations of the small producers. Even a 30-cent cut, as proposed by a majority of the Task Force, would have serious consequences. When you realize that the oil and gas industry is state-wide, there would be few communities that would not suffer.

And another point: Numerous small producers have wells with low rates of production, because the fields are old. However, the ingenuity and low overhead of the independent permits him to operate these wells at a profit despite high labor and high equipment costs. Any severe cutback in crude prices would compel these men to plug and abandon their wells and drive them from the business.

STATE WILL BENEFIT

Many people are helped when independents produce oil in their own back yard. It will be a rare individual or independent company who will ever benefit from the oil produced in offshore areas, Alaska, and especially in foreign countries. This production will go to enrich Middle Eastern governments and large corporations. Production from our back yard enriches our citizens and furnishes capital that is re-invested in the state. It creates wealth here in Kansas.

INDEPENDENT FUTURE BRIGHT

Just because the major companies have left the state does not mean that the Kansas oil industry will be weak or unprofitable. The independents have grown during the last 20 years and there are still plenty of opportunities for investors and operators.

The oil industry has traditionally been the business that offered the little man the opportunity to grow big. The opportunity is still here.

Independents in Kansas have been very successful during the past 20 years.

INDEPENDENTS SUSTAIN KANSAS

Kansas oil production is rapidly passing into the hands of independent companies and individuals. Only three major companies are actively searching today for oil in Kansas. These are Cities Service Oil Co., Champlin Petroleum Co., and Anadarko Production Co., a subsidiary of Panhandle Eastern Pipeline Co. The other major companies are producing themselves out of the oil business in Kansas.

A number of large independents through use of fund monies are actively searching for oil. Nevertheless, most of Kansas' future oil is going to be produced by the "little man." At the present rate of decline of the principal companies, 90 percent of the Kansas oil will be produced by the smaller companies within 10 years.

About one-third of Kansas' oil reserves today are of no direct benefit for perpetuating the Kansas oil industry. These revenues are going to companies who drill less than 2 percent of Kansas' wildcat wells. As soon as this oil revenue comes into the hands of companies who are actively searching for new reserves, Kansas' oil production decline will be altered.

The increasing oil production Kansas enjoyed in the early 1950's was entirely due to the independents' success, and the decline since 1958 is mostly due to the major companies' decline. As the major companies sell out to those who are seeking new oil, the state decline curve will flatten out.

INDEPENDENTS HAVE GROWN

The last 20 years have been good to the independents. They have obviously enjoyed increased oil runs, but they have changed in other ways that have almost gone unnoticed since these changes came so gradually.

In the 1950's, an independent wildcat was usually supported by one or two other companies (usually major) with dry-hole money. Today it is almost rare for a wildcat to receive any dry-hole support.

In the 1950's the usual independent wildcat was on geology done by a major company. The average independent had few geologists, and many had none. Many wells were located solely on economics. Today, this is changed.

For example, a survey of the discoveries for the period December 1968 to November 1969 shows 104 discoveries. The survey reveals that over 80 percent of Kansas' wildcats today are drilled without any dry-hole support, and over 70 percent of the prospects are originating in the independent's own geological staff. Of the 104 discoveries, only one was made by a major company.

INDEPENDENTS ADD TO STAFFS

An indicator of the new independent strength is found in the membership of the Kansas Geological Survey. In 1955, the major companies employed 213 geologists, who composed 37 percent of the membership. Today the major companies employ 100 geologists, or a total of only 15 percent of the membership.

But today only 13 major company geologists are stationed in the State of Kansas, and several of these are on production staffs and do not explore for oil.

The number of geologists employed by independent companies has almost doubled since 1955. The number was 152 in 1955, and it was 287 in 1969. This illustrates how the independent companies have upgraded their technical staffs. The same sort of change has taken place among petroleum engineers, seismologists, and other technical personnel.

INDEPENDENTS WILDCAT

During the last 1940's less than 20 percent of the total wells drilled were wildcats. The major companies during this period were drilling between 25 to 30 percent of the Kansas wildcat wells.

During the 1950's the percentage of wildcats in the total wells increased, and the percentage of wildcats which were drilled by major companies declined. During this period they never drilled more than 10 percent of the wildcat wells.

During the 1960's, the percentage of wildcats out of Kansas' total wells continued to climb and today over one-third of Kansas' total wells are wildcats. The major companies' share of the wildcat wells today is less than 2 percent, and they are only supporting about this same percentage with dry-hole money.

Part of the decline in total wells can be attributed to the spacing law passed in January 1958. It took fewer wells to develop a field after passage of this law.

Improved discovery allowable rules came into effect in July 1965, and there followed a jump in the percentage of wildcat wells drilled. There has been a steady, long-range increase in Kansas wildcat activity when it is calculated as a percentage of the total drilling activity. This means the industry is going to be increasingly influenced by fluctuations in the economic climate, and by changes in the tax laws.

Much of the money the independents spend drilling wildcats comes from outside investors. Alteration in the tax law about the expensing of drilling costs will particularly influence the investors' interest in exploration. Also, exploration has traditionally been the segment of the industry to suffer the most

decline in an economic recession. This is especially noticeable for the year 1957.

INDEPENDENTS ADVANCE

Major companies' production reached a peak in 1949, and then began to decline. What is difficult to understand is that this decline began at the very beginning of their most ambitious exploration programs. Also, while the majors were declining in production, the independents were having a dramatic increase. During the 9-year period 1949-1958, major company production declined 20 percent, but independent production increased 100 percent.

The major companies during this period had large staffs stationed in Kansas, and they were expending large sums in seismograph mapping and lease acquisition. However, as a group their production steadily declined, and they began withdrawing their staffs from Kansas in the late 1950's.

The independents during this same period, employed relatively few geologists, and frequently their wildcats were drilled because of economic factors, and were not located on good geological information.

WHY MAJORS DECLINED

Why did the majors fail to increase their production during the period when independents were doubling theirs?

And a second question follows: Why didn't the majors concentrate on the Central Kansas Uplift? This is where the most oil has been developed; this is the principal area of production in which the independents doubled their production.

There is a good reason why the major companies could not operate effectively in this region. Whenever a proposal was submitted by a major company geologist to his management for an exploration program, the first consideration was the geological reasons for selecting the areas, and the second was a survey of the lease situation. No program could be approved unless there was ample open acreage to insure that good blocks could be assembled on any structure the seismic mapping found.

On the Central Kansas Uplift, open acreage has not been plentiful during the last 25 years. Major companies could never mount any big seismic mapping programs in the most promising areas of the state. They usually bought broken blocks of acreage and tested them by test promotion, rather than drill company wildcats on small blocks of acreage.

First basic reason the majors have not been successful in Kansas since 1945 is that Kansas minerals are privately owned. Minerals are in small parcels and the lease prices are very reasonable. Consequently, when a region looked good, the many independents would buy small blocks and the major companies would eventually have to move out to the areas where large blocks of acreage were available.

To illustrate, visualize what would have happened if Kansas leases had been auctioned off in county-size blocks, or even 20,000-acre blocks. Kansas today would still be a major oil company country. The many small independents today would never have been able to get a start. The state's oil resources would have been developed at a much slower pace, and the many small fields produced today would have never been drilled.

MAJORS LOSE OUT

The second basic reason the majors failed in Kansas was that they relied on structural finding tools to find prospects to drill themselves. These tools became ineffective for various reasons.

Most companies concentrated on Western and Southwestern Kansas, and had large seismic mapping programs in those regions. Stanolind (now Pan American Petroleum) had led the way with discovery of Keyes

Dome in the Oklahoma Panhandle, and with Kismet in Seward County.

Unfortunately, there were few other large structural accumulations discovered. Most of the sizeable oil and gas fields in Southwestern Kansas have been stratigraphic accumulations, and seismic mapping was of little help in locating them.

Only subsurface study and drilling could do this job, and at the time there were few wells to furnish the necessary subsurface information. Majors preferred to drill their company wildcats on large seismic structures.

In other areas, there was only limited success in locating structures. Texaco found Fall Creek field in Sumner County. Skelly found Cahoj Field in Rawlins County. Carter (now Humble Oil & Refining Co.) found the Davis Ranch Field in Wabaunsee County with surface mapping. All of these generated large lease plays, but not enough other large structural fields were discovered to sustain the interest of the major companies.

RANK EFFORT NEEDED

Most independents have preferred to stay in the best oil provinces and work as close in to production as possible. This forced major companies out into rank wildcat areas, but now that majors are practically all gone, there is much less exploration effort being expended in these areas.

The good oil provinces are still furnishing new discoveries, but now Kansas rarely has a big field in those areas, because the big structures were readily found earlier.

Lessening exploration in the rank wildcat areas is the one disadvantage of not having many major companies operating in Kansas. If we are to continue to develop all of our potential oil resources, the independents will have to increase their search in the rank wildcat areas.

PUBLIC MUST KNOW

The 25 years since World War II have brought fundamental changes to the Kansas oil industry. Everyone in the industry is aware that we have changed, but we need to study the changes and understand what they mean.

It is important, also, that those in the oil industry be aware of what has happened.

But it is even more important that oilmen make the public and the states and the Federal Government aware of how the oil industry is changing.

The change is of such a fundamental nature that oilmen must get this information out to the public and to those who tax and regulate the industry.

Mr. DOLE. I congratulate the Federal Power Commission on the announcement it is considering exempting all small gas producers from regulation and its action in reopening the Permian Basin area rate case for natural gas producers. This case will provide the Federal Power Commission the opportunity to establish a new area-rate proceeding. Passage of the resolution introduced by the Senator from Texas would clearly indicate to the Federal Power Commission the Senate's desire that the natural gas producer be paid a price that will provide "the necessary economic incentives to explore for new reserves of natural gas."

I urge expeditious action on this resolution.

Mr. HANSEN. Mr. President, I am happy to join the distinguished Senator from Texas in this resolution to allow the free market mechanism, the laws of supply and demand, to determine the wellhead price of natural gas.

As my good friend from the Lone Star

State has pointed out, Federal price-fixing policies of the past decade have resulted in a critical shortage of our cleanest, most convenient and, in terms of comparative energy, our cheapest fuel.

The northern utilities that have in the past opposed rate increases now recognize the need for realistic pricing if their demands for additional supplies are to be met.

Coming events cast their shadows before, as the Senators from Texas, Oklahoma, Kansas, Louisiana, and Wyoming have been warning for sometime now. The members of the Federal Power Commission are also now acutely aware of the need of price increases and have already opened the way for a new concept of setting rates for natural gas. They also have recognized the urgency of the worsening situation by aiming at new pricing policies by this fall.

Several companies either already have or are now planning to import liquefied natural gas from Algeria and possibly Libya and other sources. This gas could only supplement and not begin to make up the coming shortage unless we undertake an accelerated exploration and development program. It also costs more than twice as much as domestic gas delivered to our east coast. Such a program will undoubtedly be encouraged by a return to producers that will reflect the competitive aspects of gas as a fuel, the unprecedented demand for gas as a clean fuel and the inflated costs of exploration, development, production and distribution of gas.

Also, a speeded-up program of offshore leasing of Federal lands will hopefully be forthcoming. Probably the most promising source of new and large gas reserves are in the Gulf of Mexico off of Louisiana and Texas coasts. New and stringent pollution laws are already in effect and the chances of pollution from gas wells is far less than from oil. However, we need both if we are to meet domestic demands for both gas and oil without becoming more and more dependent on Middle East and North African oil and gas which could be cut off at any time.

The Soviet powerplay in that area and the explosive Arab-Israeli situation makes it imperative that we renew our efforts to develop our own abundant energy resources and never become dependent on such unreliable sources.

Almost a year ago, Barron's National Business and Financial Weekly warned of the natural gas shortage brought on by Federal price fixing. In their feature story "Natural Gas Fiasco," they pointed to forthcoming events:

The East Coast doubtless will come to rely for fuel on a source of supply that is unfriendly at best and, at the slightest provocation, downright hostile. As the U.S. proceeds to import natural gas—at higher prices, be it noted, not lower—the poor old balance of payments will suffer a fresh, and wholly gratuitous, setback. "Economists," so Dr. Milton Friedman has said, "may not know much. But we do know one thing very well: how to produce shortages and surpluses. Do you want to produce a shortage of any product? Simply have government fix and enforce a legal maximum price on the product which is less than the price that otherwise would prevail. . . ."

The periodical also quoted Dr. Clark A.

Hawkins, associate professor of finance and economics at the University of Arizona, and authority on the subject. In a new book, Dr. Hawkins wrote:

The market should be the mechanism for determining price because natural gas price fixing by governmental fiat is not only unnecessary but unworkable as presently attempted. Also, it is only the market that will give the lowest price consistent with maximum output in the long run. The standard of market price could be feasible under existing law if the Commission would espouse it and proceed to the courts. Failing that, of course, a Congress truly responsive to the needs of the country would enact legislation to bring the free market mechanism into play.

That is the purpose of the resolution I have cosponsored with the able Senator from Texas.

AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PROCUREMENT—AMENDMENT

AMENDMENT NO. 797

Mr. BAYH. Mr. President, I submit an amendment intended to be proposed by me to H.R. 17123, the military procurement bill presently before the Senate.

Section 1 of my amendment requires annual authorizations for the active-duty personnel of each component of the Armed Forces. It prohibits the appropriation of funds for military manpower in the absence of such authorizations by the Congress. The amendment, if adopted, would become effective beginning in fiscal 1972, when the present suspension of the statutory ceilings on manpower levels expires.

In the Selective Service Act of 1948, Congress established the following statutory ceilings: Army, 837,000; Navy, 540,000; Marines, 400,000; Air Force, 502,000.

These congressionally authorized levels were extended for 1 year by congressional action on July 10, 1950. Later that year, in the face of the events in Korea, Congress suspended the authorized manpower levels until 1951, at which time the Selective Service Act was due to expire. It was argued by those supporting the suspension that Congress would have an adequate opportunity to debate the size of our Military Establishment the following year.

In 1951, with the Korean war in progress, Congress voted to continue the suspension, but this time until 1954 and an overall ceiling of 5 million was enacted in lieu of the previously authorized individual levels. The suspension was re-enacted in 1954, 1957, 1959, 1963, and, most recently, in 1967—each time without so much as a word of debate on how large a standing military force the United States needed and why.

In the absence of statutory authorizations for the components of the Armed Forces, the process of raising an army has simply become an act of appropriating money. It is true that during the period of the suspensions, there was an overall ceiling of 5 million. Unfortunately, that 5-million-man ceiling was meaningless, as there was never any danger of approaching that level in the absence of a congressional declaration of war. It was for that reason that the distin-

guished Senator from Kentucky (Mr. Cook) and I authored an amendment to the military procurement authorization bill last year, setting the ceiling at a much more meaningful level of 3.285 million.

Mr. President, the appropriations process is not the proper place to determine how foreign policy and strategic considerations should affect our manpower levels. The failure to confront these difficult questions in recent years, I am afraid, has led to an unnecessary American military presence in many far-flung corners of the world. That, in essence, was the message so clearly and precisely delivered yesterday by the distinguished senior Senator from Missouri (Mr. SYMINGTON), whose subcommittee has looked into the problem of how to bring our foreign policy commitments and our military manpower into balance.

Recently, Congress has become increasingly concerned about the size of the military budget and this has led the Armed Services Committee to require annual authorizations for such items as aircraft, missiles, naval vessels, tracked combat vehicles and weapons and munitions. Since military manpower is the largest single item in the defense budget, Congress should have a better opportunity to scrutinize manpower levels and expenditures. The easiest and most logical way to do that, Mr. President, is to require annual authorizations for manpower.

Section 2 of the amendment requires the President, in requesting legislation to authorize the active-duty strength of the component forces, to spell out the relationship between the levels requested and our national security policies.

The PRESIDING OFFICER (Mr. MILLER). The amendment will be received and printed, and will lie on the table.

AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PROCUREMENT—AMENDMENTS

AMENDMENT NO. 798

Mr. BROOKE (for himself and Mr. HART) submitted an amendment, intended to be proposed by them, jointly, to the bill (H.R. 17123) to authorize appropriations during the fiscal year 1971 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and other weapons, and 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 was ordered to lie on the table and to be printed.

(The remarks of Mr. BROOKE when he submitted the amendment appear later in the RECORD under the appropriate heading.)

AMENDMENT NO. 799

Mr. BROOKE (for himself, Mr. McIntyre and Mr. HART) submitted an amendment, intended to be proposed by them, jointly, to House bill 17123, supra, which was ordered to lie on the table and to be printed.

(The remarks of Mr. BROOKE when he submitted the amendment appear later in the RECORD under the appropriate heading.)

ADDITIONAL STATEMENTS OF SENATORS

NATIONAL GOAL: CURE FOR CANCER

Mr. YARBOROUGH. Mr. President, the conquest of cancer is a goal which can be achieved if we are willing to dedicate the necessary resources to the battle.

On April 27, 1970, the Senate established the National Committee of Consultants on the Conquest of Cancer. The distinguished members of this study committee began their work in the Nation's Capital on June 29, 1970, and held their second meeting in New York City last Monday, July 27, 1970. This fall the committee will report on what needs to be done to find the causes and cures of cancer.

An editorial on this bold campaign to conquer cancer was published on July 23, 1970, in the *Diboll, Tex., Free Press*, on page 2 section 2. 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:

NATIONAL GOAL: CURE FOR CANCER

When President John F. Kennedy issued his inaugural address at the beginning of the 1960's, he overwhelmed everybody by stating that the United States needed a national goal. And that goal should be to put an American on the moon before 1970, he went on to say.

Those who knew John Kennedy even remotely knew that he meant it. Those of us not too familiar with this new figure in American politics probably thought little about the boast, the promise that our national goal would be to send a man to the moon and bring him back—all in a period of less than ten years.

John Kennedy put into motion the men, money and muscle needed to accomplish the task. We proved that a nation could, and should, have such national goals.

Departing U.S. Senator Ralph Yarborough may have come up with our national goal of the 1970's: to conquer cancer.

The Texas Senator says he thinks a cure for cancer can be found by 1976, if America will only adopt this as a national goal. And what better goal to set for this decade than to conquer a disease that each year wipes out 300,000 American lives?

We have over the years found ourselves at odds with our Democratic Senator, though more with him than against him. We certainly are with him now, and it would be well for all segments of Americans to join this campaign to find a cure for cancer.

DISABLED COAL MINERS

Mr. SCOTT. Mr. President, as a Senator from a major coal-producing State, it greatly concerns me that disabled coal miners are all too common throughout the coal mining regions of the United States.

At the present time, such coal miners and their families are eligible for medical and hospital benefits from the United Mine Workers of America Welfare and Retirement Fund for 1 year after leaving the industry. In addition, if the disabled miner qualifies for a pension from the welfare fund, he is entitled to medical

care for himself and his family for life. At the present time, the minimum age for a pension under the fund regulations is 55, with 20 years in the Nation's coal mines.

Unfortunately, I understand that even these regulations do not cover all of the miners who need hospital and medical care. Moreover, I am informed that the financial position of the fund dictates that a 1-year limitation must be placed upon hospital and medical care for beneficiaries who leave the industry.

Therefore, there is a gap between what is needed and what a private fund is able to provide. Last year, more than \$65 million was paid for the fund for medical care out of a total revenue of \$174 million. The fund's cost of providing medical care seems certain to increase even if no additional beneficiaries are added to its roles because of a liberalization of the medical care regulations.

There can be no doubt that the needs of the disabled miners are urgent and real. President W. A. Boyle of the United Mine Workers of America has come up with an answer to these needs without sacrificing the solvency of the fund. His proposal merits the serious attention of the Members of the Senate. I hope in the near future to introduce legislation to accomplish the objectives set forth by Mr. Boyle. In the interim, I ask unanimous consent that a letter from him to me outlining his proposal be printed in the RECORD.

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

UNITED MINE WORKERS OF AMERICA, Washington, D.C., July 28, 1970.

HON. HUGH SCOTT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR SCOTT: Disabled coal miners under 65 years of age face a serious problem of medical and hospital care which must be assumed by the nation. These miners have suffered disability as the result of employment under hazardous conditions in an industry vital to the nation's health, comfort and economic welfare. They richly merit assistance from the nation in their hour of need.

The United Mine Workers of America has sought to meet the hospital and medical care needs of these disabled workers through the UMWA Welfare and Retirement Fund which is negotiated with the coal industry. The Fund expended more than \$55 million of a total income of \$163 million, for hospital and medical care for the mine workers during the fiscal year ending June 30, 1969. In the fiscal year ending June 30, 1970 the Fund spent over \$65 million out of a total income of \$174 million for hospital and medical care.

Because of the ever-escalating costs of medical and hospital care, the UMWA Welfare and Retirement Fund has been forced to limit medical and hospital benefits to one year following disability for mine workers too young to qualify for a pension. Our union fully recognizes that this is inadequate to the needs of mine workers.

The UMWA intends to win a much higher industry contribution to the Welfare and Retirement Fund in its 1971 negotiations. Even if the present forty cents per ton contribution were doubled, it would not be sufficient to provide indefinite hospital and medical benefits to disabled miners because of the need to increase pensions, survivors benefits and other benefits.

During recent weeks, mine workers who have been unemployed for more than one year because of disability have picketed and disrupted production of vitally needed coal in several mine fields. We recognize that the disabled miners' needs are urgent and very real. The UMWA Welfare and Retirement Fund, however, cannot provide indefinite medical and hospital care for these disabled miners without denying benefits to other working and retired members and survivors.

The real answer to this problem, especially in the face of soaring medical and hospital costs, is a program of hospital and medical benefits for disabled miners similar to Medicare which would become applicable one year after disability. Such a program should provide uniform benefits for continuing medical and hospital care costs resulting from disability. The UMWA Welfare and Retirement Fund now provides certain supplemental benefits to retired members over 65 who are enrolled in the Medicare program and would attempt to provide similar benefits under a federal program for disabled mine workers who have exhausted benefits now paid from the Fund.

In the view of the UMWA, such a program would best be supported from general taxation. We urge the immediate introduction of legislation to meet the health care needs of disabled mine workers following one year of disability. We will be more than pleased to work with your office in shaping a satisfactory legislative measure.

Sincerely yours,

W. A. BOYLE,
President.

SEABED CONVENTION

Mr. MUSKIE. President Nixon stated in late May that the United States favored a strong form of international authority over all areas of the seabed and subsoil of the high seas beyond a depth of 200 meters. This statement of policy provided an excellent framework for the extension of sound international law and cooperation in the uses of the ocean.

The President now has a rare opportunity to pursue this initiative by introducing a comprehensive proposal to carry out these objectives before the U.N. Seabeds Committee meets in Geneva early next month. I urge the President to seize this opportunity and reject the advice of those who fail to see the necessity of extending sound environmental and legal concepts to the deep ocean. Unless sensible international arrangements are made shortly, spiraling demands on ocean resources and technological advances will make a shambles of this last untouched world resource.

The oceans are the common heritage of all men, and they should be the objects of world cooperation rather than world division.

First. An unqualified declaration that ocean seabeds and subsoil beyond the 200 meter boundary are the common heritage of all mankind;

Second. An unqualified prohibition against unilateral coastal state claims and unregulated exploitation beyond the 200 meter line;

Third. The unqualified reservation of international seabeds and subsoil for peaceful purposes only;

Fourth. The creation of a strong international authority to protect the marine environment and to regulate the

exploration and exploitation of such areas;

Fifth. A limitation on the rights of coastal States in areas beyond the 200 meter line to actions taken in concert with and largely for the benefit of the international authority.

The area between the 200 meter line and the base of the continental slope is of critical importance. It is here that the international authority must be strong. The zone should not extend beyond the recognized limits of the continental slope, and fees and payments received by the coastal State for development in this area should be turned over to the international authority for the benefit of all peoples.

Finally, both the international authority and the coastal State which may act on its behalf must establish strict environmental safeguards to preserve the life of the ocean.

From information that I have received, it appears that the proposal being developed within the executive branch is admirable in concept and in scope. I urge the President to take the fullest advantage of this opportunity to move forward in a field of utmost importance to the future of mankind.

THE CHANGING AMERICAN SCENE—ADDRESS BY FORMER SECRETARY OF STATE DEAN ACHESON

Mr. MILLER. Mr. President, one of the most perceptive analyses of the changes occurring in our society and their implications for the future was provided by former Secretary of State Dean Acheson last May 13 in his address at the Air University.

Fortified as they are by a close familiarity with history and the social and political changes produced by developments, Mr. Acheson's remarks command great attention and respect.

I regret that the address leaves one with a feeling of alarm and pessimism, coupled with the reaction of hope that this distinguished citizen will provide us with an equally perceptive analysis of how our society can reverse the trend Mr. Acheson so forcefully describes.

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

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

THE CHANGING AMERICAN SCENE AND ITS IMPLICATIONS FOR OUR NATIONAL WELL-BEING

(Address by Dean Acheson)

Thinking of how to sum up for you my assigned theme, "The Changing American Scene and Its Implications for Our National Well-Being," I recalled that Lord Kenneth Clark had described a strikingly similar period as a time of "Protest and Communication." He was referring to the Reformation in sixteenth century Europe. Then, while a new world was in process of discovery and new horizons were unfolding, a novel method of communication fanned long dormant embers of protest into flames that destroyed the unity of Christendom and the very conception of universal authority. The protest of the fifteenth century was prelude to the destruction of the Thirty Years' War in the

seventeenth, unequalled since barbarian invasion had put an end to the *Pax Romana*.

The novel method of communication was the printing press. "People used to think of the invention of printing," observed Lord Clark, "as the linchpin in the history of civilization. Well, fifth century Greece and twelfth century Chartres, and fifteenth century Florence got on very well without it—and who shall say that they were less civilized than we are? Still, on balance, I suppose that printing has done more good than harm."

Can one say as much of radio and television, which are dominating our age? Whatever the answer, the question is probably the wrong one. If we ask instead whether the impact of radio and television on our age is comparable to that of printing on the sixteenth century, the answer must be: Certainly—but far greater in affecting the pace and direction of change. Surely the fact that the Korean War was the last to be reported mainly by press and the Vietnamese the first to come to the viewer directly through television has had a great deal to do with the change in the public attitude between the two. Can one doubt that, had General Grant's Wilderness Campaign and the fighting from Somme through Passchendaele been seen on television, the problems of all leaders, but especially those of Presidents Lincoln and Wilson, would have been even more difficult than they were and vastly different?

In the sixteenth century the printed word needed nearly a hundred years to fan protest to effective and destructive action. The real and alleged causes of protest had long been present. Doctrinal and organizational conflicts were not new within the universal church. Political unease between the Emperor and the Pope and between both and the great feudal lords had laid fuel for the kindling despite the removal of restless spirits by the crusades. Protest against the harshness of the feudal system had already burst into violence with the Peasants' Revolt and its bloody suppression. Even so, criticism of religious and political authority was carried by a slow, small current to a few selected segments of society, and addressed to an educated elite. Today, in sharp contrast, an insistent torrent of information, misinformation, and opinion on all subjects overwhelms our society for lack of historical perspective and a prevailing sense of values necessary to cope with it. This lack is a consequence of the pace of change. In my lifetime the population of our country has more than trebled. By the end of the century it will increase further by an amount equal to the combined populations of Britain and France. An estimated 88% of our people will live in cities of over 100,000 inhabitants. The strides in science and technology surpass all achieved between the origin of the wheel and the nineteenth century. The increase of material production over only the past twenty years has been so great as to produce an environmental crisis of the basic elements of life itself—air, water, and the supporting earth.

Adjustment to the pace of change is quite as upsetting as to change itself. Over many millennia women have been struggling to overcome restraints variously attributed to men and biology. In the past century the rate of change in their status has been bewildering. Economic pressures, education, and medical science have all contributed to it. Its effect on the unit basically affecting contemporary culture, discipline, and ethical standards—the family—has been enormous.

All these changes have cumulatively accentuated another apparently new, but actually very old and always disturbing, phenomenon—the conflict of generations. To both Plato and Aristotle, revolt for its own sake by the young against the system and establishment of their elders—whatever it might be—provided the chief periodical cause

of social change. It had no consistent purpose or effect; merely to change the *status quo*. Latterly it has been observed that this revolt has occurred only during static social periods when the younger generation found no escape from the geographic or other limitations of their elders' society. When, however, new fields or opportunities were opened by new discoveries, adventurous youth flocked off to new fields to make their own mistakes with joyous unrestraint. Even in static periods, it has been pointed out, those who protested were rarely themselves oppressed protestants. Thus, in Europe of 1848 middle-class and well-to-do students were championing working-class grievances; and in Russia, at the turn of the century, those of the peasants. Without laboring the point, it is probable that student unrest in this country today is more the result of the nature and pace of change than a cause of change.

Another profound effect over the past century of the changes we have been noting is upon our political postulates. With growing emphasis after the Civil War the principal postulate, the *Zeitgeist*, was faith in Progress, conceived of as a force moving humanity steadily forward and upward. So strong was faith in this escalator that interference with its workings was regarded as a sort of hubris, an insolent meddling with divine law. Indeed, the Supreme Court interpreted the constitutional protection of life, liberty, and property as incorporating the doctrine of *laissez-faire*, or—in Justice Holmes's phrase—as enacting Mr. Herbert Spencer's *Social Statics*. Legislatures were prohibited from regulating economic enterprise in doing what came naturally.

Now, however, acceptance of the mechanistic ideal of Progress has given way to galloping nihilism and cynicism on one side and to escapist sentimentality on the other. In the resulting confusion a new postulate has easily taken over first place in political belief. The doctrine that all men are created equal has long been deeply imbedded in our political holy writ. After passing through the larval and chrysalis stage as an aspiration and ritualistic affirmation, it now emerges as the crusading faith of our time, demanding destruction of infidels. Egalitarianism and its corollary, maporitarianism, are potent forces for change today. Again, the Supreme Court within the past decade and a half has given constitutional sanction to both doctrines as controlling in our domestic affairs.

The State Department verbally embraces the same doctrines as the touchstone in relations with governments abroad. Their effects are only tangential and whimsical, for few governments in the world are based upon a broad, honest, and effective franchise. The domestic affairs of strong governments, like those of most of the communist states, we cannot affect and do not try to. Weaker regimes, such as those in Greece and Haiti, we scold for departures from the true faith. In regard to assorted regimes, black and white, the egalitarian principle is treated with light-hearted inconsistency. The black dictatorship of General Mobutu in the Congo is pampered with over a billion dollars in aid funds, while Duvalier's Haiti is starved. The white governments in southern Africa are subjected to various manifestations of displeasure (all ineffective), including embargoes and other irritations. Like a cannon loose in an eighteenth century ship of the line during heavy weather, the principle of egalitarianism can wreak considerable havoc to the crew without harm to the enemy.

Together the electronic media and egalitarianism have intensified the change in the nature of American political leadership that began in the Jackson era. Until then—and in Europe until much later—the word "Establishment" could be meaningfully applied to those directing the nation's affairs. After Jackson, and particularly after the Civil

War, the Establishment split, the controllers of economic affairs taking over the bulk of ability and power. Politicians, federal and local, fell into disrepute amounting almost to contempt. The same was true in Europe, so much so that George Bernard Shaw, himself a Fabian socialist, in *Back to Methuselah*, imagined a society of people living to nearly a millennium, attaining great wisdom, and assigning the duties of government to Chinese slaves. The main point, however, is the interacting effect of the demotion in status of the politician, the increase in complexity of his problems, and the development of electronic communication.

In a democracy gifts of advocacy and acting, enhanced by the new techniques of communication, are of immense importance in attaining political power and maintaining agreement, approval, and consent. They are, however, far less potent aids in the management of great affairs. Mr. Churchill's oratory inspired the British people, but it was his ability to stimulate and direct wise action that carried them through the Battle of Britain. Hitler's oratory aroused the German people, only to lead them to evil courses and their own destruction.

The needs of a politician before and after his election to office were strikingly brought home to me during a call from Mr. John F. Kennedy to discuss appointments to his Cabinet in December, 1960. "I knew," he said, "almost everyone in the country who could have helped me in becoming President, but I know all too few who can help me in acting as President."

It would be quite wrong, however, to leave the impression that the chief effect of the new electronic communication is as an aid to its adept users in gaining a political following. The obverse is equally true. It is also a powerful aid to the impact of any protesting group upon both political leaders and other social groups. Nor is this all. By accentuating the dramatic—and what is more dramatic than conflict?—it encourages exhibitionism, extremism, and violence. These are far more potent in gaining attention and asserting a position than reasoned argument and rational persuasion. The effect is to set aflame the atmosphere of political discourse and deprive it of reason, just as the great fire raids of the last war fed upon oxygen sucked from the air.

Finally, we are not without some experience to guide us in foreseeing the effect that competing and inflamed protests, aimed both at influencing leaders and attracting support, have upon the cohesion of a society. When I was young, British society nearly came apart over the controversy about Home Rule for Ireland and the Ulster question. Extremes of passion made parliamentary government almost impossible. Violence permeated the political scene to the point of being embraced by women in pursuit of their demand for suffrage. The loyalty of the army and of young intellectuals to "King and Country" was drawn into question. The outbreak of the First World War, perhaps, saved the British from trouble approaching that which produced the Civil War in 1841, the Revolution of 1888, and the Chartist riots of the nineteenth century.

Not long afterward the combination of military defeat and resulting internal divisions of the most basic sort so dissolved the coherence of the Russian and German political systems that the Bolsheviks and the Nazis, respectively, were enabled to impose their totalitarian systems and suppress all dissent by force and terror.

Such are the main elements, as I see them, in the changing American scene. What are the implications for our future national welfare? Do they help or hinder toward establishing justice, insuring domestic tranquility, and providing for the common defense? Do they help or hinder the conduct of re-

lations with foreign nations to create a favorable environment in which free societies may survive and flourish? I believe that they are harmful for the reasons that can be briefly stated and explained.

First, the factors of change already noted are reducing the quality of judgment and the effectiveness of action with which our society and others deal with the tasks confronting them. They push leaders and lead toward the satisfaction of immediate desires and easiest choices. Then turn people away from self-restraint, discipline, and pursuit of values attainable only by persistent following of long-run policies.

Second, these same factors affect other nations very much the same way they affect us. Thus, an ill-considered decision of one state may adversely affect another, provoking equally ill-judged response, impairing the long-range interests of both and the prospects of future cooperation. Furthermore, as Lord Salisbury observed, the world was better off when people "could read no other language than their own." Now that they can hear and see what is going on everywhere, there is no end to "envy, hatred, and malice, and all uncharitableness" in interfering with other peoples' business. National and international communities are becoming more volatile, reacting hastily to find quick relief from often self-inflicted ills at the expense of impairing well-laid plans and more distant values.

For instance, during a brief period after the last war, a few gifted French leaders initiated in Western Europe inspired steps toward a unity that might transcend the confines of small national states and hold promise of a new, strong, and benign unity in world affairs. The French people tired under the immediate strains of the task. Diverted by the lure of glamour and *folie de grandeur*, they followed General de Gaulle into a policy of prideful nationalism, which the country could not economically afford or militarily support. In its course to failure the military defense of Europe was weakened, the franc devalued, and economic and political conflicts were set up within Europe and with the United States that have impaired the opportunity to create a viable European community.

Again, as one considers our increasing involvement in Vietnam following the French withdrawal in 1954, one notes a series of improvised steps to deal piecemeal with a deteriorating situation. Most of them won general approval; none appeared as a large commitment until a very large one was upon us. One senses the defect, dangerous to gamblers and politicians, of increasing one's bets and investment in a venture showing steady loss, thus increasing the difficulty of cutting one's losses and scrapping the venture. One misses a calculation of the future, a reckoning of costs within allowable investment and values obtainable, unobscured by words like "falling dominoes," "honorable solutions," and "the will to win." The result has shaken confidence in our government at home and abroad and set up or increased conflicts, dangerous in the extreme, within our society. This is a description of continued failure of judgment.

Illustrations could be multiplied. It is enough to mention the reaction of the Soviet apparatus to alarm over successful protest by the Czechs against the rigidity of their communist bureaucracy and fear that it might be contagious. The short-term solution of invasion and suppression suggests long-term setbacks in relaxing fears and hostilities that must precede settlements furthering Russian security. One can add the failures of developing societies in Latin America to identify and attack their own problems rather than protest that a rich neighbor is not doing more to help them.

Perhaps the most basic difficulties of our

own society and others in this time of protest and communication arise in identifying real subjects of concern and dealing with them with discrimination, circumspection, and persistence. In his book, *The Unheavenly City*, Professor Edward C. Banfield of Harvard discusses "Counterfeit Crises and Real Problems." Confusion comes from failure to differentiate the consequences of a cold from that of cancer. Our people are overwhelmed and frustrated by a multiplicity of concerns. A danger that confronts the radar of antiballistic systems is being saturated and rendered ineffective by multitudinous incoming targets—some false, some real weapons. Survival lies in identifying the real ones. In the political and social fields, protests, demonstrations, strikes, disorder, and the babel of media do not help separate the counterfeit and spurious from the real. Counterfeiting crises is considerably more serious than counterfeiting currency and is worthy of at least equal suppression.

When real problems are identified, the need arises to deal with them circumspectly. This requires a penetrating survey of all aspects of the problem and the effects of all solutions proposed. Solutions that create more or more serious problems than they attempt to solve are not wise or feasible, no matter how much support they have. For instance, if the legally enforced separation of black and white children for purposes of education had been clearly identified as a problem requiring solution, it would have been recognized as different and separate from other problems, such as enforcing by law some specific racial mixture in all public schools, or the use of schools whose primary function is education, as an instrument of social reform. Careful scrutiny of remedies would reject as not feasible those that seemed likely to bring an exodus of whites from cities, impairment of the cities' tax bases, underemployment and crime within them, decline in the quality of public education, other services, and the general urban environment.

In the foreign field the same necessity exists for discernment in selecting objectives and circumspection in choosing means and methods. Aid and trade policies and methods, for instance, seem to be products of popular whims and vagaries. Sometimes the aim asserted is to gain allies or strengthen them; at other times, to strengthen democratic regimes; at still others, to punish those of whom we disapprove by cutting trade relations. Often the object seems to be the humanitarian one of relieving need; and, again, the more earthy one of reducing surpluses by giving them away. Some urge the building of commercial bridges to communist satellites, presumably to wean them away from their ideology. In the face of this confusion, consistency in policy is almost impossible, and intelligent criticism of method very difficult. The result is most often an attitude of revulsion against liberal trade and aid policies and return to restrictive and isolationist ones.

However, "the common defense"—as the Constitution states one of our trinity of national purposes—suffers, perhaps, most severely in the interplay between the masses and the media. Here, where General Marshall used to urge that consistency and persistence in effort are as important as magnitude, policy is subject to extremes of almost hysterical pressures. Under the stimulus of actual enemy attack, there is almost no limit to what the media will support, the people will authorize, and the government will provide. When the memory of danger fades, taxation and national service are viewed as intolerable and unnecessary burdens. Distrust, springing from an unpopular war, accompanied by its full quota of military and political misjudgments, touches off an epidemic of attacks and protests, which

undermine confidence in the whole military establishment. When a distinguished soldier and undistinguished President voiced suspicion of the "military-industrial complex," he proved not only that "war is much too serious a thing to be left to military men," but that politics is, also.

War—certainly nuclear war—is too serious a thing to be engaged in by anyone. The object of national policy is to prevent it. In the present state of justified mistrust among nuclear powers, endless talk alone cannot produce a reliable nuclear disarmament treaty. Verbal negotiations will have to be accompanied over many years by negotiation through acts in which a wise, expensive, and persistent military policy upon our part might convince the Russians of our mutual interest in maintaining stable second strike capabilities on both sides, incapable of escalation into a first-strike capability without detection from outside observation.

Then, and only then, could some measure of confidence be placed in engagements. But have we the resolution and discipline to embark on and maintain such a policy over the years? Twenty years ago I argued with conviction that our society was inherently stronger than the Soviet because it was supported by the free will and consent of its citizens, whereas a communist regime rested upon compulsion backed by fear. If, however, free citizens turn against a course that their interest calls upon them to follow, within measurable time it will fail. The virus of disbelief in danger and recoil from meeting it seem to lead to distrust and impatience toward our allies and a wishful belief that Russian hostility of the Stalin-Khrushchev period has abated. Some go even further and urge a unilateral postponement in development or even an actual reduction of our military capacity to induce a Russian response in kind.

Enough has been said to indicate where present trends could take us. I cannot recall an instance of a democratic society that, once having lost the will to provide for domestic tranquility and national security, has regained it by a new birth of discipline and commitment. It has been said that the judgment of nature upon error is death. In the life of nations that judgment has been disaster. I do not predict. It is enough to regret that

I tell you nought for your comfort,
Yea, nought for your desire,
Save that the sky grows darker yet,
And the sea rises higher.

SENATOR MOSS AND THE CONSUMER

Mr. MAGNUSON. Mr. President, we in Congress rarely look back. Today's crisis or tomorrow's law preoccupies us. Stirring legislative battles, victories and defeats, pass quickly and surely from the front pages to the dimly remembered quiet of the CONGRESSIONAL RECORD.

But this week I happened to read a summary of the work of our Consumer Subcommittee during the current Congress. Frankly, I was amazed, not only at the level of energetic activity but at the level of significant achievement.

The Senator from Utah (Mr. Moss) assumed the reins as chairman of the Consumer Subcommittee only in April of last year. Much of the technical side of the subcommittee's work was new to him, but he seized the responsibilities and sorted out the essence of what it is that frustrates, angers, and bugs the Nation's consumers, then he set out to do something for the consumer.

Just look at the range of issues his subcommittee has pursued: cigarette advertising and toy safety; flammable fabrics and poison prevention packaging; advertising and drug addiction; advertising and nutrition, chemical mace and fish inspection; a forum of consumer protection activities within the Federal Trade Commission and the strengthening of the antifraud work of the Justice Department; assuring consumers that their day in court through class action suits for the benefit of all consumers cheated by the same scheme or practice, the development of sound consumer information on product life and performance through product testing and scrutiny of supermarket pricing and labeling practices which bring the consumer a dollar's worth for a dollar spent.

Several major new laws are already on the books as a result of his efforts; others are well on their way to enactment this year. And for still others a solid foundation has been laid for future action.

I thought Senators would like to have a capsule glance at the record of Ted Moss' work product as chairman of the Subcommittee for Consumers.

Let us look at the record.

Warranties and guarantees: Let us face it. There is probably no greater source of frustration with the American consumer than phony and misleading guarantees. The tricky warranty game has become an American ritual of the late 20th century: Man buys a product—especially an appliance—that does not work or does not work the way it should or stops working in a couple of days. Then comes the anxious scanning of the small print in the warranty sheet and the inevitable discovery: The warranty expired as you crossed the threshold of the store; moving parts were not covered; you have to mail it to Muncie, Ind., postpaid. Shoddy workmanship coupled with shoddy promises. A recent poll in Utah found two-thirds of those polled demanding remedial legislation on warranties and guarantees.

Under Senator Moss' subcommittee and floor leadership they are getting it. The Senate has passed the landmark guaranty and warranty bill. When the House completes action, this law will force manufacturers to spell out their warranty obligations, keep them from using words of warranty as an illusory smokescreen to escape their common law obligation to provide a product which is fit for the purpose for which it is sold. It is a law which sets minimum standards for the content of full warranties; and it provides for the consumer's full recovery of his attorney's fees and incidental expenses if he has to go to court to enforce his rights.

Cigarette advertising: It is rare enough in Congress when a Senator or a Representative in Congress enters a face-to-face challenge with a powerful industry and it is rarer still when he wins. Senator Moss took on two heavies of American industry, the cigarette manufacturers and the broadcasters. The law which will make cigarette commercials a historic curiosity by the first of next

year bears his imprint more than any other man. It represents the culmination of a decade-long fight for Ted Moss—a fight he will not let rest until we have brought home to our young people the full truth about the hazards of smoking.

Toy safety: 6 months after the National Commission on Product Safety told Congress that comprehensive toy safety legislation was needed, the bill which Senator Moss had engineered through Congress was signed into law. No longer will our children be exposed to sharply pointed pins used to attach the eye of a doll; no longer will our children inhale the darts of a poorly designed Zulu gun. These dangerous products, and thousands of others like them, are no longer being sold thanks to the enactment of the Toy Safety Act.

Poison prevention packaging: The Consumer Subcommittee focus on protection for the very young has been demonstrated in yet another piece of legislation which the Senate has passed. Some day an innocent child, briefly unattended while her mother answers the door, will grab for some furniture polish under the kitchen sink and find that it has been safety packaged so that its deadly contents cannot find its way into her mouth. The mother who returns to find her baby struggling to get into the enticingly packaged container will have Senator Moss to thank for the safety closure that has saved her child from harm.

And the list could go on—Flammable Fabrics Act amendments that give the Federal Trade Commission stronger enforcement tools; future hearings on the product safety proposals of the National Commission on Product Safety; auto insurance legislation reform; nutrition of dry breakfast cereals.

Of course, no Senator single handedly passes legislation. It takes great teamwork to engineer important legislation through Congress. But Senator Moss has time and time again captained a strong consumer team that has scored heavily for the consumer—and for legitimate business. Consumers are fortunate in having a man like Ted Moss carrying the ball for them.

Mr. MOSS. Mr. President, I am grateful to the senior Senator from Washington for his expression of confidence in my leadership of the Consumer Subcommittee. I would remind Senators, however, that I am but following the course set by Senator MAGNUSON himself, who doubled as chairman of the Consumer Subcommittee until he asked me to assume that responsibility.

Senator MAGNUSON has long been recognized as one of the top national leaders in promoting the consumer interest. He has provided an excellent example of leadership by his arduous efforts, his dedication, his effectiveness. I am pleased to be able to follow in his footsteps as chairman of the Consumer Subcommittee and join with him as a cosponsor of a number of measures including the warranty and guaranty bill that was recently passed by the Senate.

I have enjoyed this work and feel that we are making real progress in securing for consumers their just rights in the

marketplace. I want to assure the chairman of my continuing commitment to work with him in pushing the consumer movement forward.

SENATOR RANDOLPH RESPONDS TO EDITORIAL—DISCUSSES HIGHWAY PROGRAM AND TRUST FUND

Mr. RANDOLPH. Mr. President, on July 20, the Washington Post published an editorial concerning the Highway Trust Fund. I felt there were erroneous conclusions about the highway program and my own viewpoint on the future of the trust fund.

I subsequently wrote a letter to the Post discussing these matters in detail. That letter was published today.

I ask unanimous consent that the editorial of the Washington Post and my letter be printed in the RECORD.

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

\$20 BILLION A YEAR FOR HIGHWAYS?

On the Senate floor one day last month, Senator Randolph tossed off a piece of information that each member of Congress and each taxpayer ought to ponder for a while. "State highway officials, through their nationwide organization," he said, "estimate that the national highway needs for the next 15 years will cost \$320 billion."

We've gotten so used to talking about billions—a federal debt that approaches \$400 billion, a defense budget of around \$80 billion—that the size of this figure is hard to grasp. But \$320 billion is enough money for the government to buy all the railroads in the country, repair their roadbeds, fill all of their needs for new equipment, operate their passenger and commuter trains without charge to the riders for the next 15 years, and still have a big kitty left over. Looked at another way, \$320 billion is enough to buy every man, woman and child in the United States a new television set on each January 1, for the next 15 years.

That's why the hearings on highway matters on Capitol Hill last week are important. Slowly but surely, and rather quietly, Congress is moving toward a decision that will set the country's transportation policy for the next decade. The law that sends tax revenues directly into the Highway Trust Fund expires on October 1, 1972, and the time for Congress to renew or change it is drawing near. And so is the battle between those who want to keep this great pot of federal money—now more than \$4 billion a year—flowing into highways and those who want to see some of that money diverted to other projects, most particularly other transportation projects.

Some members of Congress, like Senator Randolph, have already made it clear that they cannot conceive of any substantial change in the trust fund. But Secretary of Transportation Volpe testified last week that he favors a broader use of trust-fund revenues. And Governor Mandel, speaking on behalf of the National Governors Conference, argued that a state ought to be able to choose between having its share of that trust fund spent on highways or on some other kind of transportation.

If the administration will give Secretary Volpe its full support and if the governors and mayors, not to mention plain old taxpayers, will rally round Governor Mandel, the fight over the trust fund could be a good one. But if any change is to be made in how that fund is used this kind of strong support will be required. The highway lobby is about as strong as lobbies come and a good

many members of Congress seem to be in love with highways.

Before voting to renew the trust fund as it now stands, however, members of Congress ought to think about what it is doing to the country. One out of every eight dollars that state and local governments spend goes into highways. These governments spend more on highways than on colleges and universities; twice as much on highways as on hospitals; four times as much on highways as on crime prevention; ten times as much on highways as on parks and recreation. Much of this highway spending is stimulated by the federal government. It puts up almost a third of the money and a state can hardly afford to reject the 90-10 or 50-50 matching funds thus made available. All this happens while the cities become increasingly jammed with cars, while the air thickens with exhaust fumes, while seashores become more polluted with oil. Does it make sense in this situation—which is not the situation that existed when the trust fund was set up in 1956—for Congress to lead the way, to egg the states on, towards a time when more than \$20 billion a year is spent on highways?

U.S. SENATE,

COMMITTEE ON PUBLIC WORKS,
Washington, D.C., July 20, 1970.

The WASHINGTON POST,
1515 L Street NW.,
Washington, D.C.

DEAR SIR: Your editorial of July 20 on the Highway Trust Fund raises questions that merit further discussion, as does your interpretation of my position concerning the future of the fund.

I agree that, considering the scheduled 1972 expiration of the Trust Fund and the delayed completion of the Interstate system, the hearings conducted by the Subcommittee on Roads are very important. For this reason I was disappointed not to see any coverage of these hearings in the Post up to this point, coverage that would contribute to a fuller public understanding of the issues involved.

Throughout the 15 days of hearings held this year there has been considerable discussion of the Highway Trust Fund. It is obvious from this testimony that there is some sentiment (but not necessarily a consensus) for changing the Trust Fund from its present comparatively limited purposes. The Trust Fund was created in 1956 mainly as a financing mechanism for the Interstate system of highways and the regular Federal-aid road building program. There is little question that it has performed this function well.

With the Interstate system now more than 70 percent complete, it is apparent that the Congress must give careful consideration to a new national highway program, one that will help set transportation patterns for many years. That is one reason I have deliberately deferred introducing comprehensive highway legislation until the conclusion of these hearings. In this way neither witnesses nor Senators were limited to discussions within the confines of specific legislative proposals.

I have not, contrary to the implications of your editorial, advocated an indefinite continuation of the Trust Fund as now constituted. I have stated that I believe the Federal Government has a moral, if not strictly legal, commitment to the public to complete the Interstate system substantially as authorized on a 90-10 matching basis. There has been strong evidence that several segments of the Interstate system, primarily high-cost sections located in urban areas, may never be constructed. Because of this, I have asked Transportation Secretary Volpe to explore with the appropriate state and local officials the feasibility of considering these controversial segments for removal from the Interstate system at a possible saving of \$4 billion.

It is now estimated that the Interstate sys-

tem can be finished in about seven years, and I am now considering proposing a legislative measure to establish a firm deadline for this completion.

For the post-Interstate period I have been repeatedly advocating establishment of a single formula for allocating Federal highway funds, perhaps on the order of 70-30, with the states having wide latitude in determining where this money should be spent. In this way we might hope to profit by the experience of the past 14 years, in which there has been concentration on the Interstate system, a necessary and worthwhile program, and comparative neglect of other parts of the highway network especially old bridges and many primary and secondary roads.

Although the transportation uses of the Highway Trust Fund cannot be broadened a great deal while the Interstate obligation remains, I expect to see moves to do so this year. Last December, I introduced a bill which would allow cities to use Trust Fund monies to support public transportation systems, mainly buses, thereby making use of highways more efficient and hopefully reducing the need for additional urban highways. I have also proposed a bridge replacement program financed by the Trust Fund.

New legislation to be introduced will propose moving other highway-related activities into Trust Fund financing, including forest highways, public lands highways, safety programs, safety research, beautification, replacement housing and equal employment opportunities.

Witnesses at our hearings have advocated enlarging the Trust Fund into a general transportation fund. I recognize that some transportation programs have been severely underfinanced, and I hope these imbalances can be corrected. What will happen several years in the future I cannot predict, but I feel it is necessary to retain the Trust Fund in essentially its present form until current Interstate and Defense Highway system commitments are met.

Truly,

JENNINGS RANDOLPH, Chairman.

TRIUMPH OF FREE ENTERPRISE

Mr. TOWER. Mr. President, the distinguished Senator from Colorado (Mr. ALLOTT) performed a service for the Senate and for readers of the CONGRESSIONAL RECORD on July 6 when he inserted a speech given in Tokyo on July 2 by the distinguished Chairman of the Board of Governors of the Federal Reserve, Dr. Arthur Burns. I have just finished reading the speech, and for those who may have missed it for one reason or another, I make the suggestion that this was too important a statement to miss. It can be found in the CONGRESSIONAL RECORD, July 6, 1970, page 22799.

The title of the address was "The Triumph of Free Enterprise." It was delivered in Tokyo, Japan, and addressed the problems of developing economies throughout the world. More than that, however, his thoughts range far into fundamental questions, and with a great deal of historic perspective he compared the promises and the performances of free world and Communist bloc economies during the past several decades. The substance of his remarks is that the world's economic success stories—particularly the Asian countries of Japan, the Republic of Korea, Nationalist China, Thailand, Hong Kong and Malaysia—are all countries which to a greater or lesser degree have adhered

to market economic principles. By contrast, Asian countries which experienced the slowest rates of growth in the period from 1958 to 1968 were also the countries which leaned most heavily on centralized economic controls. Examples in this category are Ceylon, Burma, India, and Indonesia.

Concluding his remarks on the international economic picture, Dr. Burns voiced the hope that those countries which have fared less well will be inclined to review their positions in the light of past policies and change those policies:

I see a basis for optimism about the future in the economic experience of both the countries that have forged ahead and those that have lagged behind. What has gone wrong, after all, is not something immutable. A country can change its future, for the better, by changing its policies. The countries that have lagged in the economic contest have the opportunity to learn from experience and to alter their course.

I commend Dr. Burns for his timely and astute remarks.

MAYOR GRANDBERRY PROVIDES A STRONG LEADERSHIP IN TIME OF DISASTER

Mr. YARBOROUGH. Mr. President, the Houston Chronicle of July 26, 1970, contains an article entitled "Lubbock's New Mayor Had Trial by Tornado," which describes the leadership and courage displayed by the mayor of Lubbock, Dr. James H. Grandberry, during the recent Lubbock, Tex., tornado.

As the article points out, Mayor Grandberry had been in office only 3 weeks when the tornado struck the city in early May. Despite his newness to the office, Mayor Grandberry went into action immediately and displayed leadership and organizational skills that would arouse envy in the most experienced governmental administrators.

I toured this disaster area within 72 hours of the tornado and met with Mayor Grandberry and the City Council of Lubbock to go over the situation in detail to determine what needed to be done. I was most happy to be able to help the people of Lubbock by expediting emergency assistance to that stricken city. The tornado struck Lubbock on May 11, 1970, and on May 18 after my return to Washington, I introduced S. 3848 to give special emergency relief to Lubbock. Within 1 week of the bill's introduction, hearings were held before the Subcommittee on Disaster Assistance of the Senate Committee on Public Works on my bill.

In my work with Mayor Grandberry, I was most impressed by the presence and poise he demonstrated during those trying days.

Mayor Grandberry is now working diligently on the problems of rebuilding this shattered community. I want to assure him and the people of Lubbock that the distinguished junior Senator from Texas (Mr. Tower), Lubbock's great Congressman, Mr. MAHON, and myself are doing all we can to assist them with this task.

Mr. President, I ask unanimous con-

sent that the article be printed in the RECORD.

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

[From the Houston Chronicle, July 26, 1970]

LUBBOCK'S NEW MAYOR HAD TRIAL BY TORNADO

LUBBOCK.—James H. Grandberry had been mayor of Texas' eighth largest city only three weeks when on May 11 a tornado ripped out the heart of Lubbock.

In a terrifying five minutes one of the worst tornadoes in Texas history claimed the lives of 26 persons, injured an estimated 1500 and caused damage placed at \$200 million.

For the 37-year-old dentist, life changed instantly.

Suddenly, 2600 Lubbock families were plunged into various degrees of distress. Ninety of the injured were hospitalized. With 949 homes destroyed or heavily damaged, 1800 persons required emergency shelter and 11,664 were provided by the American Red Cross with 34,994 hot meals in a week.

What can a mayor of three weeks, accustomed to the quiet decorum of a dental office, do when confronted with so frightening an emergency?

OPERATIONS PRAISED

"I have never seen rescue and relief operations brought into being more quickly or effectively," said Gen. George A. Lincoln, President Nixon's personal representative to the disaster area who flew in from Washington the next morning.

"Disaster operations are always difficult, but this has been the smoothest I have known," said George Hastings, who also arrived the following day to coordinate the entire federal relief and recovery effort. "I attribute it to an excellent city government and to full understanding and cooperation by the city, county and state governments."

Hastings, of Denton, is regional director of the Office of Emergency Preparedness. Lincoln is director of the OEP, working directly under the President. Both arrived in Lubbock after the city's emergency operating center had swung into action.

"You handled everything perfectly," said U.S. Rep. George H. Mahon, who comes from Lubbock.

AT HOME WITH FAMILY

Grandberry, who defeated the incumbent mayor in an April 21 election, was at home with his family when the tornado dipped down from a crashing, lightning-filled thunderstorm which grew more violent as it approached the West Texas city.

Grandberry said that at the approach of the storm, he and his family had gathered in the center of the house and he had helped his wife, Edwina, get the five children tucked away in the safest place. "Then I went outside to look at the sky. When I returned the radio was off and I figured my weak batteries had finally played out. It was several minutes later before I knew what had happened, and several hours before I began to realize the full extent of it."

The usual five minute drive to city hall took almost an hour.

"We even got lost a couple of times," Grandberry said. "The usual landmarks that we automatically used to guide us had been blown away."

At city hall Grandberry was soon joined by the other four councilmen and city officials. Everything was turmoil. The police station had been hit and was without electricity and communications.

COUNCIL CONVENED QUICKLY

It took only minutes to convene an emergency council meeting. The mayor asked for and received permission to allow the city manager, Bill Blackwell, to take charge and

run things, although the city charter said the mayor had power under such emergencies to "act as he sees fit and order any agency or citizens to do what he requests."

"When you are riding horseback in a swollen stream and things get rough, you don't try to change horses," Granberry said. "Our city manager operates the city on a daily basis and knows the people who head each phase of our operation. I saw no reason to step in and take over when he already knew who was in charge of what and just how much he could do."

Action came fast that tragic night.

"Immediately we proclaimed a state of emergency," the mayor said. "We put a curfew on the hit area as best we knew it, and ordered all looters to be shot on sight. Then, the city council went into emergency session to pass needed resolutions to begin immediate search and rescue, and make plans on how to operate our city."

NATIONAL GUARD ASKED

"The council immediately contacted the state capital and asked the National Guard be activated. We learned the governor was out of state, but the lieutenant governor promised every help possible and flew out to aid us himself the next morning."

Granberry went 44 hours without sleep while directing the emergency operation. All of the dead were found before daybreak and only a few injured were located after the sun came up.

"I see no major goof-ups in the entire operation, looking back over it," Granberry said. "Sure, no one is ever prepared for this type of thing. But with a capable, efficient and dedicated city staff, concerned and cooperative citizens and tremendous response from the county, state and federal government, everything seemed to go as smoothly as possible."

By daylight rehousing of persons had begun. The Red Cross and the Salvation Army headed the feeding and reclothing of stricken people, operating with the United Fund and many church organizations.

"Lubbock has already recovered in spirit," Granberry said. "This was proved six weeks after the storm when we went on national television with the 10th annual Coaches All-America game, and had the biggest crowd ever of football fans—not just people making a show."

"People have become individuals again, but with a different spirit. It's a renewed spirit that we are going to build back better. I think we will."

DON'T BLAME MR. NIXON

Mr. MILLER. Mr. President, one of the most incisive analyses of the causes and effects of campus unrest appears on the editorial page of today's Wall Street Journal.

It was written by a student, Douglas L. Hallett, a Yale University senior and editorial chairman of the Yale Daily News. He currently is a summer employee in the Journal's Washington bureau.

Mr. Hallett asserts:

No amount of frustration with society justifies or explains the destructive path some student protest has taken recently. President Nixon has withdrawn more than 100,000 troops from Vietnam and instituted draft reform that will lead to a voluntary army. He has proposed an income maintenance plan that would be the most revolutionary domestic program in a generation and he is already the first President since Franklin Roosevelt to spend more on domestic programs than on defense.

He says:

It can be argued that these steps are not enough.

But then he poses a question:

But can it really be argued that they are so unsatisfactory that burning buildings and disrupting classrooms become justifiable or even understandable?

Mr. Hallett declares:

Responsibility for the campus unrest does not lie with the President, as some suggest, but rather with the very same people who have been devoting so much energy to blaming the President: The faculty and administrators of the nation's colleges and universities.

In their efforts to escape responsibility, they are blaming Mr. Nixon. In the process, they are breeding in their students the kind of rigidity that comes only with a one-sided historical analysis—

But inevitably—

the universities must take primary responsibility for the confusion among many of our students. More than any other institution, they influence the thoughts and feelings of the brightest of our young. And more than any other institution, they are responsible for preserving our past and passing along the best of it to the next generation. They have failed miserably in that role. And only when they begin to succeed will students turn to more constructive paths for their emotional surges.

Mr. President, this article merits widespread attention. 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:

[From the Wall Street Journal,
July 29, 1970]

CAMPUS UNREST: DON'T BLAME
MR. NIXON

(By Douglas L. Hallett)

WASHINGTON.—President Nixon has now had an opportunity to study the initial testimony of his Commission on Campus Unrest headed by William Scranton. He has also received a report from his special adviser on campus problems, Alexander Heard, chancellor of Vanderbilt University. Hopefully he will read both selectively. Although the commission and Mr. Heard have elucidated some of the problems facing universities, their basic thrust is much too one-sided and much too limited by contemporary events to be of any real value.

While the testimony before the Scranton commission and Mr. Heard's report make some reference to the need for reform on university campuses themselves, the dominant tone is somewhat different: The President is at fault. He must listen to the students, respond to their views, end the war, and if that cannot be done tomorrow, at least try to "communicate" with the nation's colleges and universities.

"It may well be that the only line in your report that will have meaning for our colleges and universities is the line that reads: 'This war must end,'" said Sen. Edward M. Kennedy (D., Mass.). From Robben Fleming, president of the University of Michigan: "An end to the use of American troops in Vietnam will not still campus unrest, but it will do more than anything else to help contain it." From Charles Palmer, president of the National Student Association: "As long as there is substantial American military involvement in Indochina, students will continue to oppose it."

And the foundation of criticism of the war is always buttressed with the nation's other alleged failings. "Unless we can begin now (restoring youth's faith by doing their bidding)," testified Yale psychologist Kenneth Keniston, "ours will not only be a divided and

sick society, but a society that has lost the best of its youth—a society on its death-bed." Even calm Mr. Heard recommended "that the President increase his exposure to campus representatives, including students, faculty and administrative officers, so that he can better take into account their views, and the intensity of those views, in formulating domestic and foreign policy."

There is, of course, some validity in these views. Certainly the war and the threat of the draft have created consternation on campus. Certainly many able students are shocked by the disparity between their own luxury and the deprivation around them when they leave comfortable suburban high schools for the dirt and tedium of urban university neighborhoods.

IMPORTANT SOCIAL FACTORS

Even more important are other social factors the Scranton Commission and Mr. Heard have yet to discuss. Students discover in colleges for the first time that they will not inherit the earth, that the increasingly centralized nature of the American economy has foreclosed many of the opportunities for self-expression they thought they would have. Thousands study international relations in college, but the State Department can use only 150 each year. Only a few in any profession can rise to positions where individual initiative and creativity are truly possible.

But no amount of frustration with society justifies or explains the destructive path some students protest has taken recently. President Nixon has withdrawn more than 100,000 troops from Vietnam and instituted draft reform that will lead to a voluntary army. He has proposed an income maintenance plan that would be the most revolutionary domestic program in a generation and he is already the first President since Franklin Roosevelt to spend more on domestic programs than on defense.

It can be argued that these steps are not enough. But can it really be argued that they are so unsatisfactory that burning buildings and disrupting classrooms become justifiable or even understandable?

Can it really be argued that students, a group possessing the luxury of time to use traditional political channels and the most potential for eventually controlling them, deserve the President's special attention?

Can it really be argued that students are doing anything more than indulging their own uncontrolled emotions when their activities polarize the society and undermine the political viability of issues with which they are supposedly concerned?

Mr. Keniston and others who have been counseling the President over the past few weeks may be optimistic about the students and their concerns, but the real radicals in this society fear them. They see many students as indulging themselves at their expense. The Black Panthers denounced the white students who took to the streets during the May weekend demonstrations as "racist exhibitionists who know black people, and not they themselves, will have to face the repercussions of their madness."

And Steven Kelman, a Socialist and recent Harvard graduate whose book, "Push Comes to Shove," as the best yet on campus unrest, blasted his fellow students before the Scranton Commission for their "snobbish, arrogant and elitist attitude." He said unrest would continue "as long as students continue to regard the American people not as potential allies in solving problems but as an enemy to be confronted."

A FUNDAMENTAL REALIZATION

Neither the Panthers nor Mr. Kelman would appreciate being coupled with Vice President Agnew, but they share with him one fundamental realization: Most so-called student radicals cannot be trusted. Students don't know what they want. They identify

for periods of time with anybody from Eugene McCarthy to Bobby Seale, but their commitments are transitory. The outrage that followed the Cambodian incursion has not been followed by sustained political activity among students. As president Kingman Brewster of Yale knew when he undertook his policy of generous tolerance last spring, students get bored easily when it comes to the hard work of political organization and stop when the initial enthusiasm has passed.

Worse yet, students are frighteningly ignorant of the problems the country faces and of the efforts that have been made to solve them. They react strongly to rhetoric because they have nothing else on which to rely. It can be argued that President Nixon's withdrawal from Vietnam is too slow, but those who make this point should be willing to acknowledge that Mr. Nixon is doing exactly what Robert Kennedy proposed in 1968.

Similarly, it is possible to quarrel with the "new urbanology" of Daniel Patrick Moynihan and Edward Banfield, but it should also be clear that their approach is designed partially to eliminate the statism that proved so ineffective in the Johnson Administration's "Great Society" programs. Students, in their false morality, refuse to make these acknowledgments because their historical sense is too weak to breed in them the tolerance that should come with learning.

Responsibility for this situation, does not, as the Scranton commission testimony and Mr. Heard's report come close to implying, lie with Mr. Nixon. Rather, as only a few brave academic souls such as former Cornell President James Perkins have partially conceded, it lies with the very same people who have been devoting so much energy to blaming the President: The faculty and administrators of the nation's colleges and universities. During the Fifties, Mr. Perkins argues, universities became so distracted by the McCarthy furor that they failed to keep pace with changing historical currents. Instead of changing teacher content and academic structures, they just marked time.

On a public policy level, Mr. Perkins believes this led to the universities' advocating two premises that were "bankrupt" long before the academic community noticed. One was that the United States could intervene freely throughout the world. The other was that integration, accepted by both black and white, would be the answer to racial tensions. Mr. Perkins says these faulty ideas have "chopped up" universities. And although he does not continue his argument, presumably he means that this has taken place at least partly because the universities have refused to accept responsibility for their views. Now, in their efforts to escape responsibility, they are blaming Mr. Nixon. In the process, they are breeding in their students the kind of rigidity that comes only with a one-sided historical analysis.

UNCHANGED SINCE THE MIDDLE AGES

The Perkins analysis can also be extended to the internal structure of universities. Universities are the only institutions in American society that have not fundamentally changed since the Middle Ages. They still maintain highly structured tenure systems that protect incompetence and cheat the student out of the personal tutoring that he is told the best universities offer. But the academic community's own rigidity does not stop it from lashing out at the political system and accusing it of the very same authoritarianism and repression academic institutions so perfectly exemplify. Learning from people who engage in this kind of self-delusion and self-projection, students naturally come away confused about their history and their place in it.

In fairness, it must be noted that the problem lies deeper than the campus. The loss of

historical perspective and the diminished and unsure sense of the self that it brings have been encouraged by other institutions as well. Writes historian Daniel J. Boorstin, "In our churches the effort to see man sub specie aeternitatis has been displaced by the 'social gospel'—which is the polemic against the supposed special evils of our time. Our book publishers and literary reviewers no longer seek the timeless and durable, but spend most of their efforts in fruitless search for a mode 'social commentary'—which they pray won't be out of date when the issue goes to press in two weeks or when the manuscript becomes a book in six months." Nor have the news media, in this day of up-to-the-minute television coverage, done much to develop in their audience a feel for the slow and deliberate character of social change.

But inevitably the universities must take primary responsibility for the confusion among many of our students. More than any other institution, they influence the thoughts and feelings of the brightest of our young. And more than any other institution, they are responsible for preserving our past and passing along the best of it to the next generation. They have failed miserably in that role. And only when they begin to succeed will students turn to more constructive paths for their emotional surges.

This does not mean President Nixon cannot take some steps to ease campus tensions. He can persuade his Vice President to soften his statements that appear to many students to be deliberate incitement to riot. He can make a far better intellectual presentation of his own views than he has so far. He can begin advocating the kinds of public and private decentralization that will create new opportunities for self-expression for students and others. But Mr. Nixon should resist, and resist vigorously, anybody who advises him to institute artificial consultation with students that cannot be followed by policy decisions the students desire. The problem goes far beyond anything symbolic gesturing could solve, and besides, students get too much of that already on their campuses.

THE COST OF MOVING THE EDA REGIONAL OFFICE FROM DULUTH TO CHICAGO

Mr. MONDALE. Mr. President, the Grand Rapids Herald-Review recently published an excellent editorial examining the Economic Development Administration's plans to move the regional office from Duluth to Chicago.

The Herald-Review editorial points out not only the cost of this move to the city of Duluth, but also the cost to those which the EDA office is designed to service. Among other ways, this cost can be measured in terms of the easier accessibility of the Duluth office to EDA designated counties than to the proposed office in Chicago. Twice as many eligible counties and 11 times as many Indian reservations are within 200 miles of Duluth when compared with those which are the same distance from Chicago.

Despite the testimony of Robert Podesta of EDA on the proposed move, clear evidence of the need for a transfer of offices and of the efficiency and economy which supposedly would accrue from it—indeed, clear evidence of any justification for such a move—has yet to be presented.

At a time when dollar investments in vital domestic programs must be stretched to their uppermost limits, and

when high taxes and inflation prevent desperately needed legislation affecting health and education from being enacted, it is incredible that the administration should contemplate such a costly action.

Mr. President, I ask unanimous consent that the complete text of this informative editorial be printed in the RECORD.

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

[From the Grand Rapids (Minn.) Herald-Review, June 29, 1970]

EDA OFFICE MOVE TO CHICAGO IS DIFFICULT TO UNDERSTAND

Minnesotans find it difficult to understand the reasoning back of the decision to move the regional Economic Development Administration (EDA) office in Duluth to Chicago.

Fifty-eight employees and a \$1,100,000 annual payroll are involved in the transfer. But more importantly, it will move the EDA office a considerable distance from the area it serves most frequently.

Sen. Walter F. Mondale, in a sharp exchange with an EDA official at a recent senate sub-committee hearing, pointed out that "there are twice as many EDA designated counties and 11 times as many Indian reservations within 200 miles of Duluth as there are within the same radius of the Chicago office."

In further emphasizing the desirability of the present location, Sen. Mondale said that there are 106 public works projects within 200 miles of Duluth and 21 within 200 miles of Chicago, and 27 business loan projects within 200 miles of Duluth as compared with five in Chicago.

EDA will leave quarters which are leased through July 1, 1971, to move into temporary quarters in Chicago. Another move will be necessary when permanent quarters are located. Robert Podesta, assistant secretary for economic development of the Department of Commerce, admits that it is more costly to move twice than once, yet he can see no reason to remain in Duluth until permanent quarters are available in Chicago.

EDA offers the surprisingly feeble excuse for the move that "it is easier for most people who have to deal with us to get to Chicago. There are many areas that might have had some help that couldn't get to Duluth."

This may surprise residents of this area where many EDA projects are centered. It seems relatively easy to reach Duluth from virtually any part of the Upper Midwest. Grand Rapids residents, for example, can drive to Duluth in less time than it takes a traveler to get from his airplane at O'Hare airport and reach downtown Chicago.

Figures of EDA activities make it quite clear that more projects are located near Duluth than within easy traveling distance of Chicago. There may be good reasons for the transfer of the office to Chicago. If there are, someone should take the time to present them. In the absence of such information, it is rather difficult to view the transfer of the office from Duluth to Chicago in terms of efficiency and economy.

While it will now be less convenient to handle EDA projects, the really important concern is that projects from northern Minnesota continue to receive the consideration they merit. EDA has been helpful in financing a number of worthwhile projects in this area, and can be of assistance in areas plagued by economic problems.

SPURIOUS COMMUNIST RULES FOR REVOLUTION

Mr. McGEE. Mr. President, I do not know how many times, in the pages of

the CONGRESSIONAL RECORD and elsewhere, I have run across the spurious "Communist Rules for Revolution," which are widely cited by those on the far right as evidence that our society is slipping toward Communism on a path set more than half a century ago.

We are indebted to the Senator from Montana (Mr. METCALF) for his exposure of this phony document a year ago. But exposure has not lessened the distribution of these so-called rules supposedly captured by allied forces at Dusseldorf, Germany, in May 1919. How they have survived as an article of faith among those of the far right was explained Sunday in an article written by Wesley McCune and published in the Washington Post. It is an article well worth reading, for it tells much about the operations of the rightwing publicity mill in this country. 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:

RIGHTWING HOAX SURVIVES EXPOSURE

(By Wesley McCune)

(NOTE.—The author is president of Group Research Inc., a former correspondent for Time and Newsweek and a former staff member for the Agriculture Department and the Democratic National Committee.)

To anyone who believes a certain "document" currently making the rounds of rightwing groups and other places, there is little mystery about the cause of civil disorders, sexual permissiveness, pornography or even gun control legislation.

It is all the result of a Communist plot, and it is all laid out in the "Communist Rules for Revolution," said to have been captured in May, 1919, at Dusseldorf, Germany, by allied forces.

In the wave of current circulation being given the Rules, there is sometimes an introductory admonition to read them in the light of what is going on these days—51 years later—but the text is always the same:

"A. Corrupt the young, get them away from religion. Get them interested in sex. Make them superficial, destroy their ruggedness."

"B. Get control of all means of publicity and thereby:

1. Get people's minds off their government by focusing their attention on athletics, sexy books and plays, and other trivialities.

2. Divide the people into hostile groups by constantly harping on controversial matters of no importance.

3. Destroy the people's faith in their natural leaders by holding the latter up to contempt, ridicule, and obloquy.

4. Always preach true democracy but seize power as fast and as ruthlessly as possible.

5. By encouraging government extravagance, destroy its credit, produce fear of inflation with rising prices and general discontent.

6. Foment unnecessary strikes in vital industries, encourage civil disorders, and foster a lenient and soft attitude on the part of government toward such disorders.

7. By specious argument cause the breakdown of the old moral virtues: honesty, sobriety, continence, faith in the pledged word, ruggedness.

"C. Cause the registration of all firearms on some pretext, with the view of confiscation of them and leaving the population helpless."

Unfortunately for those minds to whom this explains our social evils, the whole thing is a fraud.

Proving the nonexistence of anything is difficult, but Sen. Lee Metcalf (D-Mont.) became alarmed last year at the wide circulation of the document and set out in his thorough way (he was once a judge) to nail the lie or find authenticity. And Metcalf was intrigued by the similarity of the "Rules" and another widely-circulated document called "Lincoln's Ten Rules" which he had exposed earlier as a hoax.

Last summer, the senator sent copies of the Rules, together with an inquiry as to their origin, to the Department of Defense, the Central Intelligence Agency, Library of Congress, Federal Bureau of Investigation and the Senate Internal Security subcommittee. None was able to identify the document or a source, but the inquiry did turn up a paragraph which the FBI had supplied a House subcommittee on appropriations on April 17, 1969, in answer to a question by Rep. Frank Bow (R-Ohio).

The paragraph concluded that "we can logically speculate that the document is spurious."

Metcalf reported his findings, together with instances of modern use of the Rules, to the Senate on Aug. 13, 1969, but since then several Members of Congress have inserted the phony in the Congressional Record as gospel truth—and lamented its aptness to present conditions.

IN GENERAL USE

The right wing keeps circulating it as an explanation for most modern evils. And more importantly, the phony is being given wide credence among editors, clubs and enterprises not connected with any ideology.

For instance, the Rules are printed on page one of "Table Talk," the little flyer distributed to customers of Marriott-Hot Shoppes, Inc., which boasts a circulation of 256,000.

This version is headlined "Document of Destruction" and is given the following introduction:

"In May of 1919 at Dusseldorf, Germany, the Allied Forces obtained a copy of some of the Communist Rules for Revolution. In 1946, a U.S. attorney general obtained a copy of the same rules from a known member of the Communist Party. Today, we're told, these same rules are in effect. As you read them, mentally apply them to the present national condition and what you come up with will be frightening when you see the headway the rule-writers have made toward these goals."

Readers might wonder about the "U.S. attorney general" who obtained a copy in 1946. There is no such person, but most versions attribute the Rules to one George A. Brautigan, identified as State Attorney, State of Florida.

Brautigan's jurisdiction, before he died, was Dade County, Fla., where he did indeed investigate communism. However, his successor has told inquirers that he can find no record of any such document.

Several others have tried to authenticate the document or engage in the game of finding out how the hoax got started. Among them are the Progressive magazine, the Des Moines Register, Rep. Don Edwards (D-Calif.) and Morris Kominsky, a West Coast author. Each has come to a blind alley in trying to retrace nearly 50 years of events and people.

A HARGIS INNOVATION

Apparently the first major use of the Rules by the organized right wing was on the front cover of the May, 1964, Christian Crusade, the magazine of Dr. Billy James Hargis. The next year, the last Rule was cited by Dan Smoot to fight gun controls.

Various splinter groups fanned it out at about the same time, and the John Birch Society cited the first Rule in its March, 1969, magazine as an explanation for efforts

to get more sex education courses into schools.

Use of such a document may be expected from the more simplistic right-wingers, but it is perhaps more dangerous when employed by the scores of miscellaneous groups who have eagerly distributed the Rules. A few examples will show the nondescript and widespread nature of such circulation:

Miller Feedlot, Shepherd, Mont.; Concerned Taxpayers Association, St. Joseph, Mo.; the Milwaukee Lutheran; the Waterville, Minn., Advance; the Holdrege, Neb., Citizen; Grand Central Aircraft Co., Glendale, Calif., and Advertising Engineers, Inc., Tulsa, Okla. (which notes that reprints are available from Charley's Chuckle Cards in the same city.)

Efforts to learn where some of the editors got their copy of the Rules are frustrating and sometimes funny. Most received a copy from a subscriber or picked it up from another publication which they can sometimes name.

For example, the Seattle Shopping News picked it up from the Waterville Advance, a small paper in Minnesota which has been credited unusually often as a source. An editor there explains that the subscriber who turned it in had clipped it from a Knights of Columbus publication in Winona, Minn., but that an inquiry there went unanswered.

Meanwhile, the Seattle Shopping News version was being picked up by the Masonic Tribune, indicating the ecumenical virtues of the Rules.

INTERNATIONAL AIRPLANE HIJACKING

Mr. TOWER. Mr. President, on July 16 the Airline Passengers Association held a conference in Washington on the problem of international airplane hijacking. It was my pleasure to work with the APA in setting up this conference and to participate in it in a small way.

A significant number of representatives of the industry were there, along with distinguished government leaders whose official duties touch this problem. I understand from Mr. Jack Cox, President of APA and a long-time friend and political associate of mine, that the conference was definitely a success in terms of generating new ideas.

One of the participants in the morning session was the Honorable Secor Browne, Chairman of the Civil Aeronautics Board. His remarks were most interesting, and I want to share them with Senators. A transcript of the conference is being made, and as soon as I receive a copy I will ask that pertinent parts of it be included in the RECORD. In the meantime, I ask unanimous consent that Chairman Browne's remarks be printed in the RECORD.

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

REMARKS OF SECOR D. BROWNE

Gentlemen, thank you for the opportunity to discuss with you today the problem of crimes against aircraft. I do not limit myself to air piracy or hijacking, because I consider equally serious the threat of ground sabotage and all other acts of violence committed during any phase of air transport operations.

Let me begin by saying that I truly believe this subject is of paramount importance to all responsible and involved parties, if not the subject of top priority. It is clear that any condition which threatens the safety of

air travel simply cannot be tolerated. Crimes against aircraft, or any implied threat of violence, are a subject of international concern.

It is a problem, however, which has generated more discussion than decision; emotion than action. It is essential, when considering this subject, that the psychological roots of the problem be understood. Outside of the areas of international confrontation, such as the Middle East, where political considerations dominate motives, the problem is basically one of dealing with people.

I would also exclude that lunatic fringe element bent on self-destruction which chooses the aircraft as its vehicle. I doubt whether we can ever effectively screen out and eliminate those people. Thank goodness they are a small number.

Eliminating the professional guerilla and the insane, we are left with the common "run-of-the-mill" hijacker. The person who is not driven by any consuming internal fire, but essentially is looking for a means of expressing himself. He is, it would seem, a person capable of reason, of weighing pros and cons, and, in a premeditated manner, one who is aware of and therefore considers alternatives.

He does not want to die and is not bent on violence though once committed to his course of action may not have any alternative but to back up an uttered threat and use whatever weapon he has at his command. He launches himself with the prior knowledge that probably nothing will go wrong, no one will get hurt, and he won't get caught. Even if he is apprehended, he is aware of the performance record of enforcement which, with notably few exceptions, has seldom adhered to Gilbert and Sullivan's admonition in *The Mikado*: "Make the punishment fit the crime."

Reduced to its ultimate simplicity, the solution is to be found in deterring the potential act rather than halting it once begun. The steps taken by individual carriers as far as searches, etc.; and the work being done by Dr. Rhelgard in establishing the psychological profile of the potential offender are excellent and should be broadened. It has been clearly demonstrated that the large majority of airline passengers are not offended by the efforts of the carriers and the government to isolate the hijacker before boarding.

But clearly, something else is needed. It is impractical to expect that every passenger for every flight will be screened, physically or psychologically. It is impossible to achieve absolute security on every ramp and in every hangar around the world. It is also true that there are sufficient statutory provisions to adequately handle the problem, at least as I interpret them. I do not believe that any additional laws will be helpful on a broad scale.

What then, can and should be done? How can enforcement action be ensured and adequate use be made of existing statutes? I think it is admirable that the FAA and the Department of Justice have now agreed as to who has various responsibilities. That is an important step.

However, hijacking and the intricacies of aviation law and international relationships are highly technical subjects. I do not believe a local U.S. Attorney should be expected to be an expert in this field. A task force of specialists, traveling from case to case, would enhance the pursuit of justice—not hinder it, and such a group should be set up immediately, so that when a hijacker is apprehended, he is prosecuted to the fullest extent.

While I recognize everyone's right to capitalize on events and take advantage of opportunities, I find deplorable the exploitation of some of these events which has lent an aura of glamour to the individual and an

almost "holiday atmosphere" to the entire exercise. I think the communication medias are in a position to carry a clear message to those who are contemplating a crime against an aircraft—that they are dealing in an area which carries stiff penalties and has, in truth, none of the aspects of a modern day Captain Kidd charade. They should take every step, not to control the news, but to lend proper perspective to the problem.

Those involved in the international forum have taken steps to standardize procedures. The recent ICAO meeting in Montreal and its subsequent clarification and extension of the principles of the Tokyo Convention will have, I think, significant impact. It is significant that all nations, regardless of political orientation, are strongly united on this subject. But work in this area must not cease until there is clear and total agreement on definition of the crime itself. Enforcement procedures of a uniform nature and extradition rights in the absence of prosecution by local authorities remain to be agreed upon. There must be no haven for the hijacker, for as long as a single one exists, the temptations, and therefore the very real danger of mass disaster is ever present.

Since the immediate possibility of totally preventing a hijacker access to an airplane is somewhat remote and since there are still places to go, every effort should be made to control the hijack while it is in progress. This is an item squarely in the hands of the individual managements of the carriers themselves.

While violence on the flight deck is certainly to be avoided, perhaps some concentrated training of the crews in security and containment of the individual once he reaches the cockpit should be undertaken. The flight deck of a modern transport aircraft is a confusing jungle to the stranger, and a well briefed crew, acting in a coordinated fashion and making maximum use of modern deterrents should be in a position to avert disaster.

This coordination and training should also extend to a specially gathered ground crew (or crews) consisting of both government and carrier personnel, who are expert and experienced in the handling of a hijack in progress. Our communication network is such that these groups could be located in key spots and upon first notification of a hijack would immediately take over ground control of the aircraft.

Through the use of specially developed codes, and with firsthand personal knowledge of the individual crew involved, these groups could play a major role in averting an airborne disaster, should a hijacker slip past the ground screen.

The Civil Aeronautics Board has no statutory authority in this area. However, the grave impact of crimes against aircraft causes us deep and vital concern. While we are distressed and disturbed by aircraft crimes throughout the world, we can only voice suggestions to those who are directly included. We hope some have merits, and that those that do will be implemented.

The program I have outlined; the creation of a strike force to ensure adequate prosecution, the expansion of on-the-ground efforts by both carriers and government entities, the swift movement internationally to eliminate refuges, the additional special training of ground and flight crews in hijack procedures, and a concerted conscientious effort on the part of communications media, while not new in any sense, is perhaps more focused than in the past.

The Civil Aeronautics Board stands ready to help in any way. No one should rest easily until every action has been taken to eliminate crimes against aircraft.

Thank you.

BIG THICKET: FABULOUS WONDERLAND

Mr. YARBOROUGH. Mr. President, for many years I have fought to preserve the Big Thicket of southeast Texas for future generations to enjoy. On June 12, 1970, hearings were held on S. 4, my bill to establish a 100,000-acre Big Thicket National Park. The hearings were held in Beaumont, Tex., by the distinguished senior Senator from Nevada (Mr. BIBLE), chairman of the Subcommittee on Parks and Recreation of the Committee on Interior and Insular Affairs. The witnesses who appeared at these hearings gave many reasons why a large part of the Big Thicket should be preserved.

Recently an article on the Big Thicket was brought to my attention. While the gentleman who wrote the article did not testify at the hearing, he is a strong and knowledgeable advocate for the Big Thicket. In his letter to me, he described himself as an old forester, and his articles demonstrate his great knowledge and love for our woodlands.

Mr. President, I ask unanimous consent that two columns by Mr. Barnard Hendricks, entitled "Getting To Know Texas," one which appeared in the December 4, 1969, issue of the Southwest Dallas County Suburban and the other which appeared in the December 30, 1965, issue of the Cedar Hill Chronicle, be printed in the RECORD.

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

[From the Southwest Dallas County Suburban, Dec. 4, 1969]
GETTING TO KNOW TEXAS
(By Bernard Hendricks)

Funk and Wagnall's dictionary defines a thicket as a thick growth, as of underbrush, through which a passage is not easily effected; a coppice; jungle. Perhaps the greatest example of a thicket to be found anywhere in the United States is located in East Texas, lying principally within the boundaries of Harding, Polk and Tyler counties with long arms extending into San Jacinto, Liberty and Montgomery counties. The present area of the "Big Thicket," estimated to be about two million acres, is a mere fraction of the great thicket the first pioneers faced as they traveled into Texas from Western Louisiana.

Once the great thicket, spread over an estimated fifteen million acres, mostly in the rolling country between the Neches and Trinity Rivers, was the home of Indian tribes that lived in picturesque villages of round-shaped pole huts, thatched with thick grass and mud and who tended small fields of squash, corn and melons. One tribe still lives on a reservation in the northern part of the thicket on the Alabama-Coushatta Indian Reservation. From the time the first pioneers tangled with its dense jungle like growth of vines, small trees and shrubs beneath towering primeval forest trees the great thicket has been known as the "Big Thicket." The dense growth was almost impenetrable with the equipment at hand in early times and only experienced hunters, trappers and scouts dared to venture beyond the edges of the great wilderness. During early times the great thicket was a wonderful haven for many forms of wild life and passenger pigeons, now extinct, once roosted there by the millions. Evidences of their great numbers may still be found in the very luxuriant growth of great trees that still thrive on the fer-

tilizing materials which the birds left behind in great deposits of their droppings.

Now the chief attractions of the "Big Thicket" are the wonderful forest trees, many of great height and girth. The understory with its great array of rare and beautiful wild flowers and a host of interesting plants, including lovely wild orchids, delicate ferns, sparkling mosses and masses of lichens with rich and varied hues of orange red and blue green: beautiful streams densely shaded by great walls of living greenery; a host of wild animals and birds that make their home in the enchanting wilderness. The forest growth includes giant magnolias, lofty cypress trees, stately pines, giant hollies and a host of broad-leaved trees. Wildlife in the "Big Thicket" includes black bear, bobcat, lynx, a few panthers, deer, wild turkeys, beaver, otter and several different kinds of squirrels. A number of rare birds, such as the Ivory Billed Woodpecker, make their home in the "Big Thicket" and protection of the jungle-like habitat is essential to their continued existence.

According to the geologic history of the region, the "Big Thicket" area has at times been an arm of the Gulf of Mexico and the waters of the Gulf have inundated the area numerous times, only to recede and leave behind silty deposits which have in part, accounted for the richness of the soil and this in turn has led to the rich development of its varied and unique flora.

Sen. Ralph Yarborough now has a "Big Thicket National Park Bill" pending in the Senate and if it is approved, a considerable area of the "Big Thicket" will be preserved for future generations to enjoy. With a National Park only about 250 miles away, residents of Southwest Dallas County could easily take advantage of wonderful hiking trails that would penetrate the depths of this fabulous wonderland of plants and animals, the "Big Thicket."

[From the Cedar Hill Chronicle, Dec. 30, 1965]

GETTING TO KNOW TEXAS
(By Barnard A. Hendricks)

Foresters classify young trees into three groups, seedlings, saplings and poles. Beyond the pole state they are considered to be full fledged trees, although they may still be classified into various groups depending on age, height, crown form, etc. As for the tree itself, if it could have any feelings or any say about the matter it would probably consider itself a tree as soon as it was strong enough to bear the paperlike nest of the wasp and the down lined nest of birds, tall enough to serve as a perching place for the birds, or old enough to bear seeds that can replenish the forest.

Some trees bear seeds quite early in life. The presence of acorns on small live oaks, only 4 or 5 years old, is not extremely unusual. Chinese tallow trees, introduced trees now being extensively planted in the southern coastal areas of Texas for their brilliant autumn foliage, may bear when only 6 or 7 years old, copious clusters of small burs, each resembling a tiny cotton bur and containing 3 small pea sized seeds, china white in color. Some bald cypress trees may begin bearing their marble sized seed cones when only 8 years old and some sycamores of similar age, may likewise begin to produce their round ball like fruits dangling at the tips of long, slender thread like stems. These fruits with roughened surfaces and only slightly smaller than a golf ball contain hundreds of small seeds, each attached to a small dartlike spindle and bearing a tiny parachute of fluffy, light brown hair. Some flowering trees, like the desert or flowering willow for example, bear seeds at an earlier age, some when only 3 or 4 years old.

As the trees become self reproducing members of the forest and become host to the wasps, bees, and birds, they become ever more important in the cycle of life, contributing increased supplies of fresh oxygen to the atmosphere to combat the "smog" and "smaze" that threatens to reach the stage where it is dangerous to human life in the large cities. All trees make good use of the water they take from the soil by taking carbon dioxide from the air and nutrients and water from the soil and converting them through the miraculous process known as "photosynthesis," into sugars and starches which are changed into various forms of cellulose and ultimately into woody fibers and tissues that form the roots, trunks, branches and foliage of the trees. The water the trees lift from the soil is in part transpired out through tiny openings in the leaves to give that wonderful moist, cool feeling to the air that is so refreshing in the summertime.

The trees voice no spoken language, but the rustling of their leaves and the soft sighing of the winds amongst the cedars and junipers bring to us messages that no human tongues could utter. Each leaf laden twig and needle covered bough breathes a matchless spirit of vigor and mirrors the vibrance of sunlight in all its glory. The Southwest corner of Dallas County with its great escarpment where millions of trees manufacture fresh oxygen daily can truly lay claim to being a healthful place in which to live. Even in wintertime when the hardwood trees lose their leaves and become dormant, the cedars and junipers continually supply fresh oxygen.

The large size of old tree stumps found in numerous places within the escarpment forest offer mute testimony to the glory of the early day forest where many of the first settlers found logs to build homes, barns, and fences. Ancient, weathered cedar stumps, 18 to 20 inches in diameter and oak stumps that are much larger can still be found within the shaded depths of the hollows.

On some stumps annual growth rings are still visible and they still serve to remind us of the years when the trees that are now gone, lived in the forest. The inner rings tell of the tree's growth in infancy, the outer rings record its closing years. On a few big old stumps the record stretches back to the days when the largest and best trees were cut to provide logs and shakes for the first homes to be built along the escarpment. Many of the oldest and largest trees now standing in the forest had already reached tree size when those first homes were built and the laughter of children was heard along the rim for the very first time. What a wealth of memories these very very old trees must hold in their narrow bands of growth that measure the march of the seasons and the passing of the years.

HERSCHEL D. NEWSOM

Mr. DOLE. Mr. President, our Nation recently lost one of its outstanding agricultural leaders through the death of Herschel D. Newsom, for many years master of the National Grange. I had the opportunity of communicating often with Mr. Newsom.

His vast reservoir of experience in the field of agricultural legislation was of great help to me, and I benefited greatly on many occasions by seeking his advice and counsel.

Mr. Newsom's expertise in the general field of agriculture gained the attention of many international organizations which drew on his superior knowledge. He was appointed to many boards and commissions whose aims are of a humanitarian nature.

Mr. President, America and, in particular, American agriculture have been enriched by the life of this outstanding man. I ask unanimous consent that the editorial tribute appearing in the Indianapolis News of July 6, 1970, be printed in the RECORD.

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

HERSCHEL D. NEWSOM

Indiana, which contains some of the nation's finest farmland, has produced many farm leaders whose knowledge and ability have won them national and international recognition.

Ranking high among such men was Herschel D. Newsom, 65, Bartholomew County farmer whose advice and services were sought by Washington administrations for many years.

Newsom followed a family tradition when he became active in the Indiana Grange and the National Grange, influential farm organizations. He was master of the Indiana Grange from 1937 to 1950 and master of the National Grange for 18 years.

His expertise in agricultural matters brought him two terms as president of the International Federation of Agricultural Producers. President Johnson then appointed him as a member of the United States Tariff Commission, a position he held at the time of his death from a heart attack Thursday. Secretary of Agriculture Clifford M. Hardin, also a Hoosier, paid tribute to him as one of the best informed and most active men in the national agricultural picture.

Newsom was a farm leader who opposed excessive government control of farm production and the daily lives of citizens. A man who did not hesitate to express his opinions, he believed it was this opposition to Federal encroachment which led to his election as master of the National Grange.

Indiana University, where he was graduated in 1926, acclaimed him as a distinguished alumnus. He was also a distinguished Hoosier and American and an outstanding spokesman for his fellow farmers.

JULY—HISTORIC MONTH

Mr. MOSS. Mr. President, most people are inclined to think of July as a lush month in which most people let down a little and concentrate upon enjoying the good life rather than driving toward some great achievement.

However, July is studded with dates of splendid accomplishments, as Harry Jones points out in the Deseret News of July 21.

Mr. Jones recalls that not only is July the month of our national natal day, but it contains such colossal achievements as the detonation of the first nuclear bomb and the arrival of the first men on the moon.

It is also the month in which the first Mormon pioneers arrived in the Utah valley, an event which is brilliantly celebrated each year in our State as a tribute to the courage, determination, and vision of those intrepid pioneers.

Having just returned from the 121st celebration of this event, on July 24, I consider it a privilege to pay tribute to the Mormon pioneers again briefly in the U.S. Senate. I ask unanimous consent that the Jones column be printed in the RECORD.

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

IT'S HISTORY MONTH

(By Harry Jones)

You would think that the long torrid summer, when shade and cool are at a premium, would be the slower season. But July is the action month in the history books of America.

The first date is the Fourth of July. The most important day in our history. It is celebrated by most Utah people going up to Evanston, Wyo., to buy illegal fireworks.

John Adams said it best at the adoption of the Declaration of Independence:

"Through the thick gloom of the present (sounds more like he was speaking of today doesn't it?) I see the brightness of the future, as the sun in heaven. We shall make this a glorious, an immortal day. When we are in our graves, our children will honor it. They will celebrate it with thanksgiving, with festivity, with bonfires and illuminations."

NOT THE BUILDINGS, BOYS

But I don't think he meant the bonfires and the illuminations would be on the campus . . . the library or the ROTC building burning down.

There is another day in July that changed history.

It had rained on the desert on the morning of July 16, 1945. The rain glistened on the Cactus and the Joshua. Dr. J. Robert Oppenheimer gave a signal just as dawn came to New Mexico. It was 5:29.45.

Witnesses saw the first big mushroom cloud that sounded like no thunder had ever sounded before, roar across the land. The ground shook like a giant earthquake.

The first nuclear bomb had been detonated.

July 24 is celebrated in Utah with more gusto than the glorious Fourth. But it doesn't mean Utahans are not of a patriotic nature. It's just that the day the pioneers came into the valley was one of great joy. The trek had been at best hazardous . . . no superhighways, in fact no roads. (Imagine walking west day after day before sunglasses were invented.)

Where would we be without our pioneers?

WHAT HAPPENED TO MOON DAY

I guess you must call Neil Armstrong, Edwin "Buzz" Aldrin and Michael Collins pioneers, too.

It doesn't seem to be a year ago yesterday that Neil and Edwin walked on the Moon. Remember Neil saying something about it being a "giant step for mankind."

The next day there was talk about the 20th of July becoming a national holiday. Some said the feat was greater than old Chris and his craft crossing the ocean against everyone's advice. They talked of a switch . . . Moon Day instead of Columbus Day.

So what happens? Nothing. If the truth were known, 90 per cent of the people yesterday had forgotten the date. A good chance for another day off fell by the way.

Just when you and I could have used the day to rest up for the hectic week ahead celebrating Days of '47!

WIT'S END

The only way to be tolerant of a neighbor's noisy Days of '47 party is to be invited!

ONLY U.S. OFFICES OPEN JULY 24TH

The 24th of July is the wrong time to be a federal employee.

Federal offices are the only ones to open on that state holiday. State, city and county employees will have the day off.

Downtown stores and banks also will be closed, but merchants will reopen Saturday for the old-fashioned sidewalk sale.

Weekly garbage pickup will not be interrupted by the holiday, but semi-annual cleanup crews will work only through Thursday this week.

BOOK REVIEW OF "AGNEW: PROFILE IN CONFLICT"

Mr. THURMOND. Mr. President, the late Jim Lucas, distinguished author and newspaper writer, spent the last days of his life working on a book about Vice President SPIRO T. AGNEW.

This publication, released just prior to Jim's untimely passing, is entitled "Agnew: Profile in Conflict."

In the Washington Star of July 26, 1970, this book was reviewed by James B. Rowland.

Mr. President, while I have not had the opportunity to read this publication, judging from the review by Mr. Rowland this work contains information of historical importance. In particular, it sheds some light on the generally friendly press coverage accorded the Vice President during the 1968 presidential campaign.

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

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

BRIEF AGNEW BIOGRAPHY

(By James B. Rowland)

(Agnew: Profile in Conflict. By Jim G. Lucas. Award House. 160 pages. \$5.95.)

In the parade of political biographies that will assuredly precede the 1972 national political campaign, this brief and fast-moving work will serve as a cursory review of one of the most controversial figures in President Nixon's administration.

Those who hold firm biases for or against Vice President Spiro T. Agnew will find little here on which to reaffirm or modify their positions. The book is a chronological sketch of Agnew's rags to riches political development, with the emphasis on the dates of major occurrences rather than a studious insight into the motivations behind Agnew's actions and the reactions of the wide spectrum of those effected.

Lucas, a Pulitzer Prize winner for his coverage of the Korean War and author of the earlier "Dateline: Viet Nam," died Tuesday. He obviously had studied newspaper clippings on Agnew and talked to a few—but not enough—reporters and politicians who have dealt with him.

He had picked only a few high spots in Agnew's tenure as county executive of Baltimore County, as governor, as the surprise vice presidential selection at the 1968 GOP national convention, as a campaigner, and as the persistent thorn in the side of permissive liberals and thin-skinned radio, television and newspaper executives.

The result is a handy but shallow Agnew reference book that sets some guideposts for other authors who try to probe deeper into the makeup of a man who left the Democratic party on the belief that the GOP offered more chance for advancement. It is hoped that these authors will correct such inexcusable Lucas errors as the spelling of the names of former Rep. Carlton R. Sickles, State Sen. Roy N. Staten, D-Baltimore County, and place Montgomery County in its proper congressional district—the 8th, not the 10th.

Although the outcome is the same, the final tallies Lucas used for the 1966 Democratic primary and the subsequent general election which made Agnew governor are not those listed by the Maryland Hall of Records. The figures in a May 14, 1968, state referendum that defeated a proposed modernized state constitution are not the same as those

carried in official Maryland election books. The errors may be due to too much reliance on clippings from newspapers which did not bother to update readers with final, official tallies.

In pages capsulizing the Agnew gaffes of the 1968 campaign, there is a full account of the "fat Jap" episode. The conclusion is that Agnew did not know how to control his candor and naivete in a campaign as closely watched as his.

It is the judgment of Lucas, and shared by many other reporters, that the "fat Jap" remark made in the privacy of a campaign plane with reporters never would have been publicized had it been said eight years earlier by John F. Kennedy during a similar informal exchange with newsmen. Some of these reporters well remember an anti-Negro remark made by Kennedy in jest, taken as a joke, and shielded by the news fraternity from the public.

Lucas' treatment did not come close to the accusations hurled at Agnew by some other newspapermen, nor did the author seek strongly to defend the Vice President's position on such issues as racial conflict and protests. There is an attempt at balance, but it is apparent the author respected Agnew for adhering to his principles and not wavering under the harangue of so-called liberal leaders—and intellectuals.

The brief account of Agnew as Baltimore County executive just prior to his election as governor mentions his successful fight for a public accommodations law, the first in the nation to be adopted by a county. There is no reference to Agnew's role in dealing with racial protests at Gwynn Park amusement park, where periodic clashes resulted in numerous arrests.

Agnew's two years as governor are centered mostly on his activities in the areas of racial protest, with emphasis on his April 11, 1967, scolding of Negro moderates for not openly opposing black militants.

There is no mention of Agnew's accomplishments in helping to broaden the state public accommodations law, and enacting the first open-housing law south of the Mason-Dixon line. The limited measure later was petitioned to referendum and defeated.

The fact that Agnew was the first Maryland governor to sign an executive order for fair employment practices goes unnoticed, as was his victory in getting the Democratic-controlled General Assembly to pass his \$129 million water pollution control program.

Lucas' portrayal of the Agnew record in the State House omits the Republican's efforts to create a State Department of Transportation, set up an administrator of election laws and reorganize the executive branch of government—proposals that Mandel picked up and implemented.

On the other hand, there is no recall of Agnew's decision to cut back on welfare, already at a low level, and to drop some 22,000 persons from medicaid for economy reasons. One of Mandel's first acts as governor was to make these persons again eligible for state medical assistance.

Lucas included Agnew's speech nominating Nixon at the 1963 convention, and the Marylander's address accepting the No. 2 slot. It is interesting to reread the speeches, in view of what has happened in the two years that have transpired.

The author notes that Nixon, in selecting a running mate, wanted a man who would be "nationally acceptable," while at the same time be a "unifying force" in the country.

In one sense, Agnew is probably the most primitive—to use that term to denote lack of subterfuge—man ever to be Vice President. He has never learned the reasons for ducking a question; he has yet to be convinced that a soft answer is to be preferred over a direct one," Lucas surmised.

PROTECTION OF VACATIONING CITIZENS

Mr. MOSS. Mr. President, at this time, with hundreds of thousands of Americans trying to enjoy a well-earned vacation, we ought to examine very carefully the manner in which our Government is protecting its vacationing citizens, particularly in the field of air travel. It appears to me that the Federal Government cannot make up its mind on this important matter, a situation I would bring to the attention of the Senate.

Many will recall that on May 8 of this year, the Civil Aeronautics Board published proposed revised regulations governing air travel. As a person deeply concerned about the consumer and his ability to gain equity in the marketplace, I was genuinely surprised to see that agency proposed a series of regulations that would regulate not the air transportation industry but the traveling public. The CAB had a lot to say about the limitations of the number of American citizens that could belong to a traveling group, about how that group elects its officers and keeps membership records, and about the way it affiliates with other groups. The CAB attacked the travel agents and the operators of vacation, study, and travel tours, as if the consumer's right to travel and the right of others to aid him were inherently some kind of suspicious, if not outright illegal, activity.

Following the publication of those proposals, the CAB received harsh but just criticism from many distinguished Members of this Congress, as well as from organizations that would no longer be able to charter a plane as a group and fly to a convention or for study or simply for relief. Messages condemning the proposals have been sent to the CAB by the United Steelworkers of America—AFL-CIO—the Cooperative League of the U.S.A., the National Grange, and the Group Health Association of America, to name just a few. Mr. President, groups with such very different interests rarely get together on an issue unless the offending agency is grossly unjust or very unaware of the public need. It is just possible that both reasons prevail in this instance. However, I would point out that just last month, on June 22, the President issued the Government's revised statement of international air transportation policy. That statement is not only a document representing many forward-looking approaches to the improvement of America's position in the air, it is also a sharp rebuke to the CAB.

The statement reads:

The economic and technological benefits we seek can best be achieved by encouraging competition and by a relative freedom from government restriction.

It goes on to specifically note—

The U.S. should work for the broadest range of profitable services, designed to appeal to the broadest consumer market and based on the lowest cost of operating an efficient air transportation system. . . . We expect both scheduled services and charter services to have important roles throughout the coming decade.

It is apparent to me that the administration has a slight case of schizophrenia which can be cleared up with effective, low-cost therapy. I would strongly prescribe the pursuit of the ideas in the statement of policy and I would just as strongly urge that the Civil Aeronautics Board once again rejoin the Government, adjust its policies to the needs of the traveling public, and withdraw the proposed arbitrary, restrictive, punitive, and demeaning regulations. It is exactly this kind of fuzzy, contradictory thinking that has produced chaos in rail transportation and has worked against the welfare of passengers and shippers. Surely we can and we must avoid the same chaos from occurring in air transportation.

THE OIL INDUSTRY REGRETS IT WAS RIGHT

Mr. TOWER. Mr. President, an article entitled "The Oil Industry Regrets It Was Right," written by William D. Smith, appeared in the New York Times on Sunday, July 26, 1970. I ask unanimous consent that this article be printed at the end of my remarks.

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

(See exhibit 1.)

Mr. TOWER. Mr. President, in my opinion, the title of this article succinctly and correctly states the sentiments of those in this vital industry.

During the past 20 years, the oil industry spokesmen have been predicting large-scale deficiencies of the Nation's energy supply of which oil and natural gas contribute 75 percent. Regrettably, these predictions are coming true.

Shortages of natural gas in some areas of the country and higher prices of imported crude and home heating oil on the east coast of the United States are but two of the many deficiencies predicted by the industry and presently coming true. The article capably explains in detail the reasons for these two maladies.

Mr. President, because of informative articles such as this, larger segments of our country are becoming aware of the dangerous energy crisis now facing the Nation. This energy crisis has been caused largely by ill-conceived policies emanating from the Federal Government. These policies have resulted in decreasing the economic incentives of those who explore for and develop our own abundant but untapped reserves of oil and natural gas.

In order to begin to correct this serious energy crisis, we need to implement policies designed to stimulate domestic exploratory activity.

We do not need investigations of this industry by various agencies of the Government. It has recently been suggested that the Justice Department investigate the cause of the high price of home heating oil on the east coast. This sort of investigation will not discover any new and meaningful solutions to the problem of the high cost of this commodity. We already know the solution depends upon an abundant domestic supply with trans-

portation facilities to carry it economically to the consumers.

Let us resolve to alleviate the cause of our petroleum problems. Let us work to restore the economic incentives necessary to stimulate the needed domestic exploration and development of our abundant oil and natural gas reserves so that our present and future energy demands can be met.

EXHIBIT 1

U.S. OIL INDUSTRY REGRETS IT WAS RIGHT (By William D. Smith)

If an industry could have a facial expression, the United States oil industry would be wearing a bittersweet smile.

The smile would be a result of having seen recent events prove some of its serious forecasts and urgent warnings correct.

The pleasure, however, is mitigated by the pain that the industry is nonetheless suffering from having seen its predictions come true.

Throughout the long and heated political controversy over oil imports, the industry has maintained that foreign sources of petroleum were relatively dependable and that their lower-than-domestic price levels could be quite ephemeral. For this thesis oilmen were raked over the political coals. The price of Middle East crude oil is now at least 75 cents a barrel more than domestic.

For more than a decade oil and gas producers have warned that Federally set "low" natural gas prices would dampen the incentive to look for gas and thus produce a future shortage. Again this was treated as a totally self-serving ploy. "There is a shortage of natural gas today," Secretary of the Interior Walter Hickel reportedly explained.

John Emerson, energy economist of the Chase Manhattan Bank recently went even farther, "Never before in this century have we faced such serious and widespread shortages of energy. These shortages are upon us now."

The industry warned that rushing into low-sulphur, anti-pollution legislation and regulations might produce supply problems. "There appears a very good chance that there will be a shortage of low-sulphur residual fuel oil this winter, forcing cities and corporations to choose between lack of heat and power and the present practicality of recent anti-pollution laws."

Being correct, at least on the surface level, gives the industry no reason to gloat. In each instance it is costing the oil companies money. If they pass on the cost, as they probably will have to, it cuts into what little affection the public has left for the industry.

"No one will remember that Senator Kennedy or Senator Muskie and other so-called consumer representatives have advocated policies that have often ultimately resulted in higher costs. They will only blame us for rising the price of gasoline or heating oil," a vice president and counsel for a major company commented last week.

The executive's statement is probably too one-sided. The present situations are the result of many complex forces; some alterable, some not.

Nonetheless, some politicians and academicians, past and present, may have been guilty of thinking that a big desk and pet theories were a substitute for the hard facts of industrial life.

There is a very good chance that by fall the American consumer may be paying more for gasoline, natural gas and residual fuel. This means that the cost of running his car, his home and his factory will cost more.

These major impacts on the battle with inflation have not gone unnoticed in Washington although it appears that no major constructive actions have as yet occurred.

The leap in the pride of overseas crude oil is a result of soaring tanker costs. Few analysts expect these costs to go down in the very near future.

But if tankers are the central reason, the Arab-Israeli war is the underlying cause.

On May 3 in Syria, the Trans Arabian Pipeline was knocked out of commission by an errant or deliberately aggressive bulldozer. The Syrian Government has not allowed its repair, preventing 500,000 barrels a day of Saudi Arabian crude from reaching the Mediterranean.

At the other end of the Mediterranean the Libyan Government cut back oil production by 15 per cent, or 500,000 barrels a day.

The loss of almost 1 million barrels a day of oil west of Suez and close to world markets has strained tanker capacity. Replacement of this oil with oil from the Persian Gulf around South Africa takes six to eight times the tanker capacity.

CHARTER RATES RISE

Spot charter rates have risen to their highest level since the 1956 Suez crisis and are more than 50 per cent higher than during the 1967 Arab-Israeli war.

Persian Gulf oil is now coming into the United States at about \$4.50 a barrel compared with Louisiana crude delivered to East Coast refineries at \$3.75.

There is no chance of a shortage, however, because Texas and Louisiana will increase their production to meet the need. There is a very real chance of consumer price increases.

The Oil and Gas Journal, a trade publication, reports that Professors Phillip Areeda and James McKie, two of the chief advocates of sharply increased oil imports, have now backed off considerably from that position.

FPC REGULATION UPHOLD

The natural gas supply and demand controversy is a far older argument. In 1954 the Supreme Court ruled that natural-gas producers were subject to Power Commission. In 1960 the regulatory agency began fixing well-head prices for all gas sold interstate. The Supreme Court upheld this right again in 1965 despite vigorous cries of outrage from producers, who said it would kill incentive to drill.

Time has proven the oilmen right. Wildcat drilling dropped 40 per cent between 1956 and 1968. Geophysical activity fell 56 per cent.

Some of the drop off may have been artificial; just to show the Government. Nonetheless the results are uncontested. In 1969 the United States proved reserves of natural gas fell 12.241 trillion cubic feet, the largest in the nation's history.

The previous record drop was in 1968, when they fell 5,548 trillion cubic feet. These are the only declines in the history of the industry.

POSITIONS CHANGED

The F.F.C. is now trying to rectify the situation by raising prices. Some of the people who supported the lower prices several years ago are now in the forefront of those pushing higher prices.

The Interior Department is trying to speed up lease sales of suspected gas fields, but is running into opposition from Conservationists. But even if this opposition is overcome, it will take from three to seven years for these areas to begin producing.

In the meantime Canadian sources of gas can be tapped although Canadian-American relations on energy matters are at an all-time low. Liquefied natural gas quite possibly will reach this country from Algeria, Nigeria or Venezuela. Contracts have already been signed to import Algerian L.N.G., but the Algerian Government's recent nationalization of American oil company properties puts this source of L.N.G. in a very questionable position.

SUPPLY OUTLOOK TIGHT

The supply outlook for this winter is tight. Industry sources say that there will be enough to heat homes, but that the industrial market, which accounts for about 50 per cent of total sales, may be in bad shape. Many distributors already have been forced to impose severe limitations on new industrial loads, and there is a real possibility that deliveries to existing customers may have to be curtailed, according to J. W. Helney, president of the American Gas Association.

It would seem almost certain that consumer prices will have to go up, and possibly sharply.

The crude oil reserve situation is not much better, according to the American Petroleum Institute. Last year crude oil reserves dropped to 29.632 billion barrels, the lowest level in 15 years.

The A.P.I. explained the situation simply by saying that lack of incentives had led to a long and steady decline in exploratory drilling during a period of mushrooming production and consumption.

The oil industry in recent weeks seems to have won a lot of points, but through no fault of its own, it well may be losing the game.

INTEGRITY

Mr. THURMOND. Mr. President, in this country the press is quite powerful, and the proper use of the power of the press by the members of the fourth estate is a beautiful thing to behold.

Such responsibility is often demonstrated in the Augusta, Ga., Chronicle-Herald newspapers by the distinguished and able vice president and editor, Mr. Louis C. Harris.

In the Sunday, July 19, 1970, issue of the Augusta Chronicle-Herald Mr. Harris published a column entitled "What Happened to Integrity?"

Mr. President, this particular article impressed me as an excellent and responsible piece of journalism. 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:

[From the Augusta Chronicle, Augusta, Ga., July 19, 1970]

WHAT HAPPENED TO INTEGRITY?

(By Louis C. Harris)

For Americans brought up in the Victorian belief that certain fundamentals—honesty, integrity, the Presidency of the United States, love and the virtue of women, to name a few—are sacred, these are indeed times that try men's souls.

For them, the time (or could it be the people currently living in it) is, as Hamlet described his day, out of joint.

Language normally ascribed in the past only to the base, and heard only in the gutter falls almost with plattitudinous simplicity from the movie screens these days as members of the male audience guffaw and the "ladies" titter.

Those persons who find a law or regulation offensive ignore it. Nor is it psychologically proper any longer, in our "civilized" society, to undertake to achieve—as was the "object all sublime" in Gilbert and Sullivan's "The Mikado"—"to make the punishment fit the crime." A man who is apprehended after stealing from another, or even after killing another in a paroxysm of hate, more often than not should be given little more than a reprimand and told to go and sin no more.

Criticism of the White House-based administration has always been the right of every American, but was generally countenanced and applauded in the days of yore, only when constructively offered and reasonably dignified. Now, it is not common at all for cheers to ring when epithets are hurled at the President personally and at the Presidency itself. One hears but few voices lifted in protest when a nationally known commentator impugns not only the ability, but the character of the White House occupant.

Love-making, viewed among human beings in days gone by as the ultimate in tenderness and intimacy, has become under the modern rules of morality a barnyard spectacle where a peep into the sanctity of the bedroom provides vicarious gratification to morally brainwashed and bankrupt men and women, boys and girls.

The Horatio Alger Concept, under which most of the Nation's older generation proudly reared itself, is undoubtedly regarded as a ludicrous anachronism now by a generation of Americans who view public welfare as their right, to be extended on a no-strings-attached basis and accepted without reservation.

An example lies in the action last month of some 500 mothers in Washington who stormed their way into welfare headquarters shouting "we want money." They broke out glass doors and windows, threw rocks at the police and resisted all attempts to deter them. Nor was it a spontaneous demonstration by women in despair. They arrived in Washington in chartered buses, moved calmly to an assembly point—and only then proceeded to hurl their rocks and their demands.

Anarchists such as Jerry Rubin are accorded public forums which one might normally expect to be reserved, if not for patriots, then at least for those espousing constructive programs.

Yet Time Magazine recently devoted a full page to this revolutionary misfit, providing credence to his incendiary claim that "all money represents theft," and that "to steal" from the rich is a sacred and religious act. To take what you need is an act of self-love, self-liberation. While looting, a man to his own self is true.

Yet, said Time, "the radicals (it did exclude the most violent fringe, which I guess is something of a concession) insist that America must be great," and "that is why we must cherish them."

Cherish a man who espouses stealing as an act of self-liberation and looting as an exercise of character-building? Have we indeed come to that? Pray God, we haven't!

All of this, fortunately, doesn't mean that every American is an ungrateful degenerate, eager to overthrow the government.

What it could mean is that we are simply guilty of getting our perspective out of focus. If a man shoots his wife, it's on Page 1. If he takes her out to dinner, it's on Page 16—if at all. And as a colleague said recently, one gunshot will drown out 1,000 prayers. When five shaggy-haired barbershop refugees call for blood to be donated to the Viet Cong, it is big news. But when 5,000 peaceful students each donate a pint of blood to our troops in Vietnam, no one notices.

What troubles me, however, as I reflect on the years which I hope are ahead of me, and especially those that await my sons, is the seeming growth of irresponsible radicalism and the more steady acceptance it appears to be receiving throughout the land.

It isn't any longer the fringe or the few. Radical concepts—or at least those that I, in my stuffy Victorian outlook, regard as radical—have become the norm. The living room echoes the gutter and the bedroom is removed to the barnyard. The flag, once the vibrant symbol of a proud Nation, is desecrated daily, and hardly anyone notices, much less objects.

Nor is radicalism confined to those extremists on the left. Race-baiters on the right infuse their own peculiar brand of venom into the fabric of our society. Trading falsely on patriotism and Christianity, these Nazi-like zealots are as guilty of weakening the threads of the fabric as are the socialistically-inspired activists on the left who are, in actuality, their mirrored counterparts.

Hopefully, the "silent center" is indeed the majority and, one of these days, will turn back the right and the left. So, you can't say that all is lost. But, then again, neither can we say that all is healthy.

Perhaps Foreign Minister Thanat Khoman of Thailand is closer to the truth than we like to suspect when he intimated last week that the United States is on the verge of a national mental breakdown.

The prospect of such a chaotic potential ought to stir us, each and every one, to a return to reason, even if not to Victorian morality.

SPEECH CONTEST BY OKLAHOMA FARMERS UNION

Mr. HARRIS. Mr. President, I recently had the opportunity, along with other members of the Oklahoma congressional delegation, to meet with several young people who had participated in a speech contest conducted by the Farmers Union throughout Oklahoma. The Oklahoma delegation was privileged to have the opportunity to meet with these outstanding young people and to hear some of their winning speeches. These young people put forth a great deal of effort to develop their speeches, and they certainly are representative of the high quality of young people Oklahoma is producing today.

I ask unanimous consent that the speeches of Julie Kusik, Vicky Allen, Denise Phelan, Linda Phelan, Roger Henneke, and Loretta George—all fine young outstanding Oklahomans—be printed in the RECORD.

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

HOW MY ORGANIZATION PROMOTES GOOD COMMUNITY LIVING

(By Loretta George)

The best way for me to tell you how my organization helps to promote good community living is to tell you about Betty, a girl from my own community.

Betty was a very shy girl who had no idea how to make friends, or to become involved in school activities. Hers was a very lonely, apathetic existence until she joined 4-H Club.

The day Betty joined 4-H Club was the beginning of a completely new existence for her. For the first time she had the feeling of belonging. The sparkle in her eyes betrayed her excitement. From that day on she had something to talk to people about. Betty no longer stood in the corner of the hall looking longingly at the groups of chattering students. She was part of them, she had something to talk about.

Each time 4-H Clubs meet the members salute and pledge allegiance to the flag. This was the nucleus of an interest in patriotism. When it came time for the timely topics, Betty wrote and gave, a most interesting one called Patriotism in Our Time. She was talking for her country, and she had a great influence on the people who heard her speak. Her speech changed the attitudes of some very skeptical students in her school, and laid the foundation for an interesting as-

sembly program with a patriotic theme participated in by those same students. Thus, Betty was an influence for better loyalty to her country.

The next year when the 4-H leader asked for enrollees for Jr. Leadership, Betty was the first to volunteer because she had learned the joys of cooperating with others. During the meetings of Jr. Leadership she learned to express herself. By helping younger members she learned the true meaning of cooperation. She was working with people rather than watching them work. Betty had learned leadership. Working with people certainly promotes good community living.

At the meeting when the 4-H leader outlined the projects Betty chose for her projects home baking, canning, and sewing. At the county fair that fall Betty exhibited some of her canning, some of her baking, and a dress which she had made. When the judging was completed and the ribbons awarded Betty had more blue ribbons than anyone else in her county. For her outstanding achievement at the county fair that fall the County Farmers Union awarded her a trophy as it does for the outstanding 4-H girl and the outstanding 4-H boy.

Because of the work which Betty did on her projects she came to have a better understanding of her mother's problems in running the home. There was that Farmers Union spirit of cooperation. There was a new lift to her shoulders, and an added poise and confidence in her bearing. Betty had achieved; she had contributed to her community.

As Betty learned to express herself in 4-H, new avenues of learning opened for her. She became conscious of what was necessary to govern a nation, for in her junior year she was elected secretary of her club. When she was a senior she was elected president. Conducting meetings, appointing committees, planning activities, and assisting younger members helped her to reach the height of her potentials.

When the opportunity of joining a Farmers Union Youth Class came along she quickly joined, seizing every opportunity for maximum education.

Before joining 4-H Betty had attended church very irregularly. After she became a member of 4-H and learned the joys of helping others, she began to attend every Sunday. She was so enthusiastic about church that she began to teach a class of eight year olds. Her fervor was such that many of her associates followed her examples, and began to attend church regularly. The spiritual level of her community had been raised.

Because of her citizenship, degree of education, and spirit of cooperativeness, upon graduating from high school Betty was chosen to work for the F.B.I. in Washington, D.C. While there she met and married a fine young man. Today Betty is living in a small community where she is a 4-H Club leader, helping other young people find their place in America's way of life.

If Betty had not become a member of 4-H, she might have become a Diane Linkletter, experimenting with drugs, becoming despondent, and maybe even taking her own life. Instead, through her participation in 4-H Club and Farmers Union, she became a useful, cooperative, patriotic leader who promotes good community living. Don't you agree that Betty's experience is an excellent example of good community living?

REC

(By Julie Kusik)

I am an Oklahoma farm girl—one of the few still privileged to live out where there's room to grow. Generations before me, farm girls were not a novelty. In fact, at one time we far outnumbered our city sisters. But then, as cities modernized and started offering advantages unavailable in the country,

more and more of us migrated to the land of opportunity, the city, and the question was "How you gonna keep 'em down on the farm?"

It would have been an impossible task, keeping us down on the farm, had not the rural electrification movement come along. In 1937, a group of Kingfisher County men organized Cimarron Electric Cooperative, and I truly believe that act was responsible for the fact that I have had the privilege of growing up in rural Oklahoma.

But, you say—wait a minute? What does that have to do with where I live? It has everything to do with it. Let's look at this picture:

Let's say Cimarron Electric had not been organized. Somehow I just can't imagine my Mom living on a farm without running water provided by our electric pump, without electric lights, our food freezer, washer and drier, and without refrigerated air conditioning. Why, I'd even hate to picture me without our electric dish washer! But I'm sure that wouldn't be Mom's biggest consideration.

Now let's see what a difference it would make to my Dad's life. Without the efficiency of electric milkers, our welder, electric farm tools, and our cattle watering system, Dad assures me the margin of profit a farmer now enjoys would soon disappear. In other words, electricity makes life on the farm possible for me today.

And you know, what applies to me and my family probably applies to others like us. It's obvious to me that most of the progressive farm families in my community would not be there today except for the convenience and work-saving efficiency of our REC Electricity. I shudder to think what would be the caliber of people on Oklahoma farms today without electricity. With few exceptions, only those too poor to leave the farm or too shiftless to care for a better life would probably remain. Does REC make my community a better place in which to live? You bet it does!

But, you say—wait another minute! If REC's hadn't brought electricity to the farm, private utility companies would have done the job! But would they? I took a survey of our immediate community recently and discovered that an average of only 3 persons (not families) per mile of high line, live in the area. The major private utility serves an average of 33 customers per mile. Could they have afforded to build lines for so few customers? No, they could not, and no one blames them for not coming into an area which would be unprofitable. They must make a profit to survive. REC's are in business to serve.

There are other ways in which a rural co-operative contributes to a community. In many cases it's a real shot in the arm for the local economy. Think of the appliances, the motors, the pumps, and the TV's we farmers buy. And think of the 35 families and their payrolls from Cimarron electric. This, plus the taxes the business pay are a real economic force for the good of our communities and the rural schools of which we are all so proud.

Farmer's Union, too, is a part of this movement that has kept the American farmer on the land—out where there's room to grow.

Farmer's Union has given the farmer a strong, united voice that has commanded respect in Washington. And Farmers Union continues to give those of us who are living in rural areas opportunities such as these to display our talents and our pride in farm life. We thank you for this opportunity.

How are you going to keep them down on the farm? Well, first of all bring REC Electricity to them—and the advantages that follow will help keep them on the land. But we'd better watch out! REC country living has become so attractive, have you noticed? Our city relatives are joining us. Suburbs and acreages are pushing out farther and

farther. But—come on you industries, you city-weary families, REC's have the power waiting for you and the living is great "Out where there's room to grow."

FARMERS UNION

(By Vicky Allen)

Someone has said that "in union there is strength." All of us use this axiom every day as we cooperate or work together to do jobs that one could not do alone. Whether the job is simply too hard to do physically by oneself, like moving a heavy load, or whether the teamwork is needed to reproduce a beautiful symphony that one musician could never play alone, we acknowledge the power of union to get jobs done.

So it is that Farmers Union meets a need of the American farmer. Of course, farmers have long prided themselves with their independence. We've gloried in the freedom of rural life and have rigidly maintained our right to be our own bosses. But Farmers Union was born of the need for farmers to unite in speaking with a strong voice. And today that voice has strength and the respect of those who write our laws in Washington as well as in our state capitals. This is just one of the ways that Farmers Union has made for better living in my community, as well as yours.

Let us examine some of the specific things Farmers Union has helped accomplish in the past. Being a student in a small high school, I naturally remember first the strong stand Farmers Union took in our behalf during the past few years. Would it have weakened my community if we had lost our school? We of rural America answer with a resounding yes. Our school is the center, the hub, of our community. We appreciate your help in the fight for strong community schools.

The list of Farmers Union legislative interests is long. Soil Conservation and Rural Electrification are only a couple of examples of areas where help has been given. One of the most recent fights is in the field of corporate farming. In spite of the admonition that big corporation farming is just around the corner, we still believe a farmer's place is on his land and that his family deserves the right to grow up there—a privilege that is being recognized more and more by city people who are pushing the suburbs out faster than at any other time in our history. I truly believe that this fight against corporate farming is a real life—and death struggle for a productive, proud agriculture in our country.

These areas have partly been in the adult field of life. But Farmers Union Youth has long enjoyed the advantages given us by our parent organization. This speech contest today is an example of the encouragement in the right direction you are giving to emphasize the good in teenagers today rather than simply shaking your heads over some of our less worthy doings. A Farmers Union Youth has little time to worry about a generation gap with opportunities like these to work with those of you who are adult and yet so willing to hear us and to help.

Have you seen a picture of recent Farmers Union scholarship winners? They are a fine looking group of people—a far cry from the run-of-the-mill group of hippies and turned-on teenagers sometimes seen in news releases. Who can say what just one of these scholarships may mean for my community or for our country, for that matter? In financing these deserving young people, Farmers Union is saying "We believe in the youth of this country. We believe in them to the point of being willing to finance their worthwhile undertakings." We, the youth who are profiting from this support, promise your confidence will not be betrayed and we will remember the lesson of union. After all, our country, the United States is a living example of our adherence to that principle.

4-H

(By Denise Phelan)

What's the most valuable crop produced in your community? Perhaps if you live in northwest Okla. you'll answer that it is wheat that means the most in dollars and cents to the farmers in your area. Or perhaps you'll mention cattle if you live in the grasslands of Okla. Or, if you live in another section, cotton might come to your mind first. No matter what the economy is based on in your area, most thoughtful people will give another answer when asked about their most valuable crop. Yes, in almost all instances a community will gladly admit their biggest asset is their young people—that crop of kids whom they watch so hopefully—or perhaps fearfully. We of the younger generation truly are the pride, or the despair of those of our parents generation.

It is for us, the youth, that you have built and maintained Churches and schools. It is for us that you have scrimped and saved so that we could have the things you didn't have. And now you've handed it to us. But the story hasn't had a happy ever after ending.

Indeed, young people today seem less happy, less satisfied than at any other period in history. Revolts and protests, drug addiction and bizarre habits seem to have become the trade mark of my generation. And our communities are worried—worried about the product they are sending into the world.

In a situation like this, what are stabilizing forces, the common sense institutions that can help my generation keep it's feet on the ground? I suggest that 4-H Clubs are one of those organizations that can and do provide the stability as well as the thrills and opportunities to keep youth on a reasonable course. In this way, it seems to me, 4-H Club does a great deal to make my community a better place in which to live.

But, you say, how can 4-H possibly influence the "turned on" crowd? Don't tell me a young drug experimenting protester will all at once get excited about clothing projects or showmanship contests. Probably not. But most of us who are in 4-H have been members since we were ten years old. We "got involved" at an early age, and "involved" pretty well describes it. The hours of actual work involved in raising an animal, the planned activities of 4-H meetings and parties, the thrill of competition, and the effort to win out-of-state trips has us so occupied that boredom and brooding about supposed injustices has no place in our lives. Even the generation gap loses its meaning as we work shoulder to shoulder with adult leaders and parents who really care enough to help as well as to listen to whatever we have to say. This, it seems to me, is much more important than facts or manual skills we learn in 4-H. Of course, the lessons on homemaking are valuable training, but, this attitude toward life will be an even more important part of our lives.

Farmers Union, too, has had a hand in helping the younger generation in worthwhile projects. This speech contest tonight, where we are encouraged to "speak our minds" is an example of your support of us. We from small schools remember, too, the strong stand Farmers Union has taken in recent years in defense of our schools and rural Oklahoma. Your opposition to corporate farming and therefore preservation of the rural way of life is much appreciated.

Yes, the seeds of rebellion and protest have been sown. Adults are worried about the harvest. But seeds of stability and commonsense have also been sown and nurtured by organizations like 4-H Clubs and Farmers Union. Most of us of the younger generation have developed ideals and attitudes toward life that can help us maintain an America of which we can be proud. We promise to do just that.

SOIL CONSERVATION

(By Linda Phelan)

On Christmas Eve 1968 Americans were stirred as they perhaps were never stirred before by the majesty of the creation story. As the American astronauts circled the moon in that historic flight, the voice of Anders came back to America: "In the beginning, God created the heavens and the earth—".

Somehow many of us were touched as never before with the magnificence of God's creation—the magnitude of our role as stewards of God's creation. We are to preserve and conserve what we have been given, that it may be passed on to our children and our children's children.

America, which was originally thought of as a land of plenty—a land of such vast resources that they could never be depleted—has had to learn conservation the hard way. It took the dirty 30's to shock us into the realization that conservation, not exploitation, must be practiced if the great "bread basket" of the world was to survive. You are all familiar with stories of the dust bowl days, if you did not experience it yourselves—stories of gritty clouds of dust, piling into drifts along fence rows, of top soil carried away by the ton—of land which never should have been stripped of its protective covering being washed into creeks. The resultant gullies and worn-out land which only a few short years earlier had been virgin soil made a scar across the map of the United States—a scar which we are still striving to heal.

So it was, as a result of that national disaster called the "dust bowl" that soil conservation legislation came into effect in 1935. I am proud that Logan County was one of the first to set up a soil conservation district and that now most land is under soil conservation contract in my community.

Well, then, you say, isn't that enough? After all, most farmers now practice conservation. Hasn't the job been done? My answer is no, it has not. Farmers today represent only a small proportion of our population. True, they are in the best position to see that soil and water conservation are practiced, but I maintain that the rest of us, the 95 percent who do not actually till the soil must be made conservation minded. Let me show you what I mean:

A careless camper lets his fire get out of control, or worse yet, he walks off and leaves smoldering embers—and in a few short hours nature's work of hundreds of years is wasted. The burned-off forest land is laid waste because of the careless attitude of one American.

Or an unthinking motorist casually flips his cigarette out the car window where it will probably go out. In so doing, he burns off hundreds of acres of your pasture—or mine—and the conservation practices of many years of farming literally go up in smoke.

Conservation must become an attitude of the American people. We must teach it in our schools, practice it in our homes, and even preach it from our pulpits if need be. At the present time, one million acres of crop land per year are being lost to farming for highways, airports, and super-markets. The men and women who plan these things must be awakened to the need for saving our shrinking acres. Yes, soil conservation has done a great deal to make for better living in my community. But now all of us must carry the torch and do our parts so that conservation truly becomes the attitude of all Americans, including city people, as well as farmers.

Farmers Union is to be congratulated on the role they have taken in the conservation effort. Always a leader in what's good for the farmer, Farmers Union has given the American farmer a strong voice in Washington. We appreciate, too, opportunities such as this speech contest, when we can speak on con-

servation and makes others aware of the problems which are so important to us all. Yes, God created the heavens and the earth, but to you and me he gave the charge to have dominion over it, to conserve it so that human life would be long on the face of the earth. Let us be true to that trust.

ELECTRIC COOPERATIVE

(By Roger Henneke)

No other rural service enterprise makes as great a contribution to community growth and welfare as the Electric Cooperative. Bringing low cost electricity to our rural communities on an areawide basis has made it possible to improve education, cultural and health facilities, to modernize our rural homes, and to make farming more efficient and more profitable. Also, more employment opportunities are now available through the development of new rural industries.

The increase in rural family income is reflected by more local business, not only for electric appliance dealers, but for all merchants in towns who cater to the needs of the farm population. This means more prosperity for our communities and an increased desire on their part to provide themselves with better facilities and service.

Today electricity performs more than 400 different chores on the modern farm. It has become an important source of power to the farmer, decreasing his production costs, saving labor, adding comfort and convenience and eliminating drudgery from farming and farm living.

Visit a modern dairy farm almost anywhere in the Nation and you will find the owner milking a herd of 100 cows today, against a herd of 20 before electrification.

In the live stock business, electricity is being harnessed to control the environment of animals. Beyond any question, the air that the animals breathe, the humidity, the hours of sunshine, the temperature, and the kind of food they eat, all of these have a direct bearing on their health and weight gains. Stockmen and researchers are finding ways to use electricity to make sure that each of these factors are favorable for maximum production.

Today's farmer who finds himself unable to keep pace with the demands for his services is in a position of pulling himself out of trouble with one finger. That's the one that pushed the button that put electricity to work for him. Like millions of people before him, the farmer is rapidly discovering that electricity is the cheapest servant on his farm and the most reliable.

On our farm electricity has played an important part for my entire family. Our cattle are watered by an electric pump that has an electric tank heater for cold weather. We use electricity for our temporary fence. Our barn and yard is equipped with electric lights. An electric motor elevates our grain for a few cents a day. Our shop is equipped with electric tools and an electric welder. I use an electric sander, clippers and dryer to groom my show calves.

In many sections of Oklahoma, Rural Electric Cooperatives are providing the power needed for growth of new rural industries. Oklahoma lakes and recreational areas are on Rural Electric Cooperative lines. Although the city man may say he wants to "rough it", he probably doesn't mean going without refrigeration, lights, and water system.

Of the millions of farmers and stockmen who are receiving electric service, over one-half of them receive it from the rural electric cooperatives. These power suppliers feel that rural people are just beginning to use electricity and that as improved equipment and appliances are available, they will ultimately be using many times their present consumption.

Credit for the progress made in rural electrification during the past quarter century

must go to the Farmers Union Organization. It has been through their legislative activities as well as their promotional programs that the Rural Electric Cooperatives have been fostered and developed.

During the past 30 years, no other movement has done more to promote good community living than work and action of the Rural Electric Cooperative. Without the never tiring efforts of the Farmers Union to bring this inexpensive and efficient power to our farms and rural areas, we would still be feeding cattle by lantern light and much of farm drudgery would still remain.

FUTURE FARMERS OF AMERICA CONGRESSIONAL BREAKFAST

Mr. TOWER. Mr. President, it was my privilege and honor to be host to the Future Farmers of America congressional breakfast on July 23. This annual event brings together State officers of the FFA, who are attending their annual leadership conference at the National FFA Center near Mount Vernon, Va., and their congressional representatives in a traditional "bread breaking" that is becoming more meaningful each succeeding year.

This year, the FFA entered into a new era of activities and services when their national president, Harry Birdwell, announced the launching of a new national community development program which they have named "FFA—Building Our American Communities."

Mr. President, because of the historical significance of Mr. Birdwell's announcement, I ask unanimous consent that his statement entitled "Better Days Through Better Ways" be printed in the RECORD.

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

BETTER DAYS THROUGH BETTER WAYS

(By Harry Birdwell, national FFA president)

In the opening paragraph of the FFA Creed members of our organization are reminded that better days are the result of better ways. As we reflect upon the critical problems of 1970, it is quickly obvious that our challenge has become one of solving America's problems while maintaining America's strengths. That seems to indicate that not only the Future Farmers of America, but all of America, is seeking better days through better ways.

From every sector of America young people are saying, "Let us play an active role in America's future". For the most part young people have correctly analyzed the obstacles which our nation must overcome, and as we view the energy and ambition of constructive, well-meaning youths—what things can provide them with opportunities for meaningful participation? Unfortunately the opportunities for millions of this nation's youth to become involved with adults and to participate in worthwhile community efforts are limited. For this reason it is and will continue to be the aim of the Future Farmers of America to provide our members with the knowledge of community problems and to undertake noteworthy community service and community improvement projects.

In keeping with that objective I am proud to formally announce an innovative community action program, . . . *Building Our American Communities*.

The new national effort was conceived eighteen months ago by staff members of the Farmers' Home Administration, an agency of the United States Department of

Agriculture. As the USDA and FFA view America's future, it becomes more evident that rural America must, of necessity, offer a solution to many problems of congested urban centers. This over crowding of our population can be reduced provided that sufficient jobs, adequate housing and municipal facilities can be secured in rural and semi-rural areas. As FFA has worked jointly with the Farmers' Home Administration, we have decided that a program involving both study and action will be the most effective means of involving our membership. Instructional units will be made available to 12,000 teachers of Vocational Agriculture, and beginning with the 1970-1971 high school year this information will be taught in Vocational Agriculture classrooms in 9,000 American communities. Vocational Agriculture students will devote a portion of their class time to discussion of the problems of their local communities. In addition to the instructional phase, FFA members will be involved in actual community improvement projects dealing with seven rural problem areas:

1. Making efficient use of community resources;
2. Conducting job surveys and rural job development;
3. Becoming involved in environmental clean-up and control of water, air and solid waste;
4. Leading community beautification drives;
5. Developing recreational programs and facilities;
6. Surveying and developing community housing; and
7. Encouraging community safety and aiding in the development of rural health facilities.

We realize this seems to be quite an undertaking, however, we anticipate that many other organizations will become actively involved in community projects as a result of the FFA effort to help coordinate rural development efforts. We challenge other youth and adult organizations, civic clubs and city governments to join hands with a half million FFA members as we set out to build rural America.

To this point the response to this effort has been excellent. Young and old alike are excited about the prospects for improved communities through this "youth pioneer" approach to community problem solving. President Nixon has sanctioned our program and has indicated that it satisfies the desire of his administration both to get youth involved in solution finding and to strengthen rural America.

If constructive youth involvement and further development of rural American communities seem to be important priorities for the decade ahead, then I solicit your enthusiastic support for *Building Our American Communities*.

To those of you assembled here today, and to every American who shall see the results of this effort, I say this . . . FFA members have not fallen subject to a spirit of pessimism and impending doom. On the contrary we believe that *better days* are ahead for America if we will search for *better ways* to solve our problems and employ our creativity. Though troubles beset America, though controversy divides America, 450,000 Future Farmers of America join with me in saying to you that as we further build our American communities we have much to build with and God knows everything to build for.

Mr. TOWER. Mr. President, developing this new national program, FFA—Building Our American Communities, has been a cooperative effort between the Farmers Home Administration and the FFA over the last 18 months. Suggested by FHA staff members, it illus-

trates how government and people can work together to construct positive programs for community development. The program emphasis is on positive action on the part of the community to originate development that will take care of its wants and needs.

The purpose of the program is to encourage and assist young people to become more knowledgeable and active community leaders.

This program is especially timely because of the national emphasis being placed on rural development: creation of job opportunities, community services, a better quality of living, and improved social and physical environment in small cities, towns, villages, and farm communities of rural America.

Both James V. Smith, Administrator of the Farmers Home Administration, and Neville Hunsicker, national advisor of the Future Farmers of America, have rendered a vital public service in creating a program that will channel the activism and energy of youth into building the America of the future.

Since the organization's inception over 40 years ago, the Future Farmers of America have contributed immeasurably to building the Nation's modern agricultural production plant. In 8 years the FFA will have been in existence a half a century. During that time, FFA members with dreams and visions, who believed in "better days through better ways," became the thinkers and leaders responsible in a large degree for the Nation's present abundance of food and fiber. Much of their success they attribute to their training in vocational agriculture and to leadership abilities developed through active participation in the FFA.

The basis of this new FFA program is a course of study developed by the Farmers Home Administration entitled "Build Our American Communities." Mr. President, I ask unanimous consent to have printed in the RECORD a statement prepared by Mr. James V. Smith, Administrator of the Farmers Home Administration, for the FFA congressional breakfast of July 23, which outlines the need and purpose of the program.

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

STATEMENT FOR JAMES V. SMITH

Half a century from now the United States may be a nation of twice as many people as our present 200 million.

Older Americans may contemplate this prospect in their imagination, but young Americans must prepare to meet it in reality.

Redeveloping community life as the future demands could be our greatest domestic challenge in this century. But Americans of every generation have proved equal in the crisis to formidable, even "impossible" tasks. Again in the 1960s we attained the unattainable when we traveled to and walked on the moon. We are a people of unfathomed potential for accomplishment.

Today, the Future Farmers of America are acting in this tradition as they launch into the major task of their generation—the renewal and upbuilding of community life in America.

In the Farmers Home Administration, we carry a large responsibility in the rural sector of national growth. As a credit agency and a service agency, our role is to help

develop and conserve resources, improve the quality of living and expand opportunity in the open spaces and smaller towns—those green pastures where most of the building should be done for the future.

Our concern is not alone for the present adult generation, owning the family farms and managing the towns of America, but also the oncoming generation which must live with and build upon the consequences of our work. We believe it is right that we enter into the closest partnership with young Americans as they grow toward responsibility for the development of the nation.

My agency is dedicated to the principle of self help, and that is also the spirit in which FFA prepares to meet the future.

The Farmers Home Administration will channel over \$2.2 billion into rural America this fiscal year through 23 different self-help credit programs that can benefit all rural people—those in towns and small cities as well as those on our farms. The thrust of the FFA credit program is in three principle areas of rural development:

The family farmer,

The rural community, for development of basic facilities such as water and sewer systems, and

Rural housing.

We know that this credit assistance is a good investment. One recent study made by a state university shows that the acquisition of a rural water system can create new wealth up to 10 times the amount of the original loan.

I would like to cite one typical example.

Five rural water systems in Warren County, Tennessee, financed with \$1.4 million in Farmers Home Administration loans, have brought economic renewal to the area. These water systems have made possible new standards of health protection and safety, putting rural communities in Warren County on equal footing with other modern communities.

Warren County now has a water line on every major highway leading out of town and several of the secondary roads.

Four major industrial plants have been located along these lines.

Seventeen new small businesses have developed there.

Over 500 new rural homes costing more than \$5.5 million have been built.

Nearly 600 houses have been remodeled.

The State of Tennessee has purchased a \$500,000 tract of land for a new park and its facilities will be located on the water lines.

All this shows what can be accomplished with a combination of local enterprise and local determination, fortified by credit and technical assistance from the Farmers Home Administration. It is a pattern for development that must be carried forward in communities throughout America:

Accumulated physical obsolescence must be replaced.

Environmental deterioration must be overcome.

New housing must be built, jobs created, community facilities developed, transportation and services provided for 100 million more people by the year 2000, and for more than 200 million more people by the decade of the year 2030.

For the present generation, which must maintain an environment in which they can live, this is a building project unprecedented in the history of mankind, rivaling all that has been accomplished since the signing of the Declaration of Independence.

Many problems command the attention of the leaders of the future:

There is an urban crisis constantly fed from rural areas. Today 70 percent of the nation's population is concentrated on 2 percent of the land with the prospect that

all the population will be jammed into 5 small geographical areas by the year 2000 unless steps are taken to prevent it. The great threat is that social economic ills may become more acute in metropolitan areas, and may infect our national structure unless we act together with intelligence to prevent what might be national catastrophe.

Thirty percent of the U.S. population lives in rural America, but more than half the nation's poverty is located there. To provide opportunity for these low-income rural citizens, as well as to improve the quality of living for everyone, is a challenge to all Americans and to young people especially.

Just as part of the problems of urban areas can be traced to outmigration from rural areas, so too can much of the solution to urban problems be found in the countryside. Financial resources have not been available to keep rural America in step with the rest of the nation in modern community development.

A new concept in community development is vital and necessary. Traditionally we have thought of community development as a local enterprise. Today we cannot divorce the local community from the state, nation or world. The earth has become a closed loop insofar as human activities are concerned. Population growth, air and water pollution, resource depletion and food shortage are all global problems, some of which originate in your own communities.

The President's Task Force On Rural Development, in its report of March 1970, "A New Life for the Country," stated that there was a need for interdepartmental cooperation throughout the Federal Government to improve the economic, social and environmental conditions in rural America.

Since March 1969, the national staffs of the Farmers Home Administration and the Future Farmers of America have been working together, building new guidelines for participation of young people in community development. The program resulting from this team effort is called Build Our American Communities (BOAC). A copy has been provided for each guest here today.

BOAC is a program to help young people become knowledgeable community leaders. In so doing they will come to understand the interrelationship of local, state, national and even world problems, and of the agencies concerned with these problems. As a final step, using the technical and financial resources they have learned about, they will plan, develop and carry out action projects compatible with their community's need.

That part of the BOAC program contributed by the Farmers Home Administration is available to any group which wishes to use it as the basis of a study-action program in community development.

FFA has adapted and added to the program. They are introducing their entire program this morning. They call it FFA—Building Our American Communities.

BOAC thus joins the curriculum of vocational agriculture throughout America as a study-action program involving systematic classroom discussion, and using the community as a laboratory and workshop. It is based on the doctrine that constructive community development starts with the local people and must be concerned with their wants and needs. The program will help them to:

Understand local, state, national and world development problems, and establish community goals, values and objectives.

Determine the kind of rural and urban America they want, and how to bring this concept to reality.

Make hard decisions about population, depletion of resources, economic stability and environment.

Develop the interest, concepts, attitudes and motivation necessary to solve these problems.

Acquire the basic tools for analyzing resources, determining employment needs, planning projects and obtaining necessary technical and financial assistance.

Initiate constructive projects from which they can apply the fundamentals of community development.

Inform and obtain the support of the whole community in their effort.

Beyond this the program will enable young people to get a "head start" in becoming part of the economic system at an earlier age. It will help bring them into the decision-making that takes place in community affairs. The nation can benefit from their acquired knowledge and experience, and the application of their youthful energy to build the new America.

As administrator of an agency dedicated to the self-help principle for rural America, I believe the FFA and FHA will make a good team. FFA is dedicated to helping others as well as themselves. FFA believes that they and others should work together for individual and community progress.

The FFA has never looked for a "hand-out." They do welcome a "handup" that will assist them in properly directing their own lives so that they can be of service to others as well as themselves.

This is not the "beat" generation. In my judgment FFA represents the "leading" generation, with visions for the future, and the imagination to find new means for positive action to bring those visions to reality.

National officers of the FFA visit my office frequently. I have had the opportunity to work closely with them this past 16 months in developing this program. It has been a particular pleasure to work this year with Harry Birdwell, the National President of FFA, because Harry is a neighbor of mine in Oklahoma.

It has been inspiring to observe the way Harry and the other officers have assumed responsibility for disseminating information about the purpose, merit, need and hope for this program. My association with them indicates that they merit our full confidence. As young people such as they assume leadership responsibilities at an earlier age, the future of our communities will, indeed, be in good hands.

Community development is a continuous phenomenon. Its motive power must be drawn from the local people. Creators of the communities of the future must be knowledgeable, and concerned with the effect of their planning and building upon the total environment. That, too, is what the BOAC program is all about.

I want to assure the national advisors, officers and members of the Future Farmers of America that the FFA—Building Our American Communities program has my unqualified support. The Farmers Home Administration at the national, state and county levels will continue to participate and cooperate with you in every appropriate way in building our American communities.

Mr. TOWER. Mr. President, I invite the attention of Senators to the key man in this program who serves on a day-to-day basis with little recognition other than the satisfaction he derives from the accomplishment of those whom he trains. I refer to the vocational agricultural instructor and local FFA adviser.

National leaders, including President Nixon, recognize the past achievements and outstanding leadership qualities of the Vocational Ag instructor. It is for this reason that they were selected to first implement the Build Our American

Communities program. The Vo-Ag instructor is the most important man in this program for numerous reasons:

He is oriented to youth development. He knows how to develop successful youth community action programs.

He is at his best when cooperating with people.

He is the community development oriented man in the school system.

He knows more about his community than nearly any other person.

He is trained and has the ability and know-how to find the facts and develop the answers to problems with which he is unfamiliar.

It is in the Nation's interest that he accept the responsibility of implementing this program.

The Build Our American Communities program has been designed to fit into the Vo-Ag program of instruction. Here is the one place in the school system where a daily systematic approach can be used to build ideas, concepts and attitudes necessary to make our communities change as the time demands.

An example of the results of the Vo-Ag instructors' work are these outstanding young men who visit us, each in his blue and gold FFA jacket. It is always a pleasure to visit with them. I am sure that all Senators will agree with me that the instructors who prepare these young men for service to their communities and the Nation are a natural to implement the FFA—Building Our American Communities program. The Nation urgently needs them in this capacity.

As we look at the history of the FFA—what they have accomplished in the past and what they aspire to do in the future through their new program—it occurs to me that perhaps the members should consider a new name for the organization. I would like to suggest FBA Future Builders of America.

I would like to challenge them as Future Builders of America to be the catalysts who will involve millions of young people in the constructive effort they are launching to build the future America.

The Build Our American Communities program can be adapted to urban areas and central cities. Instructors trained in urban community development to work on a full-time basis, as the Vo-Ag instructor does in rural communities, could be a partial solution to some current national problems.

OUR FLAG

Mr. MONDALE. Mr. President, our flag has always symbolized America and all of the very special things this country has stood for.

I think that all of us feel a very personal outrage and sadness when this flag is defiled—whether by mutilation, destruction, or disrespect. We feel an outrage because it is a direct—although symbolic—insult to the Nation we love and helped to build. It is sad because something must be very very wrong in our society for this kind of act to be more than a rare occurrence.

But I feel an equally deep outrage and perhaps even a greater sadness when

I see our flag defiled indirectly—through its use as a banner behind which march strident voices of repression and blind chauvinism.

Mr. President, an excellent editorial on this topic, written by Mr. Stanley Frankel, was published recently in the *Scarsdale Inquirer*. I think it makes this point forcefully and eloquently. 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:

IN DEFENSE OF PATRIOTISM

(By Stanley Frankel)

Samuel Johnson wrote that patriotism is the last refuge of a scoundrel.

Johnson did not mean that all patriots were scoundrels. Rather, he suggests that some scoundrels wrap themselves up in the beautiful American flag and in the name of love of country commit all kinds of sins which, under any other disguise, would be grounds for impeachment or jail.

These are the scoundrels who appropriate the American flag and wave it while they throw rocks at Negroes; while they hurl epithets at Peace Marchers; while they bust the heads of youthful dissenters. And all in the name of patriotism—or law and order.

These might be the same scoundrels who fly the American flag from the tallest pole in their plants while their smokestacks spew poison into the clean American air; who pledge allegiance to the flag while their sewage wastes our streams; who hoist the flag up while oil leaking from the bow fouls our beaches and kills our wildlife.

Some of these scoundrels are fond of quoting Stephen Decatur's "My Country, right or wrong," but fail to follow up with "When right to keep her right, and when wrong to put her right."

These self-proclaimed patriots would blindly follow their temporary leadership into wrong wars which wrongly kill 40,000 American boys . . . hundreds of thousands of North and South Vietnamese men, women, and children, and which threaten, wrongly the peace of the world. For the time is now upon us when the wrong course could lead to nuclear annihilation. The true patriot's course is away from obscene wars, away from pollution, away from poverty and hunger, and, if our country, through its temporary leaders, is wrong, then the patriot's obligation is to put our country, and her leaders, right. Time has long passed for blind and unquestioning lockstep, for these precipice is near and oblivion is ahead . . . dead ahead.

I much prefer Adlai Stevenson's definition of patriotism.

"What do we mean by patriotism? A patriotism that puts country ahead of self; a patriotism that is not the short, frenzied outburst of emotion but the tranquil and steady dedication of a lifetime. These are words that are easy to utter, but it is often easier to utter, but it is often easier to talk for principles than to live up to them."

When an American says he loves his country, he means not only that he loves the New England hills, the prairie glistening in the sun, the wide and rising plains, the great mountains, and the sea. He means that he loves an inner air, an inner light in which freedom lives and in which a man can draw the breath of self-respect."

I may sound corny, but, because our flag is the symbol of our great nation, I am proud of that flag, proud to march behind it, to salute it, and to wear it. I am not proud that it has been appropriated by those hard of hat, heart, and head who

would use its shining presence to defile the Bill of Rights, to shortcut the Constitution, and to substitute brutality for beauty. These are the self-proclaimed patriots who equate dissent over the war with treason. These are the flag wavers and wearers who fail to understand that the safety of our soldiers in Viet Nam depends on our getting them out, not on forcing them in. These are the blind who cannot see that the most patriotic course to save our torn nation and our beloved sons is to march those boys off the ships behind the billowing red-white-and-blue, not to carry them off wrapped in it.

ISSUANCE OF REPORT BY BLUE RIBBON DEFENSE PANEL HEADED BY GILBERT W. FITZHUGH

Mr. THURMOND. Mr. President, the report of the blue ribbon defense panel, headed by Gilbert W. Fitzhugh, chairman of the board of the Metropolitan Life Insurance Co., was delivered to the President July 15 and is now being made available to the public.

This is an important report and deserves the attention of Congress and the nation. While I have not yet had an opportunity to study the findings of the panel, I have read over a 4-page summary of the findings and recommendations.

The summary clearly indicates that this document has considerable merit. It opens avenues of thought and discussion which should benefit our defense establishment. Some of its recommendations impress me as quite sound, while others I would want to examine closely.

I find it especially commendable that President Nixon has undertaken early in his administration a searching inquiry into the operation of the Government's largest executive department. While this report may give some ammunition to critics of the Defense Department it demonstrates the President's willingness to improve and strengthen our defense establishment under the hot glare of public opinion.

Mr. President, the panel members and staff of the Fitzhugh report are to be commended. They have rendered a worthwhile service to their country. I ask unanimous consent that the DOD summary of the Fitzhugh report be printed in the RECORD.

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

BLUE RIBBON DEFENSE PANEL ISSUES REPORT

Gilbert W. Fitzhugh, Chairman of the Board and Chief Executive Officer of Metropolitan Life Insurance Company, who has served as Chairman of the Blue Ribbon Defense Panel, appointed by President Nixon, today commented on the release of the Panel's report.

The report, which resulted from a year-long study of the Department of Defense, was completed on July 1, and was delivered to the President on July 15, 1970. It contains 113 numbered recommendations for changes in the organization and procedures of the Department of Defense.

Mr. Fitzhugh stated: "The report does not enter the field of national policy, but makes recommendations we believe could cause important improvements in the effectiveness of the Department of Defense. Major areas covered in the report include orga-

nization, command and control, procurement, research and development, intelligence, personnel policies and practices, and conflicts of interest.

Mr. Fitzhugh, who spent full time on the study effort during the past year, said: "The objective of the study was not to devise ways and means to save money, per se; it was rather an attempt to discover the causes of shortcomings and to devise and recommend changes in organization and procedures which appear to have potential for increasing the efficiency of the Department of Defense."

Mr. Fitzhugh stated that if the Panel's recommendations are made effective, "we anticipate substantial ultimate reductions in dollars and personnel in both military and civilian areas," but said that "such savings as result from increased efficiency will be realized principally in the long term, rather than the short term."

Panel Chairman Fitzhugh added: "The recommendations of the Panel are not and could not be designed to support immediate budget reductions."

Upon the release of the report, Mr. Fitzhugh said: "Throughout our study and our report we have concentrated on problem areas, rather than in areas on which operations appear to be conducted efficiently and responsibly. Many things are done well in the Department of Defense, and we are conscious that our report, because it is problem oriented, reflects a lack of balance of the positive with the negative aspects. We hope it will be accepted by all as a timely and a constructive contribution, and will not be used by anyone to exacerbate present tensions and differences of opinion."

Mr. Fitzhugh expressed enthusiasm for the cooperation of the personnel of the Department, and said: "The Panel received excellent cooperation and inputs from both within and outside the Department. The Secretary of Defense made sure that the Panel experienced no limitations on its access to records and people of the Department. The attitudes of the Department personnel almost unanimously reflected interest and a desire to assist in improving the effectiveness of the Department."

"Our observation of the Department's operation indicates that efforts to improve its organization and management were not generally inhibited or postponed while the study was in progress," Fitzhugh noted. "Although this provided the Panel with a moving target, we welcomed the changes and the concern and sense of responsibility within the Department of Defense which prompted them."

In the covering letter of transmittal to the President, Mr. Fitzhugh observed that "from my extensive year-long exposure to our military and civilian leaders in the Department of Defense and in Washington, and to our fighting men in Europe, the Mediterranean, and Southeast Asia, I have been deeply impressed—and this applies both to the officers and enlisted men—with their competence and dedication to duty, as they see it."

"The Panel found many things that we believed should be corrected, but believes, and I agree, that many of the difficulties result from the structure of the Department of Defense itself, which almost inevitably leads people into 'adversary' relationships rather than toward cooperation in the interest of the Department—and the Nation—as a whole. I hope the Panel's recommendations will not be considered criticisms of individuals, but will help to restructure the Department and 'the bureaucracy' so that the talent and dedication of the fine people, both military and civilian, can be unleashed and redirected to accomplish more effectively the basic objectives of the Department of Defense and the Nation."

The recommendations contained in the

report are based on fundamental findings by the Panel that:

"(1) Effective civilian control is impaired by a generally excessive centralization of decision-making authority at the level of the Secretary of Defense. Indeed, attempts to overcentralize decision making at the top seriously impair a Secretary's capability to exercise effective control. Under such circumstances, far too many decisions go unmade, critical issues are not addressed, problems are deferred and the principle of personal accountability is lost in the diffused maze of 'staff coordination.'"

"(2) Effective civilian control and management, however, do not require that the Secretary of Defense make all, or even a major proportion, of the innumerable decisions necessary for the operation of the Department."

"(3) The alternative is for the Secretary to delegate substantial decision-making authority and all executive functions to subordinate levels of authority."

"(4) Effective civilian control, appropriate delegation of authority, and decentralization of management cannot be effectively accomplished in the present organizational structure of the Department."

"Presently, there is no one below the Secretary/Deputy Secretary level with an appropriate purview to whom the Secretary can delegate," Mr. Fitzhugh added.

Mr. Fitzhugh noted that the recommendations of the report directed at organizational matters are intended to so restructure the Department as to make possible more effective decentralization and delegation of authority and responsibility with an accompanying increase in personal accountability of those to whom authority is delegated. "Sound management," Mr. Fitzhugh stated, "requires that individuals be responsible for the totality of a function which is narrow enough to be manageable, rather than having some portion of the responsibility and authority in a large number of functions."

In its report, the Panel proposed some major organizational changes including recommendations that:

(1) The various functions of the Department be placed in three major groups—Management of Resources, Evaluation, and Operations—each headed by a Deputy Secretary of Defense.

(2) The functions of the Director, Defense Research and Engineering be allocated among three Assistant Secretaries of Defense—Research and Advanced Technology, Engineering Development, and Test and Evaluation.

(3) The staffing of military operations for the Secretary of Defense be performed by a separate staff from the Joint Chiefs of Staff and that positions associated with that function on the Joint Staff and the Service Staffs be eliminated.

(4) All strategic offensive and strategic defensive forces be consolidated into a Strategic Command.

(5) All general purpose forces be consolidated into a Tactical Command and that three present Unified Commands be eliminated in the consolidation—Southern, Alaskan, and either Atlantic or Strike.

(6) A Logistics Command be established to exercise for all combatant forces supervision of support activities, including supply distribution, maintenance, traffic management and transportation.

(7) An independent Defense Test Agency be created to perform the functions of overview of all Defense test and evaluation.

(8) The Defense Atomic Support Agency be disestablished.

(9) A Net Assessments Group and a Long-Range Planning Group be created reporting directly to the Secretary of Defense.

(10) The administrative and facilities support of the Washington Headquarters ele-

ments of the Defense Department be consolidated.

(11) The position of Assistant Secretary of Defense (Administration) be abolished.

(12) Major reductions be made in Washington Headquarters Staffs and other Staffs, with the OSD and Military Department staffs limited to not more than 2,000 personnel each.

With respect to development and acquisition of weapons and other hardware, Mr. Fitzhugh stated that the Panel found the Department's policies have contributed to serious cost overruns, schedule slippages and performance deficiencies. "The difficulties do not appear amenable to a few simple cures," Fitzhugh said, "but require many interrelated changes in organization and procedures." Recommendations for such changes are included in the report. Included is a recommendation that proposes:

"A new development policy for weapons systems and other hardware should be formulated and promulgated to cause a reduction of technical risks through demonstrated hardware before full-scale development, and to provide the needed flexibility in acquisition strategies. The new policy should provide for:

"(1) Exploratory and advanced development of selected sub-systems and components independent of the development of weapon systems.

"(2) The use of government laboratories and contractors to develop selected sub-systems and components on a long-term level of effort basis.

"(3) More use of competitive prototypes and less reliance on paper studies.

"(4) Selected lengthening of production schedules, keeping the system in production over a greater period of time.

"(5) A general rule against concurrent development and production efforts, with the production decision deferred until successful demonstration of developmental prototypes.

"(6) Continued trade-off between new weapon systems and modifications to existing weapon systems currently in production.

"(7) Stricter limitations of elements of systems to essentials to eliminate 'gold-plating.'

"(8) Flexibility in selecting type of contract most appropriate for development and the assessment of the technical risks involved.

"(9) Flexibility in the application of a requirement for formal contract definition, in recognition of its inapplicability to many developments.

"(10) Assurance of such matters as maintainability, etc., by means other than detailed documentation by contractors as a part of design proposals.

"(11) Appropriate planning early in the development cycle for subsequent test and evaluation, and effective transition to the test and evaluation phase.

"(12) A prohibition of total package procurement."

Other areas and activities covered by the report include: Automatic Data Processing, Defense Laboratories and Test Centers, the Planning, Programming and Budgeting System (PPBS), Equal Employment Opportunity, Contract Compliance for Equal Employment Opportunity, Public Affairs, Program Management, Cost Estimating, Industry Weaknesses, Industrial Mobilization Base, Selected Acquisition Reports, Accounting Procedures, Internal Auditing, Logistics Guidance, the Rotation, Promotion, Compensation, Accession and Retention of Military Personnel, Civilian Personnel, Telecommunications, External Relations, Industrial Relations, Military Installations, Domestic Action, Military-Industrial Complex, Physical Security in Pentagon, Conflicts of Interest and Office of Civil Defense.

CITIZENS OF MULESHOE, TEX., PROTEST POOR MAIL SERVICE; CITY OF 5,225 POPULATION HAS POST OFFICE TAKEN AWAY

Mr. YARBOROUGH. Mr. President, I recently received a letter from Mr. Don Harmon, president of the Muleshoe Chamber of Commerce of Muleshoe, Tex., in which he outlines the many difficulties the people of this west Texas city are having since the Post Office discontinued processing mail in Muleshoe and transferred this activity to Lubbock, Tex. As a result of this unwise and unnecessary action, it is taking letters from Muleshoe 5 or 6 days to arrive in other parts of Texas. In addition, this community has also lost its postmark which is just another step toward losing its complete identity as a city.

What has happened in Muleshoe should serve as a warning to other rural communities across the Nation of what the dreadful consequence of the administration's postal reform plan will be. The first victims of this unwise bill will be the post offices of rural America. On numerous occasions, I have spoken against this plan to wreck the Post Office Department and have called on the Postmaster General to focus his attention on the problems that the people of Texas are having with their mail service. By denying the city of Muleshoe its postmark, the Postmaster General has taken the first step in causing this city of 5,225 people to lose its identity. The people of Muleshoe deserve better treatment from their Government than this.

Our rural communities deserve the same postal service as our large cities and should not be arbitrarily eliminated from the postal system. I submit that if the Postmaster General would pay more attention to performing this function of insuring that the mail is delivered promptly and efficiently rather than spending his energy on the dismantlement of one of America's oldest public institutions, the people of Muleshoe would be able to mail a letter to Dallas, Tex., and know that it had a reasonable chance of arriving there within the same month in which it was mailed.

Mr. President, I ask unanimous consent that the letter from Mr. Don Harmon and the petition signed by the citizens of Muleshoe and their names and signatures concerning this matter be printed in the RECORD.

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

MULESHOE CHAMBER OF COMMERCE,
July 24, 1970.

HON. RALPH YARBOROUGH,
Senate Office Building,
Washington, D.C.

DEAR MR. YARBOROUGH: Because of the much dissatisfaction and distress, to put it mildly, of our people in Muleshoe at the change made recently in the postal service, we are writing in behalf of the citizens who are affected. The Chamber of Commerce is interested in everything that affected our area and nation, and we are extremely interested in the new postal changes.

We are continually getting complaints about the mail service since it has been taken to Lubbock to be processed. Prior to that time, we knew that we could depend

upon prompt delivery of our letters and parcels, but in the last three weeks, it has taken from five to six days where before it took only two days from Dallas, and even three or four days from Portales, New Mexico. Maybe we were spoiled because of the prompt service we had been receiving in the past, and we might consider going along with the charge if it were a real "economy move". But upon checking, we find that it is false economy, since the employees to be discontinued here are replaced with added employees at the centralized mail processing places.

There are several things to be considered in the slower service. To mention a few, some bills are discounted 2% if paid by the 10th of the month. Since proper allowances could not be made in the postmark date, this would make for a continuous dispute between the customer and the company. Penalties would be assessed the Taxpayer who mailed his return on the last day because it had not been canceled the day it was mailed.

To bring this right down to our personal interest, as the Chamber of Commerce, we average about seven letters per week, seeking information about Muleshoe, how it got its name, etc. Because of the unique name, these individuals want to receive a letter with the Muleshoe postmark. Since we no longer get our letters and parcels postmarked in Muleshoe, we are losing our identity, which has caused many irate tax-paying citizens. We inquired of our Postmaster for the estimated time it would require each day to stamp the mail, and he said it would require no additional time, since that was handled during slack periods of the day, by no given employee, but by the employee who had spare time.

The citizens of Muleshoe have a lot of pride in Muleshoe. We have enjoyed about a 14% growth in population over the past ten years, and we hope to continue to grow and prosper, but can do so only with your help in matters such as our postal service. We feel that you will be sympathetic of our position and act accordingly.

Yours truly,

DON HARMON, President,
Muleshoe Chamber of Commerce.

PETITION

Be it known that we, the undersigned, are opposed to the discontinuance of the Muleshoe, Texas, postmark on the outgoing mail deposited and registered through the first class postoffice located in the city of Muleshoe, Bailey County, Texas, and choose this lawful means of petition to register our opposition and concern:

L. I. St. Clair, Jerry Hutton, Don Harmon, Jeff Peeler, Jim Shafer, James Glaze, J. E. McVicker, Bill Moore, Robert Hester, B. I. Loyd, Lndal Murray, Jimmie Crawford, Curly J. Brantley.

John R. Blackwell, Dee Clements, Pete Black, Marshall Cook, N. L. Johnson, Frank H. Elder, Royce D. Clay, Gordon Wilson, Owen Jones, Connie Guyton, Rev. Robert O'Leary, Pat N. Brown, Sam E. Fox, W. T. Millen.

Joe Harkins, J. Black, Bert E. Blain, Jr., B. R. Putman, Jack D. Young, Ernest Keir, Mrs. Ernest Kerr, M. D. Gunstream, Joe Coppiga, Darrell E. Turner.

Mrs. Ernest Holland, Ernest E. Holland, Donald T. May, Cecil A. Davis, Mrs. T. M. Slemmons, Mildred Davis, Creston L. Fauer, Mrs. Cliff Odom, Margaret Epting, John Pitts.

Alton Epting, Frankie Black, John Gorrell, Sallie M. Schuster, Ruth F. Black, J. D. Black, Pete Black, Stanley Bass, Minnie C. Dunn, Rubie Troubman.

Bob Stonall, Donald Shanks, Ronnie Spies, Ken Petrie, Glen Watkins, Max King, Doyce Turner, Clarence Chetain, Raymond Schroed, Bill Doie, Tommy Black, Jeff Smith, Darrell Oliver.

Rosemary Pool, Bobbie Walker, Thelma Weaver, Horace Weaver, A. G. Taylor, Leota Taylor, Mrs. Cecil Osborne, Mrs. Corda Taylor, Mr. L. D. Taylor, Cecil Osborne, Sr., Mrs. Neal Dillman.

Mr. Ben F. Chapman, Mrs. Larry B. Hall, L. B. Hall, Perry Hall, Lauren Hall, Mary B. Obenhaus, Jack Obenhaus, P. D. Arnold, Jessie Mae Arnold, Effie Gilley, Mrs. John Crow.

Mr. Hal Phipps, Mrs. C. M. Krug, Velma S. Jones, Mrs. Lee Mason, Lee Mason, Mrs. Marion Sanderlin, Kathryn Parks, Joseph Rodstein, Debra Rudd, Gladys Black, Norma Sisimore, Bernice Splawns.

Mrs. Hazel Nowell, Elbert Nowell, Mrs. J. H. Evins, Mrs. F. H. Davis, F. H. Davis, Mrs. Jess Osborn, Mrs. Gladys Darsey, Billy Johnson, Mary Crane, Mrs. J. E. McVicker, Mrs. Lewis Dale, Mrs. Jodie Barrett, Merlyn L. Neel, Mrs. Bill Harmon, A. H. Cox.

Dan H. Burrows, Elsie Goss, Mrs. J. E. Sullivan, Clifton Finley, Mrs. Clifton Finley, Relda Finley, Johnny St. Clair, J. C. Odom, Debbie Burrows, Kerry Moore, Lorene Sooter, Tim Sooter.

Mrs. John Miller, Mrs. Glenn Splawn, Mrs. Effie Splawn, Mrs. R. L. Matthiesen, Mrs. Carl Bamut, Mrs. Jimmie Seaton, Mrs. Harrol Redwine, Mr. & Mrs. Ray Black, Mr. & Mrs. Theo Actkinson, Mr. and Mrs. V. W. Rannals, Carolyn Wedel, Clifford Black, Benny Brun.

Mrs. Bennie Stanell, Mrs. Juanita Jarman, Mrs. Monty Dollar, Mrs. Eva Ashford, C. W. Goss, Mrs. Bill St. Clair, Mrs. George Nieman, Annette Williams, Mrs. Jerry Hutton, Mrs. Albert Davis, Clarence Christian, Mrs. Clarence Christian, Howard Dix.

Lottie Hall, Delle De Loach, Harold De Loach, Pauline Chappell, R. B. Chappell, Nell Magley, Ruth Shafer, Mrs. N. C. Moore, Mrs. Philip Brockman, Sue Pylant, Mrs. Bert Gordon, Karen Maghugh, Roy Farley.

T. R. White, Mrs. Albert Carroll, Albert Carroll, Rose Buckner, Mrs. A. D. Thomas, Sarah A. Payne, Mrs. Gorge Melby, Mike Epting, Mrs. D. A. Stovall, Mr. and Mrs. Murl Stevenson.

Mr. Jack R. Rennels, Dr. and Mrs. H. A. Allgood, Myron Young, Mrs. Essie Plunket, L. C. Roddan, Tony Perez, Mrs. Mattie J. Hammons, Edd Hays, Larry Lambet, A. C. Shaw.

Mrs. W. E. Meyers, Mrs. Bobby Henderson, Mrs. Josie Back, Marlon Hernandez, Mary Hernandez, Mrs. Lester Baker, Mrs. S. J. Black, Mrs. A. R. Floyd, A. R. Floyd, Henry A. Malone, Jr., E. K. Angeley, J. P. Bearden, Joe Ferris, Clifford Black, T. L. Kent, Mrs. D. M. McGuire.

Mrs. C. A. Watson, Mrs. Dale Turner, Mrs. Glen D. Harris, Mrs. A. E. Redevine, Roger Albertson, Joyce Albertson, Helen Schmitz, Betty Burelsmith, Oscar Allison, Tommy Black, Billie Mathis, H. B. Mathis.

Mrs. Beyrl Wings, Betty McCall, Agnes Chatman, Jackie Tate, Mary Moore, Thelma Powell, Chris Howard, Mae Provence, Nan Gatlin, O. E. Duncan, Mrs. O. E. Duncan, Mrs. Cecil Hoit.

Mrs. Cecil Cole, Mrs. Lula A. Kistler, Mrs. W. F. Birdsong, Mrs. Grace Morgas Mills, Mrs. Ernest Gatlin, Mrs. J. A. Nickels, Mrs. Scott Swafford, Mrs. Gil Lamb, Mrs. Don Cihak, Mrs. Bailey Hudson, Macy Ann Greene, Pauline Greene, Mrs. Freeman Davis.

Mrs. J. E. Embry, Mrs. Jarrell Pruitt, J. E. Embry, Grace Prater, Lida Wilbrite, Tommie Williams, Judy Milburn, Frances Glass, Betty Oliver, Earnie Young, Karen Black, Woodrow Reed, W. E. Meyers, Brenda Ruthardt.

Mark Grimsley, Leota Witlerding, Mrs. Jessie Lewis, Elizabeth Morrow, Eric W. Stonecipher, LUN, Becky Johnson, Hilma Rojas, Claudie Lite, Willie Phillips, Lola Copley, Lorene Martin, Billie Harvey, Mrs. Earl Peterson, Stella Washington, Deana Washington, Armie Hulke, B. G. Hall, Hattie Rocky.

Nealy Stovall, Lillian Fulcher, Nettie Black-

man, Beatha Cross, Emilio Estrada, Mrs. L. F. William, Lula Johnson, Annie Stevens, Maggie Riley, Edith Clark.

Kodie Newton, Myron T. Young, Artis H. Hayes, Lois Posey, Mr. and Mrs. Dan Atkins, Ercell Whitt, Lillie Wiseman, Pearl Moore, Elsie Williams, Johnnie Parker, Mr. and Mrs. Sylvan Robison.

Ted Millsap, Curtis Smith, Ted Davis, F. D. Parker, Eugene Howard, Jimmie Pitrock, Bab Dodd, C. W. Weeks, Mack Moore, Freman Davis.

J. W. Sloyblock, Rick Polland, Jerry L. Smith, Garrett Pattle, John Harris, Jerry S. Bruns, Wane Ellison, Roy Facley, Dorothy Fady, Ottis Blaylock, Gene Newman, A. G. Taylor.

A. S. Walker, Joel Nowlin, Phil Garrett, Jinks Meyers, Jess P. Winn, J. Don Gallman, Clarence E. Woodall, Wandeyp P. Wilson, Dwyan Calvert, Allan Harris, Ben Roming, J. M. Brown, J. R. King, Dull Nowell, Bob Cope-land, Jack Millburn, Marshall Lee, Odis Bradshaw.

Kelly St. Clair, Al Agulberg, Mrs. R. K. Minckler, Sr., Sherri J. Minckler, Mrs. Sandy Turner, Mrs. Bernice English, James Slaughter, Mrs. E. W. Adkins, Mr. E. W. Adkins, Mrs. Chester Wilson, H. H. Patterson.

Patricia Townsen, David Elliott, Jerry Mick, Billy St. Clair, Mrs. R. R. Dale, Mrs. B. A. Dearing, Lloyd R. Williams, Mrs. Ada M. Morgan, Jane Morgan, Pam Pylant, Lois Washington, Mrs. W. Jim Young.

Alan Payne, Mrs. John Payne, Mrs. Manuel Balderas, Mrs. Mack Moore, Jr., Mrs. Inez Rogers, Mrs. Nora Davis, Mrs. Harold White, Larry Price, Gail Locker, Mrs. Gordon Murrah, Mrs. Roy Hogan, Mrs. Jacque Baker, Mrs. B. C. Everett, Jan Creamer, W. O. Timms, Mrs. F. D. Holt, Betty McNeil, Barbara Buch, Mrs. Bob Kimbrough, Gherlo Branscum, R. M. Gibson.

Cecil M. Osborne, Mrs. Clyde Holt, Marvin R. Lewis, Peggy Bates, Owen C. Powell, John Kennedy, Estelle Winingham, Carl Bamert, Evelyn L. Johnson, Fred J. Johnson, Carrol Johnson.

Geneva Rush, Wm. LeVegas, Claude H. Black, Vic Coker, Jewell Griffiths, Billie Campbell, Ray Campbell, Mrs. Charles W. Ball, Harold Maxwell, Harry Waddle, Mrs. Gene McGlaun.

Kathy Williams, W. M. Bradley, Elsie Patterson, O. C. Jones, Ben F. Chapman, E. W. Evans, Gladys Myers, Clayton Myers, Louise Bomer, J. A. Mills, F. D. Parker.

Ronnie Doe, Arthur Crow, Melba McCannish, R. J. Price, Onelda Cornelson, Jack Julian, Joe Mack Wanon, Mrs. Buck Ragsdale, W. B. Kittrell, Wilma Waddle, F. W. Chief Jones, Daloren Garrett, Mrs. Sam Hopper, Oscar Allison.

Mrs. Cecil Burkman, L. I. St. Clair, Feno Warren, Vivian Stevenson, Judy Lee, Bertie Johnson, Deane Spraberry, M. D. Gernstream, Harmon Elliott, Dianne Feagon.

Max Donaldson, Kara Black, Vondale Bleeker, Minnie Ellis, Sylvia Simnacker, Alma Burton, R. K. Munichler, Sr., Elbert Nowell, Je Reec L. Lenan, Roy C. Dyer, Arey F. Bobo, Vera Payne Maritt, Joe Carroll.

J. L. Purdy, Horace Hutton, Howard Elliott, Ronald D. Johnson, Billie Bayless, Jim Harthie, W. A. Hall, John Payne, Roy G. Young, Gordon F. Murrah.

Howard Hale, D. J. Cox, LaVern Cox, Judy Hale, Mrs. Cecil Tate, L. O. Norwood, Mrs. Jack L. Wood, Fredrick M. Bennisdeaf, Sherr Russell, Charlotte Seay, Mary Myers, Maudie Speck.

Lorens Hall, Beverly Wagnon, Sandra Howard, Mrs. Davis Gulley, Mrs. Cullen Hay, Mrs. F. D. Harris, Mrs. Kenneth R. Henry, Mrs. Ora Roberts, Elizabeth Barnett, Mrs. Ernest Ramm, Mrs. Joe Embry.

Gil Lamb, Mrs. Gil Lamb, Mrs. Janie Moraw, Margaret Atchison, Mr. R. T. Atchison, George Moraw, Charles Moraw, R. T. Moraw, Mrs. Barry Lewis, Charles Haneth, Lyna G. Pitts.

Leroy Maxwell, Nora Burch, Mickey Rush, Mrs. R. G. Bennett III, R. G. Bennett III, John Harris, Mary Woodall, Floyd Grimsley, Mattie Grimsley.

G. D. Ellis, Lolita Thomas, Mrs. A. D. Thomas, Mrs. Bay Wilson, Leona Evans, Wanda Hardaway, V. L. Huggins, Leota Muay, Frank J. Silon, John R. Harris, Mrs. John R. Harris, Mrs. Rogue Puenti, Mr. and Mrs. Bill Dufer, Mrs. Ruby Edler.

Mrs. Cora Rush, Berta Combs, Kay Mardis, Norma Bruce, Kay Bynon, Lenore Wells, David Sudduth.

Mrs. Inez Howard, Duane Secey, Leroy Maxwell, Kenneth R. Henry, Cecile McMath, Berlie Nivens, Pat Hutton, Ola Seales, Nita Cappedge, Mrs. Jacque Baker, Mrs. Jamie Moraw, Mrs. T. L. Liscomb, Mrs. T. L. Glasscock, Mrs. Bernard Phelps, Gaynell Pitts, Mrs. Ray Hogan.

Etta McMath, Lee R. Povl, Kirk Pitts, Marie Bass, Lenora Malloof, Mr. and Mrs. Joel Nowlin, La Thaggar S. Aylesworth, M. H. Lanery, Robt. L. Jones, Oscar Allison, B. R. Putnam.

John Blackmon, Nellie Norwood, Mrs. Lula Johnson, Mrs. Nettie Garvan, Mrs. Florence Parhan, Mr. Leon Lewis, Mrs. Leon Lewis, Mr. Stanley Wilson, Mrs. Stanley Wilson.

Mervin Wilterding, Mrs. Mervin Wilterding, W. R. Rearden, Mrs. L. T. Green, Jr., Betty Martin, Clea Creamer Williams, Curtis Walker, Bob Lagnon, Jr., O. D. Ray, Mrs. B. H. Wagnon.

R. A. Bradley, Pat Kleese, Sharon Gilliland, Joe L. Smallwood, Mr. and Mrs. James Wedel, Rowena Watson, Mr. and Mrs. Calvin Embury, Mr. and Mrs. Marvin R. Lewis, Mr. and Mrs. Lola Gammons.

Mr. and Mrs. K. K. Krebb, James W. Measos, Mrs. Dee Brown, Ernest Ramm, B. C. Stob Clipher, Mrs. B. E. Sanderlin, Charles L. Glover, Mike Glover, Nora Darsing, Jerry I. Gleason.

POPULATION CONCENTRATION

Mr. BELLMON. Mr. President, one of the major problems of the present age is overconcentration of population and the resultant congestion created by crowded housing conditions and overburdened transportation and communications systems, as well as the demands placed on governmental units to provide the necessary facilities and services required by large masses of people.

This problem is brought sharply into focus by a study completed and published recently by President Nixon's National Goals Research Staff. In its report, "Toward Balanced Growth: Quantity with Quality," this special study group expressed concern that the population of the United States would be massed into a few megalopolises. The report stated:

Assuming that the trends continue unabated, most of the U.S. population growth over the next few decades will be concentrated in the 12 largest urban regions. These 12 metropolitan areas occupying one-tenth of the land area, will contain over 70 per cent of the population. Moreover, at least 50 per cent of the total population will be found in three great metropolitan belts: Boston-Washington, Chicago-Pittsburgh, San Francisco-San Diego.

As William H. Stringer, columnist for the Christian Science Monitor, described it, the problems of the future will be concentrated in "Boswash, Chippitts, and Sansan."

The National Goals Research Staff report added that the issue "is not whether we can feed and clothe a population of

any size we can realistically envisage, or even supply it with the expanding amount of energy it may demand. It is rather that of whether a technologically advanced and industrially prosperous nation wants, or can continue to pay the price of congestion and contamination that comes with our overall affluence."

The report concluded that "the trends toward megalopolis in some areas and underpopulation in others are reversible" if the Federal Government and public and private institutions adopt a coordinated national strategy for balanced population distribution. Among the optional policies suggested to achieve population spread were: stimulating growth in sparsely populated rural areas, fostering the growth of existing small cities and towns in nonmetropolitan areas, and building whole new cities outside the metropolitan regions.

President Nixon recognized the magnitude and the seriousness of the problem when he stated in his state of the Union address last January:

We must create a new rural environment that will not only stem the migration to urban centers but reverse it.

Mr. Nixon has followed through with a "Rural America" program, the approach of which is decentralizing the population in order to provide a better standard of living for millions of Americans, clean air and water, more recreational opportunity and less strain and strife caused by the social pressures of overcrowding.

Mr. President, the efforts of the Nixon administration to cope with this problem are commendable. It is not enough, however, to define problems and set goals. The reversal of the trend toward uncontrolled urbanization must begin now, and it can begin with our own Federal Establishment. The Government is in an ideal position to set an example for future growth and development through a planned system of decentralization of its functions and relocation of its facilities and services.

As I stated during Senate consideration of the urban mass transportation bill earlier this year:

The federal government could well lead the way in seeking and finding a new pattern for urban centers of the future. There is probably no more glaring example of lack of reasonable urban planning than the job done by the federal government right here in the District of Columbia. Within a two-mile radius of the Capitol building, the vast majority of federal office buildings are clustered. As a result, many thousands of the world's highest paid and hopefully ablest officials and government workers spend from three-quarters of an hour to one and one-half hours (morning and night) traveling from their government jobs to their homes.

Why is it not possible for many of these jobs to be created nearer the residential areas where the workers choose to live. More candidly, why is it not possible for many of the government jobs, which have been created in this congested, polluted, crime-ridden city to be created in areas of the country which are presently underpopulated, where there is an abundance of fresh water and clean air, where laws are obeyed, and where mass transportation presents no problem.

Mr. President, I know this matter is of great concern to many Members of the

Senate, including the distinguished majority leader, who has spoken on this subject on previous occasions. It is also attracting the attention of the Nation's Governors, as evidenced by events at the recent Midwestern Governors Conference, at which the Governor of Ohio, the Honorable James A. Rhodes, suggested the Federal Government undertake a massive relocation of its departments and agencies. I ask unanimous consent that a United Press International story regarding this proposal be printed at this point in the RECORD.

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

RELOCATE AGENCIES, GOVERNOR RHODES URGES

COLUMBUS, OHIO, July 22.—Gov. James A. Rhodes of Ohio proposed a massive decentralization plan today for the federal government that would relocate 26 federal agencies and departments, including the Defense and Treasury Departments, in other parts of the country.

"I see no reason why, in the 1970s, all but a few of the federal departments and agencies could not be located outside of Washington," Rhodes said.

Rhodes presented his plan at the final day of the Midwestern Governors' Conference here.

"I think perhaps the State Department and the Justice Department should remain in Washington," Rhodes said.

The governor said his proposal would create job opportunities in areas of high unemployment, save in governmental travel expenses and generate awareness and responsiveness of governmental operations among the people.

Mr. BELLMON. Mr. President, as a nation of 205 million people, facing the prospect of continued growth in a relatively few "population pockets," we must take the land that we have and put it to the best and wisest possible use to meet the needs of our society.

There is no more important responsibility that we, as Members of the Senate, can accept in determining the future course of this Nation and its people.

A HOPEFUL DECISION NEARS ON THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, after languishing for 20 years in the Committee on Foreign Relations and after hearings this spring, the United Nations Convention on Genocide came to a full vote of the committee yesterday, bringing with it the possibilities for refreshing initiatives in the area of human rights for all of mankind. The time was at hand for the United States to show a resurgence of credibility, trust, compassion, and international responsibility. After all the rhetoric of promise, the very close decision of the full committee to reconsider the convention came as both a surprise and disappointment.

Yet, Mr. President, this action may be a hopeful sign, if the Foreign Relations Committee decides within the very near future to report the convention favorably to the full Senate.

I regret the action taken yesterday by the Committee on Foreign Relations, and only hope that the committee will truly

reconsider their decision and report the United Nations Convention on Genocide favorably to this body as soon as possible. The time for decision on this important issue is already so long overdue.

A SOUTH DAKOTA SOLDIER QUESTIONS U.S. GOALS IN VIETNAM

Mr. McGOVERN. Mr. President, I have been deeply impressed by a letter to the editor of the Sioux Falls, S. Dak., Argus-Leader, written by a soldier serving in Vietnam, Sp4c. J. J. Margulies, son of Mr. and Mrs. Harold N. Margulies of Sioux Falls. This thoughtful young man has made a number of observations about our involvement in Vietnam which coincide with our long-held views.

I believe that Members of Congress will profit from reading the astute reflections of Sp4c. Margulies and I, therefore, ask unanimous consent that his letter be printed in the RECORD.

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

A GI QUESTIONS U.S. GOALS IN VIETNAM (By Sp4c. J. J. Margulies)

(NOTE.—The author is a Sioux Falls man. He is a specialist 4 serving with the U.S. Army in Vietnam.)

I have read with interest various letters from soldiers in Vietnam extolling the righteousness of the U.S. intervention.

It seems only fair that the American public should know this feeling isn't universal among U.S. soldiers in Vietnam. There are many soldiers whose experiences here point to quite the opposite conclusion.

The American people have been told repeatedly that the U.S. is in Vietnam to give the Vietnamese people the "right to choose their form of government."

One needn't be in Vietnam for very long to begin wondering if striving for this goal, while admirable in theory, is out of place in Vietnam.

When asking this question one must not make the mistake of thinking that Thieu and Ky represent more than a special-interest group in Vietnam; one must think of Vietnam's "silent majority", the common farmer.

FARMER'S CONCERN

The Vietnamese farmer isn't concerned with politics. He is concerned with maintaining the traditional Vietnamese way of life. He has lived under both the Viet Cong and various Saigon governments. Both have taxed him, both have taken the young men to fight for causes, but both have allowed him to grow his rice and raise his children, which are two main concerns in the traditional life. As long as he is allowed to do this, he doesn't care who heads the government. This point surfaces with startling regularity in conversations with Vietnamese.

The Americans have changed all of this. I am stationed at what is known as Plantation. The people of this area once supported themselves from the rubber plantation. Today there are no trees. There is Long Binh Army Post, with its miles of concrete and asphalt. Families who have lived in villages for centuries have been moved to refugee centers, their villages turned into free-fire zones.

Villagers sleep next to bunkers, always fearing the sudden destruction of planes miles above. They see their country defoliated with chemicals that are banned in the U.S. because of the possible dangers in the form of birth deformities.

Americans have done good things in Viet-

nam also; schools, orphanages, etc. But in conversations with Vietnamese, they don't mention these; they remember the interruptions in their way of life.

WHAT IS THE GOAL?

We have been told that this is a war for the "hearts and minds" of the Vietnamese people.

Are we winning their hearts and minds by referring to the Vietnamese as "gooks," "dinks," "slopes," or "slants," as most soldiers do, or by treating them as some sub-human type of animal?

Have we won their hearts by disrupting the peasants' way of life or by distorting their economy beyond recognition?

In short, there are a number of soldiers in Vietnam who observe what is happening in this country and find it difficult to reconcile events with any of the publicly-stated U.S. goals.

We listen to the Vietnamese describe their lives before the coming of the Americans, when they admittedly didn't choose their rulers.

And we wonder how much thought was given to the welfare of the Vietnamese people when it was decided that the U.S. would fight to give them freedom of choice. It reminds many of us of the ironical statement of the American officer at Ben Tre who said "It became necessary to destroy the town to save it." We see this happening in Vietnam as a whole and ask "What has Vietnam gained?"

ENERGY CRISIS

Mr. BELLMON. Mr. President, I congratulate the distinguished Senator from Texas (Mr. Tower) for the contribution he has made today by introducing the sense of the Senate resolution. The energy crisis which faces our country has not received the attention which it so desperately deserves. As the Senator from Texas has so ably pointed out, the institution of pollution control regulations have put a further strain on the supply of natural gas available for consumption in our country. An example of this appeared in this morning's Washington Post. The headline reads, "Hot, Smoggy New York Cuts Power by 5 percent." The article relates that New York City was on the verge of a power blackout yesterday. It goes on to say that voltage was reduced throughout the eastern part of New York State by 5 percent.

Also, the Associated Press reported only a few days ago that a shortage in the supply of natural gas to the Baltimore-Washington area has reached a critical situation. As a result of this shortage, the Baltimore Gas & Electric Co. had to tell 40 potential natural gas customers that they could not be supplied.

Mr. President, had an adequate supply of natural gas been available to spin the turbines of the electrical companies yesterday, this power shortage could have been averted. The unreasonable low pricing system for natural gas has created a shortage which has resulted in brownouts and blackouts all over our country. The natural gas industry supplies over 30 percent of all our energy needs. With increased concern about pollution of our environment, natural gas can supply the energy needed by this country to run the industry of this country without the harmful effects of other energy sources.

I am pleased that the Federal Power

Commission has seen fit to reopen the pricing system in the Permian Basin. The present pricing structure has had a harmful effect on that industry and I am hopeful that these hearings and discussions will lead to a more equitable pricing system and the further development of a much needed energy source.

I ask unanimous consent that the two articles on the subject be printed in the RECORD.

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

HOT, SMOGGY NEW YORK CUTS POWER BY 5 PERCENT

(By Karl E. Meyer)

NEW YORK, July 28.—This city was on the verge of power blackout today. Torrid weather nearly blew the fuse of the partly-crippled Consolidated Edison Co.

Subway service was trimmed drastically, voltage reduced by 5 per cent throughout eastern New York State, and everyone urged to use less electricity in a second successive day of suffocating weather.

New Yorkers also continued to endure an eye-stinging smog that blanketed the city, creating air conditions that officials grimly called "unsatisfactory." No change is in sight for Wednesday, when the polluted and superhumid weather may cause an even worse power crisis.

The peak power demand occurred between 11 a.m. and noon, when 7,248,000 kilowatts poured into the city's subway system, high-voltage machines and overworked air-conditioners.

This peak was only about 400,000 kilowatts short of Con Ed's total capacity, which has been temporarily increased by purchasing of outside power from utilities all over the Northeast and from Canada and the Tennessee Valley. The record hourly figure of 7,266,000 kilowatts was set last summer.

By 5 a.m., as of Monday, the utility reported an all clear. But today's dimout was in every way more serious, so much so that the police department ordered all patrol cars to maintain at least a half-tank of gas, because gasoline pumps are electrically operated. Monday's voltage reduction was only 3 per cent.

The 5 per cent voltage reduction extended to seven other New York State utilities that have joined in contributing to Con Ed's emergency power pool.

The pool was formed after two major generators were knocked out of service for the rest of the summer, reducing Con Ed's total capacity to 6.35 million kilowatts.

Sen. Edmund Muskie (D-Maine) announced in Washington that he would hold hearings beginning Monday into a power famine that may "well happen in other large metropolitan areas."

As early as 9:40 a.m., Con Ed ordered a voltage cut of 3 per cent, a reduction level which the utility asserts is not noticeable to users. At 1 p.m., the reduction was increased to 5 per cent—second stage in the power company's cutback plan.

Simultaneously, Con Ed pleaded with its customers to turn off unneeded air conditioners, to run major appliances after 6 p.m., and to dial air conditioners to medium settings. Gov. Nelson Rockefeller joined in the call for saving power.

The utility appealed for a subway slowdown and asked other major users—the New York Port Authority, Rockefeller Center, the Empire State Building among them—to tap less power wherever possible.

The Transit Authority, which operates the subways, responded by cutting by one-third the number of cars running and ordering

motormen on the remainder to travel no faster than 15 miles per hour.

Service did not return to normal until 5:30 p.m., midway through the rush hour.

State agencies were ordered by Rockefeller to cut peak-hour loads by as much as 8 per cent in state-owned or state-leased properties. The order covered an area spanning from Albany to New York City.

In midtown Manhattan, lights went out in office buildings wherever feasible to ease the peak-hour load, causing employees to grope down dark halls to toilets. Some buildings shut down spare elevators.

A company spokesman reported today that "no major snags" had developed in the outside power pool. But he added that the third day of a heat wave usually brings the severest strain on power. "We'll have to face it as best we can," he said. * * *

DISTRICT OF COLUMBIA, BALTIMORE GAS SHORTAGE CALLED CRITICAL

BALTIMORE.—A shortage in the supply of natural gas to the Baltimore-Washington area has reached a "critical" situation, according to the Maryland Public Service Commission.

PSC Chairman William Doub said in a letter to the Department of Interior, that last April Atlantic Seaboard Corporation, the main supplier of natural gas to this area, drastically cut back its supply of gas to the Baltimore Gas and Electric Co.

Doub asked the department to lease "as quickly as possible" 137 potential gas bearing tracts in the Gulf of Mexico.

The immediate leasing of these tracts, he wrote, would aid in "the pollution control efforts of government and industry."

In April, the gas supplier informed the power firm that it should not contract to supply gas to any new customer or for new equipment to an old customer that would use more than 300,000 cubic feet of natural gas per day.

As a result, the power firm had to tell 40 potential natural gas customers that they could not be supplied.

A spokesman for the power firm said that firms already using gas and new homes and small commercial establishments will be supplied.

HEALTH SERVICES AND MOUNTING MEDICAL COSTS

Mr. HARRIS. Mr. President, on July 8, 1970, I held an important public hearing in Tulsa, Okla., on the subject of the delivery of health services and mounting medical costs. The testimony I received at that time was thoughtful and worthwhile, and I believe that Senators and relevant committees can benefit from consideration of it. Accordingly, Mr. President, I ask unanimous consent that the third additional portion of that testimony be printed in the RECORD.

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

DELIVERY OF HEALTH SERVICES AND MOUNTING MEDICAL COSTS

TESTIMONY OF WALTER D. ATKINS, D.D.S., M.P.H., CITY-COUNTY HEALTH DEPARTMENT, TULSA, OKLA.

Senator, we do appreciate being here and I am going to cut my remarks fairly short. I prepared a paper which you have in your hands. I prepared this statement in two veins: one, what are the problems with health conditions and delivery systems in the United States and, two, I related it actually to the federal government. I also have offered some

general solutions. And it's this I want to dwell upon. I'm real glad to hear Dr. Colyar say, and others, that we've got to start with prevention in all of our planning. This has not been done. We need to clarify the definitions I think, as referred to one word which we've kicked around this morning considerably—that is "comprehensive." We talk about comprehensive health services; we talk about comprehensive hospital care. This word really needs to be defined. We need to know what we're talking about. We feel that there is no one health delivery system solution. We feel strongly that there are three population groups that need to be served.

One is the poor, and these are people who have absolutely no health resources; they have no health knowledge. We are engaged (and this is the reason I mention these comprehensive health service programs) in a project here in Tulsa to demonstrate what can be done for the poor people. This has been done really at a very moderate cost. The medical visit cost per patient is averaged at \$12. Dental visit, \$14. Home nursing and all the other social services have run about \$9 per visit. Now this is a facility in which we treat complete families. We're talking about environmental problems; we're talking about health problems and not health care. We're talking about total health and what it means to the population. We feel then that there is this other large group of medically indigent people which has been discussed here considerably this morning who cannot afford medical care. And it is to these people that we feel a health insurance program—let's define this too, we're not talking about hospitalization insurance. We're talking about health insurance which includes prevention; it includes diagnosis, treatment and rehabilitation. In a comprehensive—again, comprehensive, in that sense—a health insurance program would do very well for this group of people. Then we feel that there is a third, large segment of the population who are affluent, who are able to purchase all of their health services, and admittedly the best health services in the world, so why tamper with this? Let's talk about these three groups of people and I think we can solve our problems.

One of the biggest fallacies that has occurred in any discussions of planning or programs for the health of the people in the United States is that the talking point nearly always starts with a sick person. The fact is that to cure any ill is infinitely more expensive than to prevent it. There have been some very good examples of what prevention can do and I cite only one example—the disease smallpox. This is a disease that is practically unheard of in this country now because we had the vaccine that would immunize the population. The disease hasn't gone away; it has just been controlled at a comparatively minor expense. The implication here is that this should apply to total health. We feel that planning in the practice of medicine, the practice of dentistry or insurance programs must begin with a well patient or a well family.

In discussing health delivery systems one must realize that the method by which the people receive health services in the United States just grew. It grew without any planning, without any thought for the need of planning. It was predicated on the free enterprise system and actually is a business and while there is a great deal of humanitarianism surrounding it as well as an air of mystery surrounding the man who has this special knowledge, in the final analysis all the people in the world of medicine are human beings with the same strengths and frailties as all other human beings. They had to be extremely ambitious to be willing to spend the time, effort, and the money that is required to become a physician, a dentist, a

nurse or what have you. Ambition is closely akin to greed which of course is in all of us to a greater or lesser extent. Therefore, when we talk about health delivery systems, we must approach it from the human standpoint, tie the discussion in with economy and inflation and with the wisdom of mandating health services or leave it up to the free enterprise system.

There is no documentation as to what, if any, medical delivery system would be better than any other in the United States. To our knowledge no studies have been done. This is true probably because there is no definite delivery system. Medicare and Medicaid cannot be classified as delivery systems; rather they are methods by which people can receive medical services if they are eligible and if the services are available. There have been some experimental systems; not all the answers are in on these yet. One that we're engaged in here in Tulsa county is the neighborhood health center approach for poor people. This is much more than an outpatient clinic operation; it starts with a preventive program working with families as groups, offering one door services for the maintenance of the total family including environmental health services. The present indications after a year's operation is that this is a very feasible method of delivering services to poor people. This will be discussed more in detail later in this paper. Another system that has been experimented with is a Kaiser-Permanente plan on the West Coast. Labor has taken the lead in planning for benefits for employees under labor contracts; they have had to think about the dollar value and the services to the people. This plan includes prevention, treatment and rehabilitation through their own closed panel medical insurance system with paid physicians and is being accomplished at a very reasonable figure.

One of the biggest deterrents to meaningful discussions of health systems is that there are no clear cut definitions of terms that are bandied about as they relate to the health of the nation. For instance, the World Health Organization definition for the word "health" is that it involves man's physical, mental, and social well being and not the mere absence of disease or infirmity. The Oklahoma Medical Association has differed with this definition—to them health is black or white, you either have it or you don't. Another term that's extremely confusing is the word, "comprehensive." This is used as an adjective with many different meanings such as Comprehensive Health Services, Comprehensive Medical or Dental Care, Comprehensive Hospital Services, Comprehensive Hospital Insurance, and Comprehensive Health Insurance. Often times discussions will go on for a considerable period of time without people really knowing what the other is talking about even though they are using the same words. There are other definitions that need to be clarified also.

Other deterrents to a workable solution of successful health delivery systems need to be discussed before any definite opinions can be established. These are problems that either have been or will be blocks to the efficient delivery of health services. (Even here is a definition that needs to be clarified. When one talks about health services, he is talking about the whole gamut of prevention, treatment, and rehabilitation as compared to health care which starts with treatment and rehabilitation.)

1. One of the problems is explained in a discussion of the origin and background of the delivery of health care in the United States. Under the free enterprise system the practice of medicine or dentistry is a business. It is a matter of a person being trained and selling his training to the highest bidder. He expects to be paid for his services and

rightfully so. He very jealously guards his independence as to what patients he will see and will fight anyone who attempts to encroach upon this. His training taught him that his obligation was to his office, to the patients that came to his front door, and that this is the extent of his obligation. Professional schools have been changing in recent years to include courses in community medicine or community dentistry which are designed to give the practitioner a broader outlook that there are social forces within the community that need his attention as well. However, it will be a long time before this permeates the whole profession. Because most physicians and dentists are pretty badly overworked, they feel that they are more than doing their part regardless of the type clientele they have by just taking care of their office. They also feel that the medical needs of the people are being met simply due to the fact that they can't see beyond their office. This is not an indictment necessarily it is just a tired man trying to do more than he is capable of.

2. This brings up the second problem which is health manpower. If everyone in the United States had all the money they needed to purchase health services and the knowledge and the motivation necessary to seek health services, are the services available? The answer here is no and certainly not in a quality manner. The health industry is the third largest industry in the United States and when this is coupled with the fantastic technological explosion in the health field then the manpower situation really looks hopeless. There are some favorable signs. One is that the medical and dental professions are finally maturing and beginning to feel secure enough so that they are really looking at auxiliary or ancillary type people to do an awful lot of jobs that heretofore have been the privilege and prerogative of the doctor himself. Of course, the greed motive enters back into the picture at this point also because he realizes finally that there are some people that he can train to do things that he has done at much less cost than if he were doing them so that his profits are enhanced. There also is a growing tendency toward group practices which may alleviate part of the manpower shortage and allow many more people to be seen also at much less cost.

3. The third problem is we hear an awful lot about hospital insurance; this is often referred to as health insurance which of course is a misnomer. Hospital insurance starts with a sick patient and most policies only benefit a patient when they are hospitalized. Some of the insurance companies, Aetna for instance and Blue Cross, are giving lip service to changing the format of their policies to include prevention and office visits for diagnostic purposes and treatment; however, this is not universal yet by any means. Blue Cross has instituted a supplemental emergency policy that they sell at a considerable additional premium. The health insurance people need to redefine their objectives and in our opinion, start emphasizing preventive programs. Their fear is that they are going into uncharted areas without actuarial experience as to the use, rate, and cost of preventive services. They seem reluctant to buy the premise that you can prevent illness and disease cheaper than you can treat it.

4. All across the country in cities with more than one hospital, you find the hospitals competing with each other and they claim that they offer comprehensive hospital services. This definition of "comprehensive" means that they're offering all services to their patients such as intensive coronary care, radiography, heart surgery, O.B. and pediatric services and these services are

found in each and every hospital; this certainly is true here in Tulsa. This equipment is extremely expensive to purchase and to maintain. It takes highly qualified people to operate it and is utilized a small percentage of the time. And while hospitals have had to raise salaries tremendously there is no question that this duplication of equipment and services has added materially to hospital costs.

5. The fifth problem has become evident particularly since World War II and that is that the general public is becoming much more sophisticated in terms of health services and what they want and what they are entitled to and have been in one sense willing to pay for it but griping about it tremendously. This I think doesn't need elaboration other than the fact that it is adding to medical care costs and when this happens it adds to the problems of medically indigent people.

6. Perhaps this isn't the place to mention this, but I feel like it needs to be aired. Congress itself with the collaboration of President Johnson has created some very real problems in the health field. While I think you will agree that we have the greatest form of government in the world, at the same time the congressional system is a little bit cumbersome. Through lobbying mechanisms, through the zeal of individual members of Congress, and because of a lot of other reasons, much legislation gets introduced that has overlapping overtones, gets passed, and signed into law without any clear cut responsibility as to who is to operate the programs. This has been especially true in the social legislation that has occurred in recent years. It got its major push early in Johnson's administration. Although social problems have been with us ever since the inception of our government, very suddenly it seems Congress and President Johnson was panicked into passing a great deal of legislation to help the poor, to increase health services for certain age groups, etc. The minute this legislation became law then the pressure was really put on people at the local level to get programs moving and off the ground.

All of the guidelines and practically all of the programs were issued with a Washington viewpoint and without any actual knowledge of what was going on at the local level or what was needed at the local level. The guidelines were often changed on a month to month basis as to operation so that the people who were trying to operate the programs were essentially in chaos. I can refer to one particular case because we were involved in this and that's our North Tulsa Neighborhood Health Center where every time we had a change of administration (less than annually) we would have a change in the interpretation of the guidelines and this continues. We also are finding in the OEO office that the program people aren't in tune with the procurement people and we are still being dictated to by the Washington office without regard to what the local situation actually calls for. However, the two main pieces of legislation that I refer to is Medicaid and Medicare. Medicare for instance was planned much more carefully than Medicaid apparently and with superhuman efforts by states to certify agencies pretty well got off the ground; however, very suddenly they have reinterpreted eligible services which has certainly put a cramp in the operation of programs. The program that we're associated with is a bedside nursing program. In the last three months we have been forced to reduce our patient load very materially because of increased restrictions on the program. However, the program that has caused the most consternation is title 19 or the Medicaid program. In the first place this was put in the hands of lay people, generally the Welfare Depart-

ments, who determined what services were to be offered, the manner in which they were to be offered, and who the eligible people would be. They enlisted the aid, support, and understanding of the medical people for services not planning and received it. But in order to get this they promised everybody the moon. There was no realism put into the planning of the delivery of these services. In most states they said that they would pay usual and customary fees.

Again I don't intend to indict the dental or medical professions but I think what happened as far as fees are concerned is history. The facts are that the planners forgot that all medical people are human first and professionals second and now that the usual and customary fee system has been installed, it is going to make it extremely difficult to change this system. Another thing that was very bad was that there was no quality review system built into these programs so that dentists for instance in one program that I know of were given a completely free hand in their diagnosis and treatment plan; whereas, if they had had peer review, it probably would have saved the program. But the upshot was that they canceled the whole program except just for pain and infection.

7. The final problem that we mention is the Department of Health, Education, and Welfare. Ten years ago this was a very well organized, closely knit, smoothly operating force for the good of health management particularly in public health for all of the United States. With all the social legislation that has been passed since President John Kennedy was first inaugurated the majority of it was given to HEW for implementation. What this has done in our opinion in effect is to make HEW so large and so unwieldy that it is completely unmanageable. I feel this is one of the reasons that the secretaries of HEW have come and gone so fast; all of them are taking a shot at reorganizing it when it probably didn't need this at all.

At any rate, it is so disorganized at the moment that it is very questionable whether it can ever be put back together again as a single entity. Certainly all of the subjects, Health, Education, and Welfare, are so important that they should have separate recognition and probably should not be in one department. We in the public health field have for many years looked toward the health component of HEW for consultation, guidance, and support. Very suddenly we find ourselves in the position of playing the opposite role. The point is that this is occurring at a time when the President and Congress need strong positive leadership and guidance in this most important field.

When one takes a look at the problems listed above, the question arises—Is there any one solution to the total subject of health in the United States? Then when one looks further at how closely health care is related to economics and inflation, one really begins to wonder—Is there an answer? Our first thought is: This is too complicated, too large to ever reduce the polarity of all the special interests such as the empire building tendency of the American Medical Association, American Dental Association and more importantly the power struggle that is very evident in the underprivileged areas particularly among Blacks as to who will emerge the leader and the spokesman for their people. However, there has to be a way, there has to be some method by which we can reach a consensus to bring together all the forces that would promote better health for our people.

There are those who will argue that it will have to be done by mandate and others that free enterprise will solve the problems. In our opinion neither of these views is correct because we have seen social legislation fail

such as the Volsted Act and we know that our medical care system under free enterprise is just not doing the job. Our view is that the answer lies somewhere between these two extremes.

For instance, there has been some very significant work done; also, some tentative steps taken toward the solution of these problems. The first is the study by the National Commission on Community Health Services entitled, "Health is a Community Affair." This study very significantly points out the personal and environmental health services that will be needed in the years ahead and makes authoritative recommendations for action. I feel very strongly that anyone who is interested in health legislation should be thoroughly familiar with this publication. Secondly under P.L. 89-749 we have the comprehensive health planning people both at the state and regional levels. Unfortunately the funding for this is very insignificant; secondly, they didn't put enough "teeth" in the planning agencies to make them really effective. Even taking the middle road between mandated and voluntary action, the planning people should have enough authority to correct gross errors in delivery of health services.

It is our feeling that no one health delivery system is going to fit our total population. It has been shown very clearly in our neighborhood health center for the poor the amount of good that can be done for poor people at a fairly reasonable cost but more importantly the facts that have come out of these projects is that this population has absolutely no inner resources in which to manage health affairs; they have no understanding of what health is; they have no knowledge of how to receive or to ask for health services; they have no transportation to get there if they did know so that everything needs to be done for them—management of their home, management of nutrition, management of their environmental surroundings, so that this would necessarily take an entirely different approach to health services than it would for the better educated and more affluent people.

Actually the cost of delivery of services to these people (this has incidentally been a completely one door operation) for medical visits have averaged \$12.94; dental visits \$14.18; physical therapy visits \$8.40; all the other social services—mental health, home nursing etc. has averaged about \$9.00 per visit. This amounts to about \$11.00 per patient visit for total health care for families. Now contrast this with the affluent society who has enough money to purchase at least hospitalization insurance protection and to purchase health services if the health services are available. This is a population group who should be well enough educated if they are properly motivated to manage their own health affairs and generally I'm sure this is true. The only thing in this group that I would be hesitant to predict is what is an income level that would make them affluent enough to manage their health affairs; of course, it depends on the number of children, size of the family and so forth, but I would suspect that it would start around \$7,500.00 per year for a family of three people. This should afford them enough money to purchase hospitalization insurance and to pay their medical bills that are accrued outside of this insurance program.

This leaves a large group that is classified as medically indigent in which any kind of medical problems are calamitous to the family. It is our feeling that the private purveyors of medical care could take care of this group of people if they were furnished with an insurance program that would adequately cover them. I would like

to emphasize again and again that we are talking about comprehensive health insurance which covers prevention, office visits, hospitalization, rehabilitation, and whatever it takes to keep a family healthy. This portion of the program could be very well done on a sliding scale so that the government would not have to pick up the total insurance cost because these people do have some capability.

Now in order to review what has been said in the foregoing I think that there should be three methods of delivering health services to the three different kinds of population groups that we have in this country because I don't think one system would cover all three adequately. These three are:

1. For the poor that total services be given this group through a closed group practice such as Kaiser-Permanente plan or such as the Neighborhood Health Center concept. This would be done with salaried health workers, with all of the disciplines organized toward rendering family health services to poor people within certain eligibility guidelines.

2. That a health insurance program for medically indigent people be written that would have sufficient comprehensiveness to cover all of the services in order to prevent diseases, to treat diseases, and to rehabilitate people and that these services be rendered by the private sector of medicine or through group practices. Also, that the programs be done on a sliding scale basis.

3. For the affluent society that there be no change in the health delivery system that is presently available in the United States and which admittedly offers the best technological health care in the world. At the present time in this group the real health needs are being met so that in any community the health indices show that the affluent have many, many less health problems than the poor people. And finally that there be a health planning agency within each community that has enough authority in their activity to see to it that health services meet the needs of a given population and that we don't have hospital beds in hospital wards standing idle; that we do have adequate ambulance services. In short that the health needs of the people of the community can be met in a quality manner and through a true community service effort.

Senator HARRIS. Mr. Gene Jordan is a consumer of health and medical services. A statement by him of his own personal experiences might be helpful to us. I thank Bethal Ward for bringing Mr. Jordan's presence to my attention. Mr. Jordan, I understand you've lately had some considerable expense because of open heart surgery. Tell us about that and your own personal situation with regard to those expenses. I think it will be useful to us.

STATEMENT OF MR. GENE JORDAN

In May of 1969, I had open heart surgery. Prior to this time I had never been able to get hospitalization because I had rheumatic fever when I was seven years old. The doctor had told me a year before I had this surgery that I should have had it done then but I felt like I couldn't afford it because, with a family and automobiles and everything and no insurance, there was no way which I could afford it. So finally back in April of 1969 I had a heart seizure and the doctor told me I would have to have this surgery or live maybe a year or a year and a half. I still didn't have any insurance. So I went ahead and had it and it cost approximately \$7000 for the hospital and the doctor who did the surgery.

I've had some help with Title 19. It did help me with some of my bills but I still have probably \$3000 for \$3500 that I still

have to pay. I have to pay this over a period of payments whenever I get the money to pay it. My family, mother, father, sisters and brothers, really kept me going—rent, eating, etc. My wife worked but she was off five weeks when I had this surgery, because after I came home she had to care for me.

If it hadn't been for my mother and father, sisters and brothers, and people like this I would have been—well it would have been a disaster because everything I had was mortgaged—car, house, furniture and all those things, and I would have lost everything I had. I have been real fortunate in getting some of these bills paid but a lot of people are not as fortunate as I am.

I know, I've visited with people who have had open heart surgery since I had it and they haven't been quite as lucky as I have been. This shows you that poor people just can't get this insurance. If I could have got the insurance I could have paid for it probably but there was no way I could because I wasn't qualified, because I had this trouble. After I got out of the hospital, for awhile my drug bill was about \$50 or \$60 a week for three or four months because they put me on one drug and this wouldn't work and they'd take me off this and put me on another. I don't know what I would have done, and I still have problems with paying. But the doctors are real lenient but the hospital is not quite so lenient. But the doctors, they go along, and pay me this and when you have more, pay me more. This has been my experience with medical expense and it's been this way most of my life. My mother and father were hindered by it because I had to be in the hospital so much. I probably spent 75% of my life in hospitals between the time I was seven and the time I was 16 or 17 years old. So it cost them a lot of money and had there been some way—if they could have had any insurance like this why it would have been a lot easier on them and a lot easier on myself too.

Senator HARRIS. Gene, are you back at work yet?

Mr. JORDAN. I was a barber and holding my arms up like this puts too much pressure on this valve, so vocational rehabilitation is going to train me to do something I can sit down to and work with my hands out front and get off my feet.

Senator HARRIS. How long have you been off work?

Mr. JORDAN. Since May of 1969.

Senator HARRIS. About what were you making before that?

Mr. JORDAN. In the neighborhood of \$650 to \$750 a month.

Senator HARRIS. And what did you say you still owe?

Mr. JORDAN. Approximately \$3500, plus medicine I'm still buying, which I'll have to be taking the rest of my life.

Senator HARRIS. Gene, you present the problem very dramatically. You are certainly to be complimented for coming here and giving us that testimony. It will be very helpful.

Mr. JORDAN. Thank you very much.

Senator HARRIS. Thank you, and good luck.

Mr. Ross Hutchins is a good friend of mine. Ross has had some particular experience which I think will be very useful to us here.

TESTIMONY OF MR. ROSS HUTCHINS, ATTORNEY, TULSA, OKLA.

Senator, my name is Ross Hutchins. I am an attorney here in Tulsa, I serve as trustee in bankruptcy for between one and two hundred cases per year. By far, the overwhelming cause for bankruptcy is an illness and the resulting medical expense. It is the cause of somewhere between 80% and 90% of those cases tried. We are talking about here in Tulsa approximately 1,300 cases per year.

The typical bankrupt is between 20 and 30

years old. He has a wife. He has children. If he has been the one who incurred the illness the time at which he goes into bankruptcy is shortly after the illness occurs because both income stops and expense goes up. If it has been some other member of the family the time of bankruptcy is extended. It may be as short as six months; maybe five years. In that time he has devoted part of his income into payment of the medical bills and he has become indebted to any number of people in the community. Typically when he became bankrupt he had a good job, his income may have been \$600 or \$700 per month even. Maybe he did not have as good a job. In either event since he was relatively newly married, he owed on his furniture, his car and his home. It took virtually everything he had to meet the payments and there was no reasonable way by which economic planning would have permitted him to be in some other position.

There were few, if any, government programs available to him because he was neither old enough to qualify nor poor enough to qualify. Nor was he physically impaired, at least when the accident or the illness occurred. By the way, it's virtually always an illness, very, very seldom an accident. He finally reaches a point where he just cannot go on and does file bankruptcy. This would not be a 100% load back on the government to take up these people to the extent they represent an expenditure in the economy because there is an expense to the government in putting him through bankruptcy. There is also an expense to a large segment of the population in the bills and expenses they're already losing by reason of his particular problem.

Senator HARRIS. That's very startling testimony. It is something that is new to me.

Mr. HUTCHINS. Well, virtually all your bankrupts are young, married couples. If they're under twenty they just haven't had sufficient time to get in enough trouble. (laughter). Also they haven't been able to borrow... they may have already come into the problems but the creditors haven't had time to apply sufficient pressure that they had to resort to bankruptcy courts to get out from under. As they grow older and the problems build up on them, they finally give up under the load and by the way they give up justifiably. As this man suggested, too, about his parents, typically some of the debts listed are debts to parents and relatives who have given them money to help them out in this crisis. And by and large from the creditors' standpoint they have tried to do the right thing. They just haven't been able to do it.

Senator HARRIS. There is a point that you make that we really miss a lot in this country: that the people in the middle rightly feel that if they were a little poorer or richer they would get a lot more attention. The man in the middle, for example, pays more than his fair share of taxes, which is something we've been trying to do something about, but not enough. He generally doesn't have the special attention to the educational needs of his children; doesn't have the special attention to his health needs; and so forth. I think the point you make in that regard is very well taken.

Mr. HUTCHINS. This man has few programs available to him offered through the government. When he gets newly married, he's got the greatest cash requirement he'll ever have. He's got to buy his home, car, furniture, and pay for his children and their education and clothing. For instance, elderly people who frequently go to nursing homes, even under the minimal amount afforded to them, sometimes are able to save a little money, five or ten dollars a month. This man can't possibly have been in that position. Every month he's short. He's short even under the most favorable conditions. Yet he had a hard

time borrowing money and is unable to establish any credit and he has no assets. He started out with a wife and maybe a car. He owed more on the car than it was worth. Typically also is another thing that frequently happens to them as they start going bankrupt, they have no credit; they didn't buy a good enough car and they keep driving it and they may own three or four cars none of which are newer than six to eight years and virtually none of them run. He probably had to come to the court house with his attorney because his car didn't run.

Senator HARRIS. Thank you very much.

Now we'd like to hear from Mr. W. R. Bethel, who is President of the Oklahoma Blue Cross-Blue Shield. He's been waiting here very patiently all day. We're glad you could be here and we're glad to hear from you.

TESTIMONY OF MR. W. R. BETHEL, PRESIDENT, OKLAHOMA BLUE CROSS-BLUE SHIELD

Thank you, Senator Harris. My name is W. R. Bethel. I am President of Group Hospital Service and Oklahoma Physicians Service, better known as Oklahoma Blue Cross and Blue Shield. We believe that it is both timely and fitting that you should provide an opportunity for the citizens of Oklahoma to express their views relative to one of the most pressing problems facing our state, and the nation, today... "health care financing and health care delivery." We believe it might be helpful to your deliberations to have some of the background of Blue Cross and Blue Shield nationally and, more specifically, Blue Cross and Blue Shield in Oklahoma.

Further, as you know, our corporations are made up of laymen, administrators, doctors, hospital representatives, and people of the communities we serve. We have representatives of each of those sections here today.

Senator HARRIS. I think we should introduce them so we'd be certain to have their names in the record.

Mr. BETHEL. Mr. Ernest L. Stucker is Chairman of the Board of the Blue Cross Corporation. Mr. W. B. (Bill) Hicks of the M K & O Trailways. Blunt Martin, Dr. Ed Calhoun is here as a member of the Blue Shield Board. Dr. Scott Hendren is a member of the Blue Shield Board. Mr. H. C. Gocher is a layman and is the owner of the Cimmaron Telephone Company from Mannford and is a lay member of the Blue Shield Board. Our hospital representatives are: Mr. Jim Harvey who is a member of the Blue Cross Board; Dick Luttrell who is a member of the Blue Cross Board; and Joe Gunn who is a member of our Board and President of the Oklahoma Hospital Association.

As you are perhaps aware, the concept of voluntary prepayment was originated in Texas in 1929. It came about because people had a need for financial help in times of health crises. The Oklahoma Blue Cross Plan was formed in 1940, followed by Oklahoma Blue Shield five years later. In those years, approximately 70% of the hospitals in the state were small, proprietary institutions, in the main, with somewhat limited facilities and services. Because of the increasing demand for services the profile of hospitals has changed, over the years, from proprietary to community sponsorship, offering a wide variety of services. Another contributing factor to this change was the existence of a private financing mechanism through Blue Cross and Blue Shield. Without question, the implementation of a mechanism that allows a substantial segment of the state's population to prepay a goodly portion of its health care needs, continues to contribute substantially to the significant changes and improvements in all health care services.

Historically, Blue Cross and Blue Shield

have also concerned themselves with quality care at the least possible cost.

With regard to the latter, we believe the Oklahoma Blue Cross and Blue Shield Plans were among the first pioneers of many innovations relating to cost stabilization. Utilization and peer review which are much discussed today, are only two ways the Plans have helped people to obtain quality health care at the lowest possible price over these many years.

These fiscal safeguards, in spite of seeming evidence to the contrary, have helped to contain costs. Additionally, these two systems of voluntary prepayment (Blue Cross and Blue Shield) have served as catalysts for what is now known as comprehensive areawide planning. For example, in the middle 1950's, the Oklahoma Blue Cross and Blue Shield Plans established Member Councils in all of the counties in Oklahoma.

These councils were comprised of responsible community leaders, such as, members of the Chamber of Commerce, physicians, hospital administrators and other opinion and influence leaders. The purpose of the Member Councils was to provide forums through which the community leaders and providers of care could exchange their concerns and ideas for improvement. Most of their discussions were focused on meeting community health needs through private financing mechanisms such as Blue Cross and Blue Shield, as opposed to tax financed governmental support.

One important by-product of these meetings was a series of educational programs entitled "Careful Use," aimed at encouraging the wise and effective use of their budgeted health care dollars. These educational programs were sponsored by Blue Cross and Blue Shield and had the support of both consumer and provider groups. Through this type of contact and involvement in community health affairs, Blue Cross and Blue Shield have long been influential so far as both the availability of health services and their economical delivery are concerned.

In this time when the public's interest is of utmost importance, it is interesting to note that, for many years, Oklahoma Blue Cross and Blue Shield have had equal representation on their Boards of Trustees from consumers, hospitals and physicians.

The people's trust is truly an invigorating challenge. These voluntary, non-profit entities, Oklahoma Blue Cross and Blue Shield, have, from the very beginning, under their enabling legislation, required participation by the consumer public on their Boards. Now, standing on the threshold of the Substantial Seventies, consumer influence will become more important than ever before. It will be a vital factor in areawide planning for the distribution of health services and in the recruitment and prudent use of available health manpower. Consumer participation will be heavily relied upon to clarify, and make more effective use of government subsidy programs—and to help define the direction of an improved health care delivery system.

While this balance of representation is evidence of our recognition that the interest of the consumer is paramount, I would hasten to add that, in our judgment, the interest of the provider and the consumer is more often in harmony than in conflict.

Earlier, I mentioned the vogue term, "Peer Review." Here again, the Oklahoma Plans assumed a leadership role many years ago. In the late 40's and early 50's, meetings were held with physician committees, all over the state, to decide ways and means of assuring quality care and optimum use of health care dollars. Of course, those early endeavors have now evolved into a much more sophisticated monitoring system, which

is still under constant review and improvement.

Nationally, the Blue Plans touch every major community in the United States, rendering services to approximately 70 million Americans, at risk, and reach approximately 25 million more aged and poor through government contract. These Plans, including Oklahoma Blue Cross and Blue Shield, are all voluntary, non-profit corporations.

From our humble beginning in 1940, Oklahoma Blue Cross and Blue Shield now serve about one million Oklahomans, including 625,000 persons under private contract, and as intermediary for the remainder under government programs.

We can report that Blue Cross and Blue Shield returned 97% of its members' dues, in the form of benefits, in 1969. It is also noteworthy that Blue Cross administered the Part A portion of the Medicare Program at a cost to the government of only 1.9%.

We are gratified that 100% of the hospitals in Oklahoma demonstrated their confidence by designating Blue Cross as their intermediary for Medicare and that the Oklahoma physicians chose Blue Shield to handle the CHAMPUS Program. We believe that all of this is indisputable evidence that the voluntary prepayment mechanism has a unique contribution to make in the implementation and administration of government-sponsored health care programs just as it has in the private sector.

Further, we are convinced that such economical and efficient administration of federal programs is achievable only through utilizing the expertise of the private sector and we would urge that broader administrative latitude be granted to this proven system.

While our accomplishments are substantial, many problems remain to be solved. In this connection, we are currently engaged in developing broader benefit programs, studying alternative delivery systems and new methods of containing costs.

In cooperation with the dental profession, we are currently administering an experimental dental care program for approximately 12,000 Oklahomans. Shortly, we will make a similar program available to a large portion of our total membership. Also, we will soon introduce an out of hospital drug program and, with the cooperation of the Oklahoma State Medical Association, will implement a program for the payment of physicians' usual, customary and reasonable charges with a broad scope of benefits.

At the same time, we are conducting experiments in alternate levels of care and home health services in the City of Muskogee with expectation they will be implemented throughout the state if proven successful.

Further, we are investigating a broad spectrum of additional programs seeking those best suited to reduce the incidence and length of in-patient care which is the most costly care of all. Some examples of these are pre-admission testing, multi-phasic screening and group practice arrangements, with emphasis upon prevention and early detection.

Senator, you are undoubtedly aware that a major factor in the increasing cost of health care is a substantial shortage of health manpower. Many communities in Oklahoma do not have physicians, nurses or paramedical personnel available at all. We would urgently recommend that federal funds be directed, through the states, to refine and expand programs for better facilities and education of health manpower in all categories. Even more important, in terms of more attainable goals in the near future, is the need for planning which will stress better distribution and in-

creasing the production of our present manpower resources.

As an example of what can be accomplished, we suggest further consideration be given to the "Health Careers" programs which Blue Cross actively supported from the beginning through the Regional Medical Program now functioning at the University of Oklahoma Medical Center. This program seeks to encourage young physicians and others to go into areas of the state where health services are inadequate or are non-existent. It is our belief that the Regional Medical Programs hold much promise for more effective use of existing and future health manpower.

Voluntary Areawide Planning is another approach which, when effectively implemented, will help utilize health manpower to a greater advantage. The importance of comprehensive planning for health facilities, services and manpower, and the coordinated use of financial resources is widely recognized. This recognition stems from an awakening realization that health facilities are interdependent; and that consumer interests and economic reality require a wide variety of facilities and services. Further, with new ways to retrieve and use comprehensive data on all aspects of health care, new opportunities for effectiveness are presenting themselves.

The management of Oklahoma Blue Cross and Blue Shield, believing in the need for comprehensive health planning, is committed to supporting recognized agencies with financial contributions and with skilled manpower and sophisticated equipment.

Many of these efforts we've touched on are also under study and trial by other Blue Cross and Blue Shield Plans across the nation. Since these programs have been widely aired in other public hearings, you are undoubtedly aware of them and no useful purpose would be served by going into greater detail today.

Of immediate concern to all of the people of Oklahoma and the providers of health care is the unwarranted increase in the cost of care to the private sector, caused by certain restrictions in the Medicare and Medicaid regulations. These restrictions prohibit the federal and state governments from paying their fair share of the full cost of providing health services.

Briefly, here's what we mean . . .

Since hospitals provide a substantial amount of care for which they are not reimbursed, they must then add these costs to the charges of other patients. This is commonly known as "reduction in revenue" and includes all contractual allowances, charity and bad debts. In 1968, Oklahoma hospitals had reductions in revenue which cost Blue Cross Subscribers in excess of \$2 million. Amounts ranging up to \$15.30 per day had to be added to the Blue Cross patient's bill to make up this loss, mainly attributable to Medicare and Medicaid. Studies for 1969 are not yet completed, but indications are that these losses of revenue cost Blue Cross Subscribers in excess of \$3 million. When our studies are complete, we predict that the effect upon the Blue Cross patient's bill was an increase of up to approximately \$20 per patient day.

The net operating loss of the Blue Cross Plan in 1968 was \$1,098,000. In 1969 our losses were \$2,199,000. Senator Harris, we think you will agree with us that it is unfair to the 625,000 Oklahomans who are Blue Cross Subscribers to have to subsidize Medicare and Medicaid to this extent.

Since the advent of the Medicare Law, there have been 35 hospitals which have closed their doors. We are of the opinion that these hospitals were closed in large measure due to Medicare regulations and the disparity of reimbursement. This past week, three more

Oklahoma hospitals were added to this list of "closed hospitals."

Based upon our knowledge gained as a Medicare Intermediary and from our on-going Blue Cross audits, current information indicates that 30 to 40 additional Oklahoma hospitals are in a very precarious financial condition and may also be on the verge of closing.

As mentioned earlier, we already have a problem of inadequate health care facilities in our rural communities. While we would grant that some of the hospitals which are caught in this predicament leave much to be desired, the communities affected by their closing now need assistance in finding direction in the development of new types of facilities and services to replace the old.

Perhaps it will be of interest to you, Senator, to know that we returned from Baltimore last evening, where we . . . along with representatives of the Oklahoma Hospital Association, the Oklahoma Department of Public Welfare, the American Hospital Association and the Blue Cross Association . . . presented to HEW officials a new proposal for hospital reimbursement which we call "A Cost Containment Program for Oklahoma Hospitals." This proposal is a realistic approach to solving the disparity in reimbursement now being so critically felt by Oklahoma hospitals and all of the people who are attempting to pay their own way. The main thrust of the proposal is to establish a means for the containment of rapidly rising costs of care in hospitals and at the same time provides adequate financing for these facilities.

This Program will require that hospitals establish rates related to their individual financial needs and that budgets will be established on a prospective basis each year. Determination of the rates will be based (1) upon the American Hospital Association Statement of Financial Requirements; (2) the recommendations made by the appropriate areawide planning group as related to capital needs; and (3) a budget forecast acceptable to all contracting agencies.

Further, this proposal contemplates incentives for providers to operate their facilities within the framework of the prenegotiated budgets but also envisions placing the hospitals at risk for failure to stay within the limits of their projections. Additionally, this prospective reimbursement proposition requires the advance approval of an external agency to be known as the "Program Policy Board." This external agency will be made up of representatives of the Title 18 and Title 19 Programs, the Oklahoma Hospital Association, Blue Cross and knowledgeable representatives of the public. Should you desire, we can furnish you a copy of the Cost Containment Program.

Senator HARRIS: I've got a copy of the program already and we've been in close contact with Cleve Rodgers and Lloyd Rader about that, and I appreciate your statement concerning it.

Mr. BETHEL. In summation, we wish to make two points with you, today, Senator. First, we feel the resources and expertise of the private sector afford this country its most viable approach to the continuing improvement of the health care delivery system and the financing of it. We urge your assistance in seeking more latitude for its use. Secondly, we urge you, in behalf of all Oklahomans, to exert your influence to see that governmental health programs pay their fair share of all legitimate costs in the future.

Thank you for this opportunity to express our views.

Senator HARRIS: Thank you very much. You made two or three very good points very knowledgeably. The National Health Insurance Committee yesterday reported. One of

the things they said, and one of the things which came out so clearly at the National Health Forum this year, was that if we're going to move into an additional system of some kind without recognizing the additional strain on facilities and on personnel, we're not going to solve the problem. You make that point well. The other points you make are extremely important, and we'll be hearing some more about the severe and growing financial problems that hospitals are facing. I really appreciate what you've had to say and your background and experience add a lot of weight to it.

I'd like now to call on the Oklahoma Hospital Association of which Joe Gunn is President. Cleve Rodgers, the Executive Director, is in Baltimore involved in the meeting that Mr. Bethel talked about. His assistant, Ben White is here, as are Jim Harvey and Dick Luttrell and others mentioned awhile ago. I am glad you're here and we'll be pleased to hear from you, Joe.

Mr. GUNN. Thank you very much Senator Harris. We have Mr. Rodgers' statement which we will leave here. I apologize that he could not be here today but he is there on very important business.

TESTIMONY OF CLEVELAND RODGERS, EXECUTIVE DIRECTOR OF THE OKLAHOMA HOSPITAL ASSOCIATION

I am Cleveland Rodgers, executive director of the Oklahoma Hospital Association, whose offices are at Suite 115, 1145 South Utica, Tulsa, Oklahoma. The Oklahoma Hospital Association is a non-profit, voluntary association with a membership of 167 hospitals in the State of Oklahoma.

Speaking from my 23 years' experience as executive director of this organization, I can say that Oklahoma hospitals have never been in such a precarious financial position as they are today. The federal Medicare program, with its retrospective determined cost provisions, have contributed to the financial dilemma facing Oklahoma hospitals that is resulting in an alarming acceleration of hospital charges to private paying patients that we serve.

Oklahoma's non-profit, community hospitals are organized to provide hospital services—they are not organized to earn money. However, they must earn money in order to provide services. The hospital's present method of securing its financial requirements to continue serving its patients is resulting in gross inequities to the private paying patients, Blue Cross and commercial insurance companies because of the present Medicare reimbursement methods. . . . To illustrate, let me give you a composite picture of the patients presently being served by Oklahoma hospitals:

1. Thirty-seven percent of the hospitals' patient days are for Medicare patients.

2. Approximately thirteen percent of the hospitals' patient days are for Medicaid patient, although the Medicaid program is only able to pay for approximately ten percent of these days, as they have had to reduce the scope of their program to a maximum of ten days per admission for an adult Medicaid recipient because of the limit of state matching funds.

3. Ten percent of the patients in Oklahoma hospitals could not pay for their care and are not eligible for Medicaid and have to be considered as bad debts or charity by the hospitals.

4. The balance of forty percent are those who have Blue Cross, commercial insurance or private pay patients, who must assume more than their proportionate share of the hospitals' total financial requirements because of the inequities presently provided with the Medicare reimbursement formula.

To illustrate this point, the cost of care of the ten percent of our patients who are not

eligible for Medicaid and are not able to pay for their own care must be borne entirely by the forty percent of our private paying patients as the Medicare and Medicaid law says they would assume no responsibility for the hospitals' cost for charity services.

In addition, hospitals have many community services that are financially "losers" such as emergency room services, obstetrical services, charity out-patient clinics and other similar community services which Medicare will not assume any part of these costs for community services in their definition of allowable, reasonable cost. This, in effect, is saying that the forty percent of the private paying patients must assume the total cost of these community services rather than apportioning these costs equally among all users of hospital services.

During the last few years, many hospitals have had to borrow capital on short term loans to expand and modernize their facilities. Yet Medicare and Medicaid will not allow the retirement of debts as a part of allowable cost and will only allow a percentage of the depreciation allowable over a 40-year period. Therefore, a large part of the financial burden for capital improvements must also be passed on to the forty percent private paying patients.

As a result of this retrospective determination of what is, or what is not, an allowable cost, hospitals are finding that they actually recover less than eighty percent of regular and normal charges rendered to Medicare and Medicaid patients.

If Oklahoma hospitals are to contain their costs to their private paying patients (who are the taxpayers paying the Social Security taxes and the general revenue taxes to finance Medicare-Medicaid program) we believe the following changes must be written into the law to provide for equity among all purchasers of hospital care, including the federal government:

1. The hospitals' financial requirements must be met by equity payments appropriated on the basis of each group of patients' use of hospital services. For example: If Medicare patients use thirty-five percent of the hospital's services, their payments for this service must be approximately thirty-five percent of the hospital's financial requirements, including their proportionate share of the hospital community service programs and their capital financial requirements.

2. Since Oklahoma's non-profit hospitals furnish care to all patients admitted to the hospital by the patient's physician, regardless of their ability to pay, either the Medicaid program must be expanded to pay for the cost of this care to the medically needy or apportion the cost equally among all the users of the hospital, including Medicare.

3. Because of the obvious failure of the retroactive determination of allowable hospital costs that has contributed largely to the hospital's financial dilemma, we urge that the hospital's financial requirements must be reviewed prospectively by the major purchasers of hospital care and that the hospitals be paid their cost during the period they render the care, thus enabling the hospitals to be financially able to provide the needed services for the patients that they serve.

The Oklahoma Hospital Association, in affiliation with Oklahoma Blue Cross and the Department of Public Welfare, has developed such a plan. If implemented, this plan, which was presented to representatives of the Department of Health, Education and Welfare yesterday, would enable the hospitals to recover their approved financial requirements. We also believe that our proposal will stimulate hospitals, through positive financial incentives, to use their facilities and personnel more efficiently, thereby reducing their costs,

while maintaining or enhancing the quality of the health care provided. This plan would also cover the cost of construction or expansion if appropriate health planning agencies certified the need for such expansion.

Hospital tax exemption

We are also concerned with the Senate Finance Committee's staff report, which recommended that the ruling of October 8, 1969 by the Internal Revenue Service that provided for tax exemption for hospitals who provide care on a non-profit basis, be rescinded. The Oklahoma Hospital Association recommends most strongly against any legislative action by the Senate Finance Committee designed to negate the current tax ruling or modify the basis for tax exemption for hospitals for the following reasons:

1. Hospitals should be granted tax exemption on the basis that they provide a community service; that they are available to service the community in all areas of health, and provide necessary emergency treatment.
2. Denial of tax exemption by the Federal Government would destroy the incentive for people to make donations to a worthwhile public interest cause.
3. Denial of tax exemption would increase the cost to all patients, including Medicare and Medicaid patients, by the relative amounts needed to pay real estate, ad valorem, sales and other type taxes at state and local levels.
4. Denial of tax exemption would increase the cost to patients by the amount heretofore contributed by donors who would refuse to make donations because of impairment to their tax status.
5. Because of the financial structure of hospitals, i.e., having to have a source of income to provide services, hospitals, other than tax status supported institutions, would be unable to accept charity cases. In this connection, consider the anomaly of the Federal Government through its tax arm insisting on hospitals providing charity services but refusing through its contractual relationship with hospitals under Medicare and Medicaid programs to contribute anything to the hospital's cost of charity services.

National health insurance

In conclusion, we notice that there are many pieces of legislation before the present Congress on a proposed National Health Insurance Program. Should a National Health Insurance Program be devised, there are several elements which we, of the Oklahoma Hospital Association, view as essential or desirable:

1. The federal government should enact a minimum range of comprehensive benefits for all health prepayment plans, including hospital inpatient services, outpatient services, extended care, home care and physician services, and should include a noncancelability clause so that each individual or family can be assured of a continuing health insurance program. This would force the many health and accident insurance companies to upgrade their coverage to an acceptable minimum.
2. Rather than the federal government administering and underwriting a National Health Insurance Program, it would seem more economical, and more in the public interest, for the Congress to require a compulsory coverage by a comprehensive health insurance plan for all employed or self-employed individuals and their families, financed jointly by the employee and the employer contributions.
3. We believe that the federal government should finance a comprehensive health insurance program of all unemployed or identifiable indigent persons.
4. A special study should be made on a

mechanism for financing long-term, institutional care for the chronically ill patients—particularly, the aged.

On behalf of Oklahoma hospitals, we are most grateful for this opportunity to express our views and to commend you for your special interest in the financial problems facing Oklahoma hospitals.

Thank you.

TESTIMONY OF B. JOE GUNN, ADMINISTRATOR OF THE OKMULGEE MEMORIAL HOSPITAL, OKMULGEE, OKLA. AND PRESIDENT OF THE OKLAHOMA HOSPITAL ASSOCIATION

My name is B. Joe Gunn. I am Administrator of the Okmulgee Memorial Hospital, a 101-bed general hospital located in Okmulgee, Oklahoma. I am also currently President of the Oklahoma Hospital Association. It is my privilege to appear before this Committee and to make a statement concerning the health crisis that affect the Okmulgee Memorial Hospital.

The story of the Okmulgee Memorial Hospital could be duplicated by many hospitals in the state of Oklahoma as well as in our nation. The Okmulgee Memorial Hospital was founded as a city hospital in 1917—and operated under the city-management until 1963. During the early sixties a group of interested citizens wanted a better health care delivery program than was being provided by the city form of management. These interested persons formed a corporation and the citizens of the community agreed to lease the facilities to a non-profit foundation for the purposes of operating the hospital. At the same time, action was taken to initiate a building program in order that the citizens of the city of Okmulgee and Okmulgee County could have access to new and modern health care facilities. As a result of many hours of volunteer work in the area of fund-raising, planning and organizing, a new hospital was dedicated to the citizens of the Okmulgee area in October, 1967. The \$2-million, 101-bed hospital was financed by raising \$650,000 from local citizens through voluntary contributions. The Hospital sold revenue bonds in the amount of \$550,000 and Hill-Burton provided \$800,000 for the completion of the project. It is obvious that without the assistance of the Hill-Burton agency, it would have been impossible for the community to have built a health care facility that would meet the needs of the community. Therefore, through many hours of volunteer work by citizens of the community, and through the assistance by the Hill-Burton program, a new hospital was completed.

The Okmulgee Memorial Hospital is perhaps atypical in its mix of type of patients as compared to other hospitals in Oklahoma and other states of our union. In our hospital, the Medicare patient accounts for 53 of the patient days; the welfare patients under title XIX Program accounts for 20% of the patient days; Blue Cross patients are 12% and the commercial and private-pay patients account for 15% of the patient days. In Oklahoma, the average hospital is experiencing 37% Medicare patient days—11% Medicaid patient days—17% Blue Cross patient days, and 35% private pay and other commercial insurance patient days. Therefore, the Okmulgee Memorial Hospital is experiencing a higher percentage of Medicare and welfare patient days as compared to other hospitals in the state. Oklahoma has a somewhat higher average of Medicare and welfare patient days than do other states in the union. The problem of the Okmulgee hospital is very similar to other small hospitals in the state of Oklahoma—high utilization of the senior citizens and welfare segment of the population for which the hospitals are experiencing an inadequate reimbursement of expenditures.

The Okmulgee Memorial Hospital is currently experiencing an 18.5% reduction in revenues which is brought about because of the high percentage of Medicare-welfare patient day utilization as related to the reimbursement formula. However, in Oklahoma for the first quarter of 1970, the average days length of stay for Medicare patients was indicated at 13.4 days. The Okmulgee Memorial Hospital experienced 11.6 days of stay for Medicare patients during this same period. However, the important point of realization is that many hospitals, like the Okmulgee Memorial Hospital, are experiencing difficulties in generating sufficient revenue to adequately meet the expenses of an on-going health care organization. Also, due to the fact of the high percentage of reduction in revenue which is dictated by the present reimbursement formula—it is impossible for an organization to adequately meet its financial needs. The dilemma in which we find ourselves today is that of trying to generate enough income (cash flow) to meet the current financing requirements of the hospital as well as provide funds for capital improvement in long-range development in a very rapid changing field.

Our hospital has also experienced the rapid upswing of the cost of personnel services. Since 1966, our hospital has increased its minimum wage from \$.75 to the present \$1.60 per hour. Very few industries have had such a dramatic percentage of increase in salaries over a short period of time. We also find that a majority of our employees are in the minimum wage category. We have also experienced extreme upward spirals in the professional categories of personnel. This includes registered nurses, pharmacists, dietitians, physical therapists, laboratory technologists and other skilled persons. Due to the increased demand on the supply of these personnel, it has caused a tremendous increase in the salary level of persons in these categories. In order to give the highest quality of care, it is imperative that the best quality of personnel be secured and developed. Therefore, the arena of competition for qualified personnel has also caused the price of these persons to increase. The smaller communities also have problems that are compounded due to the fact it seems to be increasingly difficult to attract families to smaller communities. The great trend is that people are moving to the urban centers and to the suburbs of the urban centers, and it is more difficult to attract qualified professional people to the smaller community. This also has its bearing upon cost.

Senator HARRIS. To some extent the problem feeds on itself; the fact that there is high quality medical care in the larger city may be part of the draw, for people who move there.

Mr. GUNN. We have in our particular situation, relating back to cost, and what we are confronted with—in 1966 the minimum wage in our hospital was \$.75 an hour. We all agree that that was not a living wage. The federal minimum wage came in and started upgrading it at this time. As of now our minimum wage is \$1.60 per hour. The point I'm making now is that we're to the federal minimum wage but in this short period of time that's a tremendous increase in cost. 70% of our cost is related to personnel services. This is a tremendous increase in costs and it takes us several weeks and even months to generate what service we perform to get the income from that service. This is compounded on the fact that we don't have a chance to get some of that income because of our deductions in revenue. This has put an extreme squeeze on the hospital and this certainly is not atypical. I think; there are other hospitals in similar situations.

Senator HARRIS. Would the people who are now getting \$1.60 an hour be working 40 hours?

Mr. GUNN. Yes, sir.

Senator HARRIS. That would be \$64.40 a week, I believe. Per month that would be \$257.60. The point I'm making is, just as the paying patient ought not to be the one who pays extra for the person who can't pay all of his hospital care, I wouldn't think that any of us would think it would be proper, either, that some people should have to work for less than a living wage in order to hold down other people's medical costs. You make the point very well, however, that it is a factor which must be taken into account, aside from the argument of whether or not it was justified.

Mr. GUNN. We have another problem involved with our professional people that I mentioned—the supply and demand factor to which you alluded a minute ago. The supply is very short and the demand is great because of the response. This has caused a tremendous upward spiral of these types of personnel. I'm not saying that they don't deserve it. But at least it's a real factor that wages for the professional nurse have increased dramatically within the last three years.

Senator HARRIS. What do they average out in a town like Okmulgee?

Mr. GUNN. Before three years ago we were averaging \$425 a month. We're now at \$610 a month.

Senator HARRIS. What kind of schooling is required for that kind of salary?

Mr. GUNN. This is for a registered nurse who has normally three years in our situation. We do have some four-year degree persons but mostly the three-year diploma school type nurse. These are all registered nurses. So this has the bumping effect, you raise one category and you have to raise the other. These are part of the factors. We certainly should not expect to see a downward move in anybody's wage unless we have a national crisis and all we can expect, I assume, is to continue in this way.

There is another area which I would like to touch on, which we have not touched upon yet. And we almost could call these people the forgotten people and these are the hospital trustees. Hospital trustees are confronted with seemingly greater responsibilities in providing quality patient care. Trustees are becoming legally involved to a greater degree in granting or denying staff privileges to medical practitioners. The Courts today are tending to hold that hospital boards must not discriminate and must not act arbitrarily and capriciously as related to privileges of staff physicians—some are suggesting that a license to practice should afford a physician the privilege of any hospital that he may choose. On the other hand, courts have held that hospital trustees are responsible for the care of the patient within the hospital. The difficult position that the trustee finds himself in is that on the one hand he is responsible for the patient care within the hospital, and at the same time he is also being told that he must be more lenient about admitting physicians to practice on hospital staffs. Community control of the voluntary hospital then is in jeopardy because citizens of the community are becoming more reluctant to become involved in hospital matters due to the fact of potential legal problems that they might be confronted with brought about by these very delicate but ever-present issues related to the medical staff.

In summary, the problems which the Okmulgee Memorial Hospital faces are those of difficulties in generating sufficient cash to meet current as well as long-range obligations—increasing costs brought about by

greater wages paid to employees to meet the federal wage requirements as well as increased wages for professional people because of the supply and demand factor. The medical-legal involvement of physicians, hospitals and trustees in the area of appropriate privileges granted to the physician within the hospital has also presented unique problems. The future of an adequate program of delivery of health care to the citizens of Okmulgee County are largely dependent upon resolving these issues so that adequate planning and implementation can be developed for the necessary programs of the future.

Of course, all of our problems cannot be corrected at once. However, our survival depends upon adequate financing of our monetary needs. The reimbursement formula is the key. The Oklahoma Hospital Association, and others interested in the survival of Oklahoma hospitals have developed a reimbursement program that would help the hospitals in Oklahoma in meeting their financial crises. Oklahoma is one of the first states to develop a program such as this and it is our desire that the Social Security Administration will approve our program as a demonstration project. Bold steps must be taken now in order that our voluntary hospital system can continue to provide quality patient care to our citizens.

Thank you.

Senator HARRIS. What is the part in the increased hospital costs played by improved technology and new equipment and machinery we didn't formerly have? Does that amount to much of the increased cost?

Mr. GUNN. It is a certain factor. The larger hospitals and the teaching centers are having a bigger problem in this area because the demand is greater for the new equipment and new techniques. Even in our size hospital, 100 beds, which is a small hospital, we have the same problem in a relative sense. For example, buying a new piece of equipment in the laboratory may be \$4000 to \$4500. This in itself is capital outlay which puts again the strain on the cash flow. So there are certain things that cause the cost increase. On the other hand, by virtue of using new equipment and new techniques, we can reduce some of the cost to the patient. And this has been very dramatic in the area of the auto-analyzer. That's the trade name for a machine that can produce a series of tests for the patient, let's say twelve tests, that would cost the patient about \$20, as compared to the old system which would have cost him \$65 or \$70 for the same twelve tests. So these are definite economies for the patient that the public normally does not hear about, but it creates a strain on the cash flow of the hospital in acquiring these things.

Senator HARRIS. I suppose, too, that education of the public and the increase thereby of their expectations is some reason for the increase in costs. Formerly, there might have been fewer specialists involved in an operation or in diagnosis, where, now, we demand the best we can get. I suppose that would be involved, too.

I thank you very much.

Mr. Lloyd Rader, Director of the Oklahoma Department of Public Welfare, is in that important meeting in Baltimore which we talked about earlier. He is represented here today. I am pleased to say, by Jim Overfelt and Dr. Bertha Levy whose presence will be noted in our record. They wanted to be here to take part in these hearings and report back to the Department and use this information in their own positions. I appreciate your presence. Do you have anything to add at this time?

Mr. OVERFELT. No, thank you.

Senator HARRIS. Dr. Ed Calhoun whose name has been mentioned earlier is also President-elect, I believe it is, of the Oklahoma State Medical Association. Dr. Calhoun, we're grateful you're here. You've come a long way to be here from Beaver. You've been patient during the long day.

Dr. CALHOON. I've asked Dr. Hendren of Oklahoma City and Dr. Keith of Shattuck to make our presentation.

TESTIMONY OF SCOTT HENDREN, M.D. ON BEHALF OF THE OKLAHOMA STATE MEDICAL ASSOCIATION

Senator Harris and ladies and gentlemen. We are most grateful to have the opportunity of being here to make some presentation of this very complex problem of health care and to make ourselves available for any questions we might answer or any additions we might make to the statement.

I am Dr. Scott Hendren. I would like to identify myself first as a physician who, like nearly 2,000 of my colleagues, has devoted some 70 or 80 hours a week for the past two decades to the care of the sick. I might add, Senator, also to the anxious and the worried-well in the state which are a real factor in the burdening of medical care facilities. As a Past-President of the Oklahoma State Medical Association, it has been my privilege and responsibility to observe, to counsel with and be concerned with the health care that is rendered throughout the state, not just in my area of practice. I am a member of various councils and committees and boards of trustees in our state and elsewhere who have some involvement with this care in many other areas across the nation. I would like to emphasize, as has already been brought out, that the health needs of our citizens and the systems to provide this care, and must remain, as heterogeneous and varied as the people who are serviced. What may be desperately needed in central Detroit may be totally out of place in Beaver, Oklahoma. That which is the ideal system for Beaver, Oklahoma would find no place in the ghetto of New York. I think although it's somewhat of a cliché, it must be constantly borne in mind when we consider seriously the financing and delivery of health care. It is so easy to say well we've not devised a system that is going to solve all these problems and forget that we are not a unity as far as our individual personalities, our individual needs, and our individual situations are concerned.

Just as there are great deficiencies in economic opportunity, employment, and education in our country, we certainly agree that all of the people do not receive the best medical care, and some of them do not receive care at all. Physicians are receptive to changes and are receptive and are anxious to identify and improve existing deficiencies and provide for future needs. I would like to point out that the crisis approach does prod people to think and to act and this we will concede. I would also caution that the crisis approach may lead to precipitous action and the result of such action may not bear the test of time.

Having been in practice in Oklahoma for two decades, I identify that I made the decision to study medicine somewhere in the thirties. At that time the demand for medical care was certainly not very great and the expectations were certainly not very much. People sought medical care only if they were desperately ill, and they went to a hospital only as a last resort. The so-called paramedical assistance that each doctor received in this state at that time was ¼ of one person. The paramedical assistance of each physician in this state required to care for the people at this time is somewhere between eight and ten people and should be 13 or 14 if the present trend continues, in the very near future.

Recognize that the tremendous advance in knowledge and technology since 1941 has placed on each individual physician a tremendous burden of keeping informed and keeping up with those things he must know and do to provide good medical care. In spite of all of the problems, I feel that the progress of medicine in this nation is one of the most dramatic stories of the century.

About five million Americans are alive today who would be dead if the mortality rate of the thirties were still in effect. Today obviously the intelligent and capable young man who faced us a bit ago would not have been here had his problem existed in the 1930's. I realize that \$7,500 is a tremendous burden, but funerals are expensive also. Life expectancy for Americans has exceeded the Biblical three score and ten years. Today's babies will live ten years longer than their 30 year old parents. I would like to pause here to add another word of caution. I think it is important when we throw statistics around that we examine them carefully and we take them with a grain of salt, from two standpoints particularly when we talk of infant mortality. First of all, in Sweden, for example, and in many countries of Europe, infant mortality statistics are calculated on the basis of the first to sixth months. Our own reporting system calculates infant mortality anytime during the period of first to eighteenth months. Obviously this is not a comparable statistical report. Now this does not mean that we feel that infant mortality in this country does not need a lot of attention and improvement. But I think that we must examine statistics carefully.

Senator HARRIS. Do you feel that it is not any worse than in those other countries?

Dr. HENDREN. I said that we don't know because we don't have a comparable yardstick, Senator. The point I do make is that our own infant mortality is of concern to us, but to compare it with an orange is not very helpful in solving the problem.

Senator HARRIS. I've seen figures ranking us twelfth or thirteenth or fourteenth on what the United Nations and other organizations purport are comparable statistics.

Dr. HENDREN. We have not been able to identify that this is so. We're still comparing, we believe, apples and oranges. The point has already been made and I would like to emphasize it—when we talk of infant mortality and maternal life expectancy, we are also talking of factors which have nothing to do with medical care as such, but other, many and varied economic and like factors. For example, the life expectancy of infants of Swedish origin in the United States is twice what it is in Sweden, which has to do with way of life.

Nearly two-thirds of the major new drugs made available since 1941 are the products of American medical research. Over 70% of prescriptions today are for drugs not even known ten years ago.

There are more and better hospital beds in this country than in any nation in the world, and the average time it takes to get well has been shortened steadily over the years.

The United States now has over 300,000 medical doctors, the highest in history, and they are being produced faster than the national population growth rate.

Our nation is the medical training center of the world. More than 12,000 foreign physicians and students are receiving medical training in America, and the number increases annually.

A record number of Americans, 163 million, are protected by voluntary health insurance and prepayment plans.

Many dread diseases have been virtually eliminated through medical progress in this country.

The health services industry has grown to the nation's third largest employer . . . just behind agriculture and construction.

With this record of achievement—perhaps the most startling progress of any American profession or industry—it is paradoxical that many government leaders have singled out the health care industry and the medical profession for vilification!

Senator HARRIS. Do you feel really that doctors are being singled out? From where I stand, I think politicians are singled out for vilification. (laughter) I believe that every aspect of our national life, right now, is having to respond and having to change and having to take criticism—some justified and some not. It doesn't hurt us, number one, to recognize how good we are, and I think that you make that point very well and it's been made earlier as well. But I don't think that we ought to say that the medical profession is the only one being singled out; education is, lawyers, politicians, and the like—everybody. I don't think that that hurts us as long as it is constructive.

Dr. HENDREN. I agree with you thoroughly. The point that I wish to make is not defensively that the profession is being criticized. I welcome the criticism. The point I wish to make, and I think it is an important one, is that this is being advanced as an important reason for a total scrapping of a system which I am defending, or a multiplicity of systems.

Senator HARRIS. I haven't heard that advocated today.

Dr. HENDREN. I feel that that has been advocated by some five representatives of organized labor.

Senator HARRIS. That the whole system be scrapped?

Dr. HENDREN. Absolutely.

Senator HARRIS. I misunderstood, I suppose, what you meant by total scrapping. Go ahead.

Dr. HENDREN. American medicine is amenable to change and we are anxious to meet the needs. I would also like to point out in the legislative field, Senator, that the recent rush of health legislation, most of which is good, has been another factor in the tremendous burdening of our system. In the 89th Congress alone there were 1526 legislative bills introduced which affected health or the practice of the delivery of health care. I would submit that it would be difficult for any industry in the country or any profession to absorb and withstand this rapid a change in the customary way of doing things without being burdened tremendously and confused more than slightly.

There are admittedly some problems associated with the supply and distribution of health services to the people, and government can share with the private sector the responsibility of solving these problems. Dictatorial domination of an industry by government, however, is neither warranted nor welcome.

In the following pages of this paper, comments are made on several key issues of concern to the medical profession.

Medical manpower

America needs more physicians.

Higher levels of general education, increased spending power, and public awareness of the quality of health services available have made the American people more mindful of their health. As a consequence, greater expectations and demands for medical services have generated an excessive burden on today's health manpower resources.

This is true even though the number of physicians has increased faster than the general population. Between 1950 and 1966, the population of the U.S. increased 29 percent while the number of physicians increased 34 percent. Moreover, the physician-population ratio . . . the number of physicians divided

into the total population . . . has improved. In 1960, the ratio was one physician for every 737 persons; by 1967, it was one for every 658.

To meet national expectations for health services, the enrollment of our medical schools must be substantially increased. The American Medical Association and the Association of American Medical Colleges have issued a joint statement to this effect.

National policy which would best meet this need, and would be consistent with the American ideal of equal educational opportunity for all, would provide such educational resources that every young person interested in and qualified for entry to the study of medicine would have this opportunity. All medical schools should now accept as a goal the expansion of their collective enrollments to a level that permits all qualified applicants to be admitted. During the 1966-67 school year, 18,250 young persons applied for medical training, but only 9,123 could be accepted.

Some medical schools have been increasing their enrollments, others have not. Of the 85 U.S. medical schools in 1967, 32 have shown no increase during the past ten-year period.

The reasons vary from school to school, but nearly always include such problems as lack of faculty, shortage of operational funds, and limited physical facilities. Too much emphasis on research and the provision of health services, as opposed to the primary mission of educating physicians, may indicate that some medical schools should reassess their priorities and purposes.

Our own University of Oklahoma School of Medicine is pioneering concepts which could well serve as models for national emulation.

Through a healthy blend of private, state and federal resources, a ten-year, \$185 million program is underway to create the integrated "Oklahoma Health Center", whose mission will be to train health personnel of all types to meet the needs of Oklahoma citizens.

The Oklahoma Health Sciences Foundation, a group of prominent Oklahomans brought together at the invitation of former Governor Henry Bellmon, is playing an important role in coordinating governmental and private efforts to create one of the nation's leading health education centers.

The Oklahoma Legislature is not only supporting their effort by submitting an implementing major bond issue to a vote of the people, but it has also authorized a feasibility study for a second medical school to be located in Tulsa.

To solve the national problem for increased medical manpower, the following immediate and long-range steps should be taken:

Immediate

1. To increase the enrollment of existing medical schools. Considering the time required to create new schools and to provide a student with a medical education, there is no alternative in meeting the present emergency.

2. To foster curricular innovations and other changes in the educational programs which could shorten the time required for a medical education and minimize the costs. In view of the increasing quality of pre-professional education and the growing competence of entering medical students, it should be possible to reduce the length of medical education without sacrificing quality. Also, as the amount of clinical experience provided medical students increases, the duration of internship and residency training programs should be re-assessed.

3. To meet the need for innovation in educational programs, and to encourage diversity in the character and objectives of medical schools. The development of schools of quality where a primary mission is the

preparation of able physicians for clinical practice as economically and rapidly as possible is to be encouraged. Such schools may have less emphasis upon fundamental biologic research than is appropriate for a number of other schools.

Long-Range

A longer-range approach to the need for physicians is the development of new medical schools. Such a step is essential for meeting the national needs of 1980 and beyond.

This will require adequate financial support from governmental and various private sources for:

1. Construction of facilities to expand enrollment of existing schools and to create new schools.

2. Support of the operational costs of medical schools.

3. Stimulation and incentive for educational innovation and improvement.

To implement these measures will further require that each medical school and its university re-examine its objectives, its educational program, and its resources to determine how it can contribute most effectively to the national need for more physicians, and what financial help it will need to make this contribution. Also required is understanding by the public, the private foundations, industry, local and state governments, and the national Congress . . . groups which must provide the financial support which is necessary.

Initiative for development of new schools and expansion of the established institutions should be locally determined. Only the governing bodies of schools with ongoing programs in medical education can decide to expand such programs. Institutions wishing to organize new medical schools must assume the responsibility for marshalling the necessary support. Medical associations are prepared to assist with such efforts.

I think another area in the distribution of health manpower, particularly in Oklahoma, is the need for the rural area. I would like to make another comment or two in this area.

First of all, I think it is most important to understand that the failure of location of physicians and other health professionals in sparsely populated or rural areas is not, at least not to a large extent, economic. There are many more factors that have a great deal greater bearing on this maldistribution than income. It is our knowledge that the income levels of physicians across the state vary little between either area and there's no great penalty economically of being located in a rural area.

The penalties, of course, are number one, the same reasons that the rest of the population is not located in sparsely populated areas. Physicians are people. The local educational situation, the local . . . many other things. But the most important single reason is the professional and educational loneliness of the physician in an isolated area. This is the one great factor that we have determined in every instance where we do not have physicians locating in sparsely populated areas. As we mentioned awhile ago, the demand for educational progress and continuing education of physicians is absolutely essential. Without continuing education a physician five years from now will not be able to provide the level of care that the people need. One will be a professional dodo five years from now without any continued education in the interim. If one accepts the responsibility of a remote area then he must have some opportunity for ongoing, continuing education.

The Oklahoma State Medical Association for many years has maintained a scholarship program. We are restructuring this program and have already restructured it, in

fact, to provide incentive for the subsidization of the medical student's entire medical education on the provision that he voluntarily locate in an area of great need. We do not believe in indentured service for physicians or attorneys or teachers or anyone else. This is a voluntary program accepted by the student and if he changes his mind he has the ability to pay back all of this subsidization and go the way he wishes. But he's excused if he fills this great need.

Along with this we have begun work on VIP or what we call the Voluntary Interested Physicians program through the State Medical Association whereby physicians throughout the state, on a rotating basis, volunteer, much as our great volunteer physicians for Vietnam do, to locate temporarily in an area served by only a single physician to let him get loose for graduate studies, rejuvenation, and so forth.

Finally the State Medical Association has established a Rural Health Council composed of a broad segment of the society as well as physicians producing some very excellent ideas for the relief of this problem.

ARMY MAINTAINS DETERRENT POWER OVER CIVILIAN RIGHTS

Mr. ERVIN. Mr. President, there has been increased public concern over the wisdom and legality of some of the data banks which are being constructed by Federal departments and agencies.

On the basis of a study which the Constitutional Rights Subcommittee has undertaken, I am convinced that this public concern is caused by the failure of some agencies to limit their information activities to those reasonably necessary for administration of the laws they are charged by Congress with administering. It is also caused by the failure of responsible officials to inform the public and Congress honestly and squarely just why the information is needed and what will be done with it, and it is caused by their frequent failure to assure due process to individuals who might be involved with the program or placed in a data bank. Consequently, many worthwhile data programs which are necessary for good government come under criticism for lack of public information and for lack of government candor.

One of the Federal departments which has recently been guilty of incursions into the constitutionally protected sanctuaries of individual rights is the Department of Defense. A branch of this mammoth Department, the Army, has admittedly engaged in the collection and data banking of personal information about civilians who are active in politics or who belong to organizations which are or might be active.

In response to public reaction to this program, the Army pleaded that it needed to do these things in the interest of being prepared to deal with civil disturbances. It finally agreed to cut back on its program. However, from the latest policy statement, it is clear that the Army has maintained its deterrent power over the individual rights of American citizens.

When I first learned about these activities, I asked the Secretary of the Army for a full report because I thought the Army has no business meddling in

civilian politics, or conducting surveillance of law-abiding American citizens or maintaining data banks on civilians who had no business with the Department of Defense.

In addition to the constitutional questions they raised, the Army's data banks were important for another reason. This was that they appeared to be part of a vast network of intelligence-oriented systems which are being developed willy-nilly throughout our land, by government and by private industries. I believe that in these systems, where they contain the record of the individual's thoughts, beliefs, habits, attitudes, and personal activities, there may well rest a potential for political control and for intimidation which is alien to a society of free men.

In March 1970, I was informed that the Army had unplugged one of its computerized data banks on civilians which it maintained at Fort Holabird and that it would discontinue a blacklist of dissenters which it has distributed widely. However, many more questions which I and other Members of Congress had asked the Secretary of the Army remain unanswered. The mail which has been received by the Subcommittee on Constitutional Rights and by other Members of Congress convinced me that aside from its use of computers, there were obviously some major constitutional issues remaining about other aspects of the Army's programs.

I ask unanimous consent that my letters of January 22, 1970, and February 27, 1970 to the Secretary of the Army, the Army General Counsel's letter of February 25, 1970 to me, and letters of March 20 and June 23, 1970 to me from Under Secretary of the Army Thaddeus R. Beal, a memorandum of March 6, 1970 to the Chief of Staff from the Secretary of the Army, and the latest policy statement of June 9, 1970, issued by Colonel Robert E. Lynch, Acting Adjutant General, printed at this point in the RECORD.

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

JANUARY 22, 1970.

HON. STANLEY R. RESOR,
Secretary of the Army,
Washington, D.C.

DEAR MR. SECRETARY: In connection with our study of computers, privacy and constitutional rights, the Constitutional Rights Subcommittee is conducting a survey of the development and maintenance of data banks by Federal departments and agencies.

One of our purposes is to determine whether or not such data systems are being developed in accordance with constitutional standards of privacy and due process of law for the individual citizens involved. Another purpose is to help Congress ascertain the need for comprehensive legislation to govern all computerized data banks on individuals.

Our attention has been particularly directed to reports of the development and expansion of data banks at Fort Holabird, containing information on the personalities, on the political, economic, and social beliefs and on the lawful community activities of American citizens.

To assist the Subcommittee in its study,

we should appreciate your explaining for us: (1) the present situation concerning collection and storage of Army intelligence and other investigative data on private individuals, particularly at the Investigative Records Repository, but also at other data centers operated by the Army; and (2) future plans for expanding and further computerizing the present system.

Specifically, we should receive responses to the following questions:

1. Under what statutory and administrative authority was the Investigative Records Repository established, and for what purpose? What is the relationship of this activity to the responsibilities of the Armed Forces? Please supply copies of pertinent statutes, regulations and memoranda.

2. Is all military intelligence data on individuals filed in this center? Is it computerized?

3. How many subject individuals are presently recorded in the system at the Records Center?

4. What categories of information about individuals are contained in this data bank? Are there any published or unpublished regulations or instructions governing the type of information appropriate for the files, how it is to be gathered, and how its accuracy is to be determined? If so, please supply copies.

5. Are there plans to expand the scope of these files in number and subject matter? If so, how would this specifically alter the existing data system?

6. Is the subject individual, or his representative, allowed to review the data on record about him, to supplement his file and to explain or rebut material he considers inaccurate?

7. What provisions are made for deleting material found to be inaccurate or inappropriate, either spontaneously by the Army or on motion of the individual concerned?

8. What limitations are placed on access to the file or to information contained in it? What security procedures or devices are employed to prevent unauthorized access to the data file or improper use of the information? Who specifically has access to this data? For what reasons and on what authority is access granted?

9. What other agencies have access to these files? For what purposes? Under what restrictions?

10. Is a record maintained of the details of inspection or use of the file or data on an individual?

11. How is the information collected and by whom? Is it collected by investigators or from third parties? Is it solicited from the individual himself, or is it collected from other records?

12. Do you have published or unpublished regulations or guidelines concerning use and availability of these files? If so, please supply copies.

13. Do you have published or unpublished regulations or guidelines concerning the gathering, screening and accuracy of data in these files? If so, please supply copies.

14. To what extent are these files computerized? What are your plans for computerizing further?

15. The Subcommittee is interested in learning the truth about current reports that the Army plans to connect its intelligence teletype reporting system to a computerized data bank at the Investigative Records Repository. If so, what are your plans for safeguarding the accuracy of the data collected and its relevance to the area of your responsibility?

16. What other data banks are maintained or supported by the Department of the Army on private citizens? To the extent possible, please supply for each of these the information requested for the Fort Holabird data banks.

Enclosed is a *Congressional Record* excerpt describing the scope of the Subcommittee's

interest in the government's use of data banks on individuals.

Your assistance in our study is deeply appreciated.

With all kind wishes, I am

Sincerely yours,

SAM J. ERVIN, Jr.,
Chairman.

DEPARTMENT OF THE ARMY,
OFFICE OF THE GENERAL COUNSEL,
February 25, 1970.

HON. SAM J. ERVIN, Jr.,
Chairman, Subcommittee on Constitutional Rights, Committee on the Judiciary, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your letter concerning development and expansion of data banks at Fort Holabird, which we believe may be related to an article in the *Washington Monthly* entitled "CONUS Intelligence: The Army Watching Civilian Politics" by former Army Captain Christopher Pyle.

The allegations made by Mr. Pyle were viewed with great concern by both the civilian and the military leadership of the Army. Both have always, over the generations, been keenly sensitive to the long-standing American tradition separating the military from involvement in domestic politics, and both are constantly alert to ensure that Army actions as well as policies are in keeping with the traditional limitations upon our armed forces. Ever since the unfortunate necessity arose, several years ago, for military forces to be prepared for civil disturbance operations when directed by the President, there has been a special sensitivity to the immediacy of this problem.

Our continuing goal has been to maintain suitable limits to Army intelligence involvement in the civilian sector, and toward this end our policies and practices have been undergoing periodic examination. The main charge of the article, and indeed its title, hold that the Army deliberately seeks the opposite, by widespread aggressive, covert collection of intelligence about people who "might make trouble for the Army." This charge is false. The Army's domestic intelligence activity has been to a small degree in the civil sector, but only to focus upon civil disorder, and the Army has long been pressing to have civilian governmental agencies meet even these intelligence needs.

The military security functions of the Army in the United States are conducted by the U.S. Army Intelligence Command, Fort Holabird, Maryland. This Command reports directly to the Chief of Staff of the Army and is closely supervised for him by the Assistant Chief of Staff for Intelligence. The Command employs seven subordinate organizations, military intelligence groups, located throughout the United States in support of its military security functions. These groups, employing approximately 1000 agents, support the principal missions assigned to the Intelligence Command by the Department of the Army.

The principal activity of the U.S. Army Intelligence Command is to conduct security investigations to determine whether uniformed members of the Army, civilian employees and contractors' employees should be granted access to classified information. This activity and allied activity relating to security matters account for 94% of the time of Intelligence Command field personnel, and will consume a higher percentage in the future because of reduction in civil disturbance activities.

To avoid duplication of effort and to give investigators the benefit of prior work, a central filing system of Army investigations is necessary. The U.S. Army Investigative Records Repository, run by the Intelligence Command, has approximately 7 million files relating principally to security, loyalty or criminal investigations of former and pres-

ent members of the Army, civilian employees and contractor personnel. When security or criminal investigations are completed the entire report is forwarded to the Records Repository at Fort Holabird for filing. The use of these files is limited by Regulation to specifically authorized Executive Branch agencies. No computer has been installed in the Investigative Records Repository; none has been or is planned to be installed since the cost in manpower and time to convert the Repository files to a computer bank would be prohibitive. The Repository does have an automatic retriever system for some of the files; these files, placed in boxes, can be mechanically retrieved on a trolley system in order to save time in searching for files.

In order that investigative efforts in the security field would not be duplicated, Secretary of Defense McNamara directed on 27 May 1965 that a central index of all security investigations conducted by Department of Defense agencies be established. Accordingly, the Defense Central Index of Investigations was established at Fort Holabird. Data included in this Index is limited only to the identification of an individual, the type of investigation conducted, date of completion, and the location of the investigation (for example, Army investigations are filed in the Investigative Records Repository. The data is placed on manually key punched cards which are then alphabetically filed. A sample card is attached. At present, these cards must be manually searched. A plan to install a computer at the Central Index has been approved. Information on the key punched cards will be placed in the computer; the purpose of this computer will be to rapidly identify and indicate the location of files needed in security investigations. The computer will contain only the information shown on the sample card, which does not reflect the existence of any personal information of any kind, derogatory or otherwise. The present system and the planned computer are not and will not be tied in with any form of computer data banks. There is no plan to use the Central Index in any other fashion.

The U.S. Army Intelligence Command also has missions relating to the collection of information that may be needed by civilian planners and Army commanders in the event Federal troops are directed to act by the President. As you know, the Army has certain obligations under the Constitution and the laws to act at the direction of the President to deal with the civil disturbances beyond the capability of local and state authorities to control. Army intelligence activities in the field of civil disturbances are directed primarily at ascertaining information needed to prepare appropriate levels of alert for military forces and needed by military commanders if they are directed to act. This limited field of interest removes from legitimate concern of the Army minor forms of disturbances and lawful activities not likely to lead to major disturbance involving use of Federal resources.

Intelligence personnel obtain this limited civil disturbance-related information primarily from the FBI and state and local police agencies. When this information is collected in the field, it is reported usually by teletype to the U.S. Army Intelligence Command. The Director of Investigations, U.S. Army Intelligence Command, is responsible for collecting the information, storing it, and forwarding it, as necessary, to appropriate officials in the Department of Defense. The teletype is not linked to any computer, nor has there ever been a plan to do this.

The collection of civil disturbance-related information by the Army increased after the disturbance in Detroit in 1967. However, the Intelligence Command was not and has never been reinforced with additional personnel to accomplish the civil disturbance missions assigned to them at this time. Since

this was a new area for the Army, an appropriate level of action necessary to accomplish the Army's mission had to be evolved. This area has been a subject of constant attention and refinement in order to narrow the Army's actions to only those which are absolutely necessary. There have been some activities which have been undertaken in the civil disturbance field which, after review, have been determined to be beyond the Army's mission requirements. For example, the Intelligence Command published from 14 May 1968 to 24 February 1969, an identification list which included the names and descriptions of individuals who might be involved in civil disturbance situations. All copies of the identification list have been ordered withdrawn and destroyed. The Army's present policy is that reporting of civil disturbance information is limited to incidents which may be beyond the capability of local and state authorities to control and may require the deployment of Federal troops.

In the past, the Director of Investigations at the Intelligence Command has operated a computer data bank or storage and retrieval of civil disturbance information. This data bank, which included information about potential incidents and individuals involved in potential civil disturbance incidents, was thought useful in that it permitted the rapid retrieval of related information for predicting trends and possible reactions. The civil disturbance data bank was discontinued since, after study, it was determined that the data bank was not required to support potential Army civil disturbance missions.

Thus the Army does not currently maintain, and has ordered the destruction of, the identification list referred to above. No computer data bank of civil disturbance information is being maintained, and directives provide that no such system can be initiated without the approval of the Chief of Staff and the Secretary of the Army.

I hope that the information set out above will satisfy your concerns.

Sincerely,

ROBERT E. JORDAN III,
General Counsel.

DEPARTMENT OF THE ARMY,
Washington, D.C., Mar. 6, 1970.

Memorandum for the Chief of Staff U.S. Army.

Subject: Restrictions on Intelligence Operations Involving Civilian Activities.

I appreciate the prompt and vigorous actions taken by General Palmer, General McCaffrey and General McChristian to eliminate the computer data banks, containing information on civilians, which were identified during the recent review of Army civil disturbance intelligence activities. The actions taken are a step toward limiting Army civil disturbance intelligence activities strictly to activities which have a clear potential for developing into a major disturbance beyond the capability of local and state law enforcement officials and the state National Guard.

I understand that General McCaffrey and General McChristian are reviewing still other measures, such as reductions in direct overt observations of incidents in progress, liaison with local authorities, and related "spot reporting" activities. The Under Secretary and the General Counsel will continue to work with your representatives to assure that appropriate further actions are taken in these other areas.

With respect to computerized data bank operations, it seems clear that the dangers of such systems require strong, centralized control over their creation and use. Accordingly, confirming the verbal policy which I stated to the General Counsel in connection with responding to recent Congressional inquiries on the subject, no such intelligence data bank operations relating to civil disturbance or other activities involving civilians not affiliated with the Department of Defense

should be instituted without the approval of the Secretary of the Army and the Chief of Staff. In view of the sensitivity of such operations, approvals will not be granted without consultations with the concerned committees of Congress.

In order to insure that no Army element in the United States is maintaining this type of system, I would appreciate your asking all commanders in CONUS, Alaska and Hawaii, down to the installation level to report whether their command has any form of computerized data bank relating to civilians or civilian activities, other than data banks dealing with routine administrative actions such as finance or personnel records involving Army personnel or employees. If a command has such a data bank, the data bank should be immediately destroyed, unless a report justifying its existence is submitted for approval as indicated above.

STANLEY R. RESOR,
Secretary of the Army.

SUBCOMMITTEE ON
CONSTITUTIONAL RIGHTS,
February 27, 1970.

HON. STANLEY R. RESOR,
Secretary of the Army,
The Pentagon,
Washington, D.C.

DEAR MR. SECRETARY: Thank you for your interim reply to the Subcommittee's inquiry of January 22, 1970, in connection with our study of privacy and data systems.

I wish to commend you and the General Counsel of the Army for the prompt and effective action you have taken to reduce the Army Department's involvement in domestic intelligence work. I was gratified to learn that you have discontinued the computer data bank which was maintained on "potential incidents and individuals involved in potential civil disturbance incidents." Furthermore, the fact that you have ordered the withdrawal and destruction of a list of people who might be involved in civil disturbances is also laudable, and will be reassuring to those in Congress concerned with constitutional rights.

My inquiry of January 22, as you know, was not limited to information collected for possible civil disturbances, nor was it confined to files kept at Fort Holabird.

Since Mr. Jordan's letter deals only with one Fort Holabird computer data bank, and does not refer to other similar civil disturbance data banks and data systems not necessarily computerized, which are reportedly maintained by the Army in the Pentagon and in the various Intelligence Groups, I hope that your final reply will complete your responses to our inquiry, especially to Question 16.

His letter does not, furthermore, deal with the questions raised concerning the information which he indicates is currently being maintained under the new policies. In addition, it does not answer our inquiries concerning other information kept on file about civilians.

With your final reply, I hope that you will comply with the Subcommittee's request for the pertinent regulations, statutes, directives, and other authority to which Mr. Jordan generally refers.

Since Mr. Jordan states that the Army has urged that other civilian agencies take over the task of domestic intelligence, we should be interested in knowing what specific recommendations have been made in this matter.

While the Department is to be commended for the prompt action to remedy, at least partially, this unjustified interference by the Army into domestic political activities, this does not explain how the Army was permitted to engage in such activities in the first place. The preservation of our civil liberties cannot depend on the lucky discovery of illegal programs. Clearly, in our government of laws, no such activity should be un-

dertaken secretly, as was this, nor without clear statutory and constitutional authorization from Congress.

With all kind wishes, I am

Sincerely yours,

SAM J. ERVIN, Jr.,
Chairman.

DEPARTMENT OF THE ARMY, OFFICE
OF THE UNDER SECRETARY,

Washington, D.C., March 20, 1970.

HON. SAM J. ERVIN,
Subcommittee on Constitutional Rights,
Committee on the Judiciary, U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: This is in further response to your letters about certain practices of Army intelligence and your Subcommittee's concern with privacy and data systems. The purpose of this letter is to answer the questions that you posed in your letters of 22 January and 27 February. While some of the information in this letter may repeat some of Mr. Jordan's comments to you, I have done this, where necessary, to help clarify the matter from the overall standpoint.

The present program governing access to classified information was established on 27 April 1953 in Executive Order 10450 (Encl 1). This Executive Order, and the programs developed by Federal agencies, recognizes the need for the Government to protect access to classified information. The Executive Order provides that the head of each Federal agency is responsible for establishing procedures governing security and sets out general standards to be applied. As a result, the Department of Defense has issued Department of Defense Directives 5210.8 (Encl 2) and 5210.7 (Encl 3); the Department of the Army, as well as the other Military Departments, has issued further implementing instructions.

The principal activity of the U.S. Army Intelligence Command is to conduct investigations to determine whether uniformed members of the Army, civilian employees and contractors' employees should be granted access to classified information. In order to avoid duplication of effort and give investigators the benefit of prior work, the U.S. Army Investigative Records Repository (USAIRR) was established on 17 August 1951 to serve as a central filing system for all Army investigations (Encl 4), and detailed instructions to field elements for centralizing files then located throughout the Army were issued on 18 January 1952 (Encl 5). You will note that these orders provide that the USAIRR "is not an investigative agency and has no responsibility for the evaluation of information." This policy continues in effect today.

Since 1952 all Army security and criminal files have been centralized in the USAIRR. The USAIRR presently contains approximately 7 million files relating principally to security and criminal investigations of former and present members of the Army, civilian employees and contractors' employees. At present, the operating procedures and controls over the USAIRR are specified in Army Regulation 381-45 (Encl 6). There are no plans to expand either the scope or the subject matter of files in the USAIRR. As previously noted, no computer has been installed or is planned to be installed in the USAIRR.

The files maintained by the USAIRR relate to individuals within the Army's investigative jurisdiction; the other services maintain similar files. As noted in Mr. Jordan's letter to you, the Army operates, for the Department of Defense, the Defense Central Index of Investigations. This Index, designed to locate any security or criminal investigative file for any Defense agency, will be computerized shortly. As previously noted, the material in this Index is limited to identifying data such as name, date of birth, social security number, on individuals who

have been the subjects of investigations and the location of the investigations.

It is estimated that approximately 1.1 million of the 1.9 million civilian and military employees of the Army require a security clearance in order to perform their jobs. When an individual is selected for or assigned to a position requiring a security clearance, a request for an appropriate investigation is submitted, through channels, to the U.S. Army Intelligence Command. The Intelligence Command, depending upon the type of clearance sought, will review the information submitted by the individual and direct military intelligence agents to conduct an appropriate investigation. This investigation, again depending upon the type of clearance requested, may consist of a check in the Defense Central Index of Investigations to see if other investigations have been conducted by DoD agencies, review of an existing file in the USAIRR, a check of local criminal records in areas where an individual has lived, interviews with references, checks with former employees, etc. Each activity performed by an agent is reported to the Intelligence Command; the Intelligence Command is then responsible for resolving contradictory or conflicting reports through further investigation and checking out all undeveloped information. When the investigation is completed, the entire file is forwarded to the command which requested the investigation; that command (the clearance authority), and not the Intelligence Command, is responsible for evaluating the investigation and determining whether a clearance will be granted.

When the clearance authority has completed action, the entire file is sent to the USAIRR. Accordingly, a standard personnel security file in the USAIRR will contain the papers submitted by the individual, reports submitted by the agents concerning their investigation, and copies of the action taken by the clearance authority in determining whether a clearance should be granted. I have attached copies of the types of documents which may be included in the file (Encl. 7). In addition, the USAIRR contains completed criminal investigation files, completed investigative files dealing with espionage or security investigations involving the Army and files in the other categories specified in Army Regulation 381-45.

Under normal circumstances, an individual is not permitted to review material contained in his file at the USAIRR. Of course, the individual is provided with copies of any statements which he submitted. However, according to paragraph 4-5, Army Regulation 604-5, a security clearance may not be denied or revoked unless the clearance authority explains the basis for the denial or revocation and affords the individual the opportunity to rebut the specific derogatory information against him; exceptions to this procedure can be granted only on a case-by-case basis by me. In addition, an individual may request an interview in order to clarify material in his file; this interview and the individual's rebuttal in a clearance proceeding are placed in the file. Thus an individual seeking a clearance should be aware of any derogatory information of significance in his file and no adverse action can be taken against him until he is so aware.

Information in a file at the USAIRR is, once action is completed, considered an historical record of the security clearance action. Accordingly, there is no procedure for removing or correcting documents in the file once action is completed. While an investigation is pending, the Intelligence Command makes every effort to limit information to appropriate matters relevant to the issues under consideration and, where conflicting evidence is developed, is expected to order further investigations.

Access to USAIRR files is strictly limited to those with a "need-to-know." Files are treated as if they contained Secret information so that special transmittal procedures are necessary to insure limited distribution. Access to files is limited to Department of Defense and other Government agencies with a legitimate interest in the personal security field. I have attached a copy of Army Regulation 381-46 establishing Army policy on the use of USAIRR files by non-Army agencies (Encl. 8). I have also attached a book listing those authorized to request USAIRR files (Encl. 9).

With reference to your questions about civil disturbance intelligence activities, I should point out that this activity is separate and apart from the USAIRR. As you noted in your letter of 27 February, Mr. Jordan's letter dealt primarily with the civil disturbance activities of the U.S. Army Intelligence Command. As noted in that letter, the civil disturbance computer data bank at Fort Holabird has been discontinued and destroyed since the information in the computer was not useful in view of the Army's limited civil disturbance mission. "Spot reports" which provided the basis for entries into this computer have been routinely destroyed for some time. I have attached a copy of a memorandum signed by Secretary Resor on 6 March 1970, concerning the subject of computerized data banks within the Army (Encl. 10). You will note that this memorandum prohibits the operation or establishment of any computer data banks concerning civilians or civilian activity unless the specific data bank is approved by the Chief of Staff and the Secretary of the Army. Your Subcommittee and other interested Committees of the Congress will be informed in these specific instances.

Under our current policies, reports concerning civil disturbances will be limited to matters of immediate concern to the Army—that is, reports concerning outbreaks of violence or incidents with a high potential for violence beyond the capability of state and local police and the National Guard to control. These reports will be collected by liaison with other Government agencies and reported by teletype to the Intelligence Command. They will not be placed in a computer (in fact, there never has been a direct link between the teletype reporting system and the computer). These reports are destroyed 60 days after publication or 60 days after the end of the disturbance. This limited reporting system will ensure that the Army is prepared to respond to whatever directions the President may issue in civil disturbance situations and without "watching" the lawful activities of civilians.

I should note that the Assistant Chief of Staff for Intelligence of the Department of the Army is responsible for providing analyses of matters of concern to the Army; to perform this function, the Counter Intelligence Analysis Division has been established in his office. This Division has a worldwide analysis function and is responsible for reviewing counter-intelligence material for all Army areas of interest. The Division does not collate information on a broad basis and only has information needed to answer specific questions of concern to the Department of the Army. This Division will, of necessity, have office files concerning civilian activity. For example, the Division is responsible for determining cities where civil disturbance potential is high so that Army officials can prepare civil disturbance plans. Such plans become the basis for the application of minimal force to restore stability when ordered by the President. In the course of this analysis, information is received from the FBI and collated in order to permit evaluation. These files, along with the world-wide counter-intelligence files are stored on microfilm be-

cause of the volume of the latter; but they are not computerized and there are no plans to computerize them. In our view, the activities of the Counter Intelligence Analysis Division do not involve an invasion of privacy or constitute an improper activity for the Army to perform. The limited questions responded to by this Division in the civil disturbance field are ones of legitimate concern to the Army. The Division is closely supervised by the Assistant Chief of Staff for Intelligence and is not permitted to consider matters beyond its limited area of concern.

The Counterintelligence Analysis Division did compile an identification list from federal and local authorities on individuals and organizations associated with civil disturbances. This list was last updated in late 1969 and is available to a limited number of Department of Army organizations with civil disturbance responsibilities. The lists are now out of date, and are not considered necessary to satisfy the limited intelligence requirements referred to above. Accordingly, existing lists are being withdrawn from the field and destroyed, and new lists are not being prepared.

Your letter of 27 February expressed concern over how the Army could have engaged in the practices described in Mr. Jordan's letter. I believe it is important to place this matter in proper perspective. The Army provided troops to assist local authorities in controlling civil disturbances in Detroit and during the disturbances following the death of Dr. Martin Luther King; prior to this time, Army troops had not been used for this purpose since 1942. Obviously, after the death of Dr. King, it was impossible to predict exactly what level of action the Army should adopt in order to be prepared to deal with disturbances if the President should direct the Army to act again. Thus the Army began to collect information in order to be prepared to meet its civil disturbance requirements. This collection, despite allegations to the contrary, never reached proportions even approximating the charge that the Army was "watching" civilian politics on a broad scale. Our continuing policy has been to reduce the scope of the Army's activities to only those needed to accomplish our mission; reductions in the level of activity have been made as our experience indicated that a given course of action was not required. In fact, our latest actions to reduce the level of intelligence activity have been under study for some time. The Vice Chief of Staff and I are both personally involved in this continuing review.

I hope that the information set out above will satisfy your concern. I will be happy to answer any further questions you may have or meet with you to discuss this matter.

Sincerely,

THADDEUS R. BEAL,
Under Secretary of the Army.

DEPARTMENT OF THE ARMY, OFFICE OF
THE UNDER SECRETARY,
Washington, D.C., June 23, 1970.

Hon. SAM J. ERVIN,
Chairman, Subcommittee on Constitutional
Rights, Committee on the Judiciary,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Several months ago, I corresponded with you about certain alleged practices of the Army in the collection, reporting and storage of civil disturbance information. Because of your continuing interest in this matter, I have attached a copy of a letter recently issued to all Army commanders setting out the Army's new policies concerning civil disturbance information.

I would be happy to answer any questions you may have about this new policy.

Sincerely,

THADDEUS R. BEAL,
Under Secretary of the Army.

DEPARTMENT OF THE ARMY, OFFICE OF THE
ADJUTANT GENERAL,
Washington, D.C., June 9, 1970.

Subject: Collection, Reporting, Processing,
and Storage of Civil Disturbance Infor-
mation.

SEE DISTRIBUTION

1. Purpose. This letter establishes Department of the Army policy regarding the collection, reporting, processing, and storage of civil disturbance information. It is applicable within the Continental United States, the States of Alaska and Hawaii, and Puerto Rico. It applies to all Army commands within those geographic areas.

2. Definitions.

a. Civil disturbance—A situation in which a civil jurisdiction is required to apply a greater than usual degree of police enforcement in order to insure the maintenance of law and order.

b. Civil jurisdiction—A town, city, county, or State; a legal corporate government within the Continental United States, Alaska, Hawaii, or Puerto Rico other than the Federal Government or its departments and agencies.

c. Collection—For purposes of this policy, the acquisition of information in any manner, to include direct observation, liaison with official agencies, or solicitation from official or unofficial sources.

d. Law and order—A condition in which a reasonable degree of the normal operations of a civil jurisdiction is possible.

e. Police enforcement—That force available to a civil jurisdiction in order to insure law and order, such as a city police department, a county sheriff's office, State police, or National Guard in State service.

f. Processing—The collation, evaluation, and analysis of raw information in order to produce finished intelligence.

g. Reporting—For purposes of this policy, communicating information to another person or organization, whether orally, mechanically, or electrically.

h. Storage—For purposes of this policy, the retention of information in any way, to include card files, dossiers, folders, computers, or punch cards.

3. General.

a. Public order is the responsibility of local and State governments and Federal civilian agencies. The Attorney General is the chief Executive Branch officer responsible for coordination of all Federal Government activities related to civil disturbances. Military forces are responsible for action only when the President has determined, in accordance with Chapter 15, Title 10, U.S. Code, that the situation is beyond the capability of civilian agencies to control.

b. The investigative jurisdiction of the Army with regard to espionage, sabotage, and subversion is in accordance with Executive Order 10450, dated 27 April 1953. It is delineated in AR 381-115, 2 July 1969, and is limited to:

(1) The investigation and disposal of all cases in these categories involving active and retired military personnel of the Army.

(2) The investigation and disposal of all cases in these categories of civilian employees of the Army outside the United States and its possessions.

(3) The disposal of cases on civilian employees of the Army inside the United States and its possessions.

c. The Department of the Army relies upon the Department of Justice at the national level to furnish civil disturbance threat information required to support planning throughout the Army for military civil disturbance needs.

d. The Department of the Army relies upon the Department of Justice at the national level to furnish early warning of civil disturbance situations which may exceed the capabilities for control by local and State authorities.

e. Under no circumstances will the Army acquire, report, process, or store civil disturbance information on civilian individuals or organizations whose activities cannot, in a reasonably direct manner, be related to a distinct threat of civil disturbance exceeding the law enforcement capabilities of local and State authorities, except as authorized in paragraphs 8 and 9d.

4. Collection.

a. Army intelligence resources will not be used for the collection of civil disturbance information until the Director for Civil Disturbance Planning and Operations, or the Commander in Chief, Atlantic (CINCLANT) in the case of Puerto Rico only, has made a determination that there is a distinct threat of civil disturbance beyond the capability of local and State authorities to control.

b. Army Military Intelligence elements possessing counterintelligence resources will maintain the capability to collect civil disturbance threat information during a period in which there is a distinct threat of, or actual, civil disturbance requiring the use of Federal military forces.

c. Within the District of Columbia, the criterion is a distinct threat of civil disturbance beyond the capability of the Metropolitan Police to control.

d. Civil disturbance information collection capability of Army elements in the Continental United States, Alaska, or Hawaii will not be employed except on Department of the Army order or, in the case of Puerto Rico, on order of CINCLANT.

e. On activation by the Department of the Army, or CINCLANT for Puerto Rico, Military Intelligence elements possessing counterintelligence capability will:

(1) Establish and maintain liaison with appropriate local, State, and Federal authorities.

(2) Through liaison, collect civil disturbance information concerning incidents, general situation, and estimate of civil authorities as to their continued capability to control the situation.

(3) Report collection results to Department of the Army, ATTN: ACSI-IA, and DCDPO. In Puerto Rico only, report results to CINCLANT with information copies to DA, ATTN: ACSI-IA, and DCDPO.

(4) Keep appropriate commanders informed.

(5) Provide intelligence support to the Personal Liaison Officer, Chief of Staff, Army, and the Task Force Commander on arrival in the affected area.

(6) Recommend methods of overt collection, other than liaison, if required, to Department of the Army for approval.

f. Army Military Intelligence elements will employ methods of collection other than liaison only on order of Department of the Army.

g. Covert agent operations will not be used to obtain civil disturbance information on individuals or organizations without the concurrence of the Federal Bureau of Investigation and the specific approval of each operation by the Under Secretary of the Army.

h. Unsolicited Sources.

(1) So-called walk-in sources who volunteer civil disturbance information to Army elements will be referred to appropriate local police or local offices of the Federal Bureau of Investigation. If the source refuses such referral the information will be obtained and immediately furnished to the proper office.

(2) Information received from anonymous telephone callers or written messages will be referred as indicated in paragraph 4h(1) above.

5. Reporting.

a. Army elements will maintain the capability of reporting civil disturbance information.

b. Civil disturbance information reporting will be activated only on Department of the

Army order. In Puerto Rico, reporting will be activated only on order of CINCLANT.

6. Processing.

a. OACSI, DA, has the sole responsibility for processing civil disturbance information in accordance with the definition outlined in paragraph 2 above at all times when Federal troops are not actually placed on standby or committed.

b. When the Director of Civil Disturbance Planning and Operations directs that Federal troops be placed on standby or committed to assist in restoring order, those Army elements involved will also be responsible for processing civil disturbance information in support of their local planning.

7. Dissemination. Analyzed reports will be furnished to appropriate major Army commands in CONUS, Alaska, Hawaii, and Puerto Rico, when it appears that a civil disturbance poses a distinct threat beyond the capabilities of local and State authorities to control.

8. Planning. Civil disturbance plans and supporting materials will not include listings of organizations and personalities not affiliated with the Department of Defense. Exceptions to this policy are:

a. Listings of local, State, and Federal officials whose duties include responsibilities related to control of civil disturbances may be compiled and maintained.

b. Appropriate data on vital public and commercial installations/facilities or private businesses and facilities which are attractive targets for persons or groups engaged in civil disorder may be compiled and maintained.

9. Storage.

a. Army elements will be prepared to store civil disturbance information during a period in which there is a distinct threat of, or an actual, civil disturbance requiring the use of Federal military forces.

b. Adverse civil disturbance information relating to persons or organizations within the Continental United States, Alaska, Hawaii, or Puerto Rico, will not be stored except on order of Department of the Army.

c. Spot reports generated by activation of civil disturbance information collection will be destroyed within 60 days of the termination of the situation to which they refer.

d. After-action reports, where required for clarity, may contain names of individuals or organizations that were directly involved in the civil disturbance being reported. Inclusion of names of organizations and individuals will be kept to the absolute minimum for the purpose of the report.

e. Upon termination of a civil disturbance situation, the nature and extent of all accumulated files other than spot reports and after-action reports will be reported to Department of the Army, ATTN: ACSI-CIC, with recommendation for destruction or release to the Department of Justice.

f. Army elements will be prepared, on Department of the Army order, to destroy accumulated files or forward them to Department of the Army, ATTN: ACSI-CIC, for release to Department of Justice.

g. Computerized data banks for storage of civil disturbance information will not be instituted or retained without the approval of the Chief of Staff and the Secretary of the Army.

10. The collection, reporting, processing, and storage of information related to Army personnel security programs, counterintelligence operations, and special collection requirements related to direct threats to Army personnel, installations, or materiel are not affected by this letter.

By order of the Secretary of the Army:

ROBERT E. LYNCH,

Colonel, AGC,

The Acting Adjutant General.

Mr. ERVIN. Mr. President, unfortunately, my suspicions were increased by an article by Christopher Pyle which appeared in the July issue of the Wash-

ington Monthly. Mr. Pyle, a lawyer and doctoral candidate at Columbia University, is a former Army intelligence officer whose scholarly analysis and documented account of the Army's program was published in the January issue of the same publication. In his second article, Mr. Pyle concludes that the blanket of surveillance of civilians has resumed in some quarters and has continued in others. I ask unanimous consent that the article entitled "Conus Revisited: The Army Covers Up," written by Christopher H. Pyle, be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. ERVIN. Mr. President, the courts have not yet provided a remedy for citizens complaints about such programs. A suit was filed in the Federal district court in the District of Columbia attacking the constitutionality of this type of surveillance by the Army, but it was dismissed, and that case, Tatum against Laird is now on appeal to the U.S. Court of Appeals for the District of Columbia.

Mr. President, the latest policy statement regarding these activities, issued by Colonel Lynch, reflects a commendable and, I am sure, a sincere effort by the Army to get a grasp on the many horns of its dilemma and to disengage from what has appeared at times to be warfare on American citizens. The letter states that from now on, under no circumstances will the Army "acquire, report, process, or store civil disturbance information on civilian individuals or organizations whose activities cannot, in a reasonably direct manner, be related to a distinct threat of civil disturbance exceeding the law-enforcement capabilities of local and State authorities." Instead, the Army says it will rely on the Department of Justice to gather information on certain people and events and relay it to the Army. On the other hand, the Army says it will no longer retain certain information on personalities in its data banks, but will, in some cases, relay it to the Department of Justice. In fact, I was informed the other day, that, pursuant to the Secretary's March 6 order to the Joint Chiefs of Staff, a survey has been made of every Army command in the United States to determine how many computer data banks were maintained for civil disturbance purposes. Only one was found, that maintained at Fort Hood, Tex., and this has been ordered destroyed, together with punchcards, tapes, and any existing printouts of the data. One copy of the entire printout was retained and turned over to the Internal Security Division of the Department of Justice. I was informed that this is because the division is dealing with the Tatum case and a copy of the records from the Fort Holabird computer data bank and others maintained for civil disturbance purposes had been requested by the plaintiffs.

This new policy, enunciated by the acting Adjutant General of the Army, is an obvious surrender by the Justice Department in that it has agreed to engage in a program which, according to previ-

ous reports and correspondence, it has refused to undertake until now.

Colonel Lynch's letter, while carefully organized and even accompanied by a small dictionary of definitions of the terms used in it, contains a number of inconsistencies and lacks precise standards. In some cases, the last half of his sentences seem to cancel out the first half of his sentences.

I have therefore set out my analysis of his statement in a letter to the Secretary of the Army, which I ask unanimous consent be printed at this point in the RECORD.

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

JULY 27, 1970.

Hon. STANLEY R. RESOR,
Secretary of the Army,
Washington, D.C.

DEAR MR. SECRETARY: This is to thank you for sending me the policy letter from the acting adjutant general to all Army commanders concerning collection of civil disturbance information. You are to be commended for this thoughtful attempt to define the Army's role in the federal government's collection of information on individuals engaged in political activity or the surveillance of organizations which are politically active and whose members allegedly might be involved in civil disturbances.

I understand that you have decided that under no circumstances will the Army "acquire, report, process, or store civil disturbance information on civilian individuals or organizations whose activities cannot, in a reasonably direct manner, be related to a distinct threat of civil disturbance exceeding the law enforcement capabilities of local and state authorities, except as authorized in paragraphs 8 and 9(d). These exceptions in paragraph 8 refer to "listings of local, state and federal officials whose duties include responsibilities related to control of civil disturbances" and "appropriate data on vital public and commercial installations, facilities or private businesses and facilities which are attractive targets for persons or groups engaged in civil disorders."

In paragraph 9(d), this exception relates to "after-action reports, where required for clarity, which may contain names of individuals or organizations that were directly involved in the civil disturbance being reported." Furthermore, in paragraph 10, it is stated that "the collection, reporting, processing, and storage of information related to Army personnel security programs, counterintelligence operations, and special collection requirements related to direct threats to Army personnel, installations, or material are not affected by this letter."

The Army's definition of civil disturbance is a "situation in which a civil jurisdiction is required to apply a greater than usual degree of law enforcement to maintain law and order." This, it might be presumed, could include the assignment of one more police officer than usual when there is a football game in a town. To clarify this, we should appreciate receiving a specific description of the criteria which would determine exactly when the Army would engage in surveillance and data collection.

You state that the Army (1) will rely upon the Department of Justice to furnish civil disturbance threat information required to support Army planning for military civil disturbance needs; (2) that covert agent operations will not be used to obtain civil disturbance information on individuals or organizations without the concurrence of the Federal Bureau of Investigation; (3) that Army elements will be prepared on Army order, to destroy accumulated files or for-

ward them for release to the Department of Justice.

From an initial reading of these and other items in your policy letter, it appears that the Army has finally persuaded the Department of Justice to assume certain surveillance and certain data-collection which the Army has been performing on civilians and to share responsibility with the Army for the total program.

However, I confess that the exceptions, qualifications and lack of criteria in your policy letter could lead the average citizen—which I consider myself—to wonder just how much of a change it represents in government policy.

Since I was never able to obtain a precise statement from you as to what exactly the Army had been doing and why, it is difficult to determine from this regulation just what you will not be doing in the future. In view of this initial difficulty in evaluating the Army's role, it is even more difficult to determine how many of the old activities have been eliminated, how many are merely shared with other agencies, and how many are completely assumed by other agencies.

The Subcommittee plans to conduct hearings in the fall to consider the extent to which constitutional rights are affected by government data banks, including those developed for surveillance and intelligence sources. In view of the constitutional issues raised by the Army's original activities, and in view of the questions still remaining, it would be most helpful to Congress if you were to appear before the Subcommittee and describe the differences between your old program and the new, both with respect to the Army's function and the total program of the Federal Government with respect to data collecting on civilian activities.

This is to extend to you as Secretary of the Army, an invitation to appear on a mutually agreeable date and discuss these matters. In particular, we would hope that you would tell us how the new policy will better protect the privacy and due process rights of (1) any citizen engaged in legal activities who might have been subject to surveillance or to incorporation in a federal data bank under the old policy, or (2) who might be so monitored in the future.

Pending the hearings, it would be helpful if you would supply the responses to the following questions.

1. When will your policy letter be published as an official regulation so that it will be available to the public and may be relied upon by citizens and organizations?

2. To what extent may the average citizen or student who engages in legitimate demonstrations, or who is politically active in expressing his views on issues of the day, or who belongs to organizations which demonstrate a concern with governmental policies—to what extent may such a citizen or student benefit from the change of policy reflected in this new order? Under what circumstances could he expect to be subject to the Army or any other agency taking note of his activities?

3. What disposition has been made of the data in files, microfilms, and computer systems previously acquired on civilians in the course of this program, and maintained in base and unit offices and in local, regional or national offices?

(a) Has any of this information been transferred to or made available to any other federal, state or local agencies?

(b) If so, which ones?

(c) For what purposes?

(d) Beyond dissemination of Colonel Lynch's letter, what steps does the Department of the Army intend to take to ascertain that the regional data banks on civilian political activity maintained by military intelligence groups and elements of the Continental Army Command have in fact been destroyed?

JUNE 9, 1970.

4. You indicate that covert agent operations will not be used to obtain civil disturbance information on individuals or organizations without the concurrence of the Federal Bureau of Investigation.

(a) Why has the Army decided not to rely on the FBI entirely for such covert operations?

(b) Will covert operations be used for any other program affecting civilians? If so, which ones?

(c) Will the recommendation for such civil disturbance-related covert operations initiate with the Federal Bureau of Investigation?

(d) Would you provide examples of the type of incident or activity which might in your view call for such a covert operation?

(e) Who under this new arrangement would be responsible for terminating the operation?

(f) Would the order for such surveillance include a time limit or require a renewal of authority for continuance?

(g) Will Army intelligence agents or any other Army or Defense Department personnel be utilized under any arrangement to assist the Justice Department in implementing its share of this program?

5. What kinds of overt and covert collection operations can be undertaken by Army intelligence units to investigate "direct threats to Army personnel, installations, or materiel?" In instances not involving the crimes of treason, espionage, sabotage, or sedition? Who may authorize the collection of information in these cases?

6. It would appear to me that rule 10 exempts from any restrictions any program under the sun for monitoring of civilians which is not termed a "civil disturbance" program. Aside from the civil disturbance program, what other programs might in any way involve systematic collection of information by the Army about civilians other than those investigated for employment by or service with the Defense Department of Defense industries?

For example, would the monitoring of those personnel and civilians patronizing coffee houses and other businesses in communities near defense facilities fall under a program related to civil disturbance threats, or under some other program?

For instance, under your security program, does the Department of the Army have a program similar to that authorized by the Air Force Order of May 25, 1970, "Reporting Subversive Activities" by which personnel are ordered, supposedly in connection with civil disturbance threat preparations, to report "personnel making sympathetic statements in support of the antiwar demonstrators;" "congregation of unauthorized persons;" "persons attempting to spread antiwar sentiments in public places on the base;" "persons making statements with racial overtones." If so, would you supply the Subcommittee with a copy of your directives, memoranda or regulations?

As an additional example, it has been reported to the Subcommittee that the 902 Military Intelligence Detachment at Fort Meyer investigates and maintains dossiers on members of Congress, ambassadors, their staffs, business and labor leaders and congressional lobbyists. Would you advise the Subcommittee whether such a data bank is maintained, by whom and for what purpose?

7. (a) Which military intelligence unit will analyze "early warning" information from the Justice Department and thereby assist the Director of Civil Disturbance Planning and Operations in determining whether a "distinct threat of civil disturbance" exists?

(b) What permanent files, if any, will that unit maintain on past civil disturbances and/or the political activities of civilians?

8. Under rule 4e(1), what methods of "overt collection, other than liaison" are contemplated?

9. Under the new policy, will the domestic intelligence portion of the microfilm archive maintained by the Counterintelligence Analysis Detachment be retained? Will any portion of this data bank be destroyed? If so, which?

10. Paragraph 8 of Colonel Lynch's letter states: "civil disturbance plans and supporting materials will not include listings of organizations and personalities not affiliated with the Department of Defense." Will civil disturbance plans and supporting materials be permitted to include information on organizations and personalities not affiliated with the Department of Defense so long as that information is not presented in lists?

It would be appreciated if you would also supply as soon as possible the regulations implementing the program as spelled out in the policy letter and a copy of any inter-departmental memorandum or joint-agreement governing the working relationship between the Department of the Army and the Justice Department, and between the Department of the Army and any other agency or department with respect to the collection, processing, and storing of data on civilians.

To judge from the mail which is coming to this Subcommittee, to my own office, and to most members of Congress on the subject of data banks, and particularly on those maintained by the Army under current programs, there is intense public concern about this subject. Furthermore, the many expressions of interest and alarm which I and the Subcommittee have received from other members of Congress, convince me that there is urgent need for public hearings to clarify the impact of the Army data banks and those of numerous other agencies on the constitutional rights of law abiding American citizens.

With all kind wishes, I am,

Sincerely yours,

SAM J. ERVIN, Jr.,
Constitutional Rights.

Mr. ERVIN. Mr. President, I have also invited him to appear as one of our witnesses before the Constitutional Rights Subcommittee at our forthcoming hearings on Federal data banks and constitutional rights. At that time, I believe he will have the opportunity to inform Congress how the new policy will better protect the privacy and due process rights of any citizen engaged in legal activities; first, who might have been subject to surveillance or to incorporation in a Federal data bank under the old policy; or, second, who might be so monitored in the future.

Mr. President, as part of the subcommittee's study of privacy and data banks, we have been conducting a Government-wide survey to learn what data banks are being built to house personal information about individuals for statistical, administrative, or intelligence purposes.

Among departments asked to respond to the subcommittee questionnaire, for all component agencies, are the Department of Justice and the Department of Defense. In view of the new Army-Justice policy and the fact that other branches of the Armed Forces may also be derelect, I believe the replies to those questionnaires will be even more meaningful than ever. I ask unanimous consent that the questionnaires sent to the Attorney General and to the Secretary of Defense about their data systems and their use of computers, be printed at this point in the RECORD.

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

Hon JOHN N. MITCHELL,
Attorney General,
Washington, D.C.

DEAR MR. ATTORNEY GENERAL: In connection with our study of computers, privacy and constitutional rights, the Constitutional Rights Subcommittee is conducting a government-wide survey of federally-administered or federally-sponsored data banks containing personal information about individuals for statistical, administrative or intelligence purposes.

Clearly, the Federal Government's ability to respond to the needs of state and local governments and its capacity to meet its responsibilities to all of the people quickly and efficiently, may well depend on the ease and ingenuity with which it applies the best of the new technology to federal programs. Therefore, this Subcommittee inquiry should not be deemed criticism of Departmental policies in the field of data collection or processing. Rather, the questionnaire is designed to assist Congress in its evaluation and understanding of the current trends and practices in those areas where individual rights and privacy may be affected in some way. Letters to the Subcommittee and other congressional offices show a growing public concern and what is frequently an unnecessary alarm over the extent of government data collection about citizens and the reasons for it. While I believe some of this concern is warranted, much of it could be allayed by clearer definition of official duties and of the rights of citizens and by better communication with the public, the press and Congress about agency programs.

It is the Subcommittee's hope that the replies from this survey will better enable Congress to respond to public inquiries and to help it determine the need for comprehensive new laws and for a new federal agency to govern computerized and mechanized data banks where they affect individual rights to privacy and due process. Since reports from our investigation will be published, it is essential that to the extent possible, the questions be answered seriatim and in layman's terms so that the public may understand your operations.

A particular area of current controversy is the extent to which federal agencies may appropriately maintain intelligence-type data banks for surveillance of protestors, demonstrators and others involved in political activities either for or against various governmental policies. I should especially appreciate a statement on the degree to which the Department of Justice or any component agency, including the Federal Bureau of Investigation, maintains such a data collecting program, and whether or not it is computerized or mechanized for easy access and retrieval. I believe such a statement might be facilitated if the questions submitted below were to be answered separately in connection with such program, and supplied with your other responses as a separate item in your report. I am enclosing a copy of a typical news article concerning such a Justice Department program, so that the Department may comment or respond to the points raised there if it so wishes.

It would be helpful if the same procedure could be followed for a separate report on the National Crime Information Center.

In addition to reports on these two data banks, the Subcommittee would appreciate your responses to the following inquiries:

(1) Describe briefly the major categories of data presently maintained and stored under auspices of the Department of Justice and its agencies and the approximate number of subject individuals covered in each category:

(2) Under what statutory and administrative authority was each data bank established and for what purpose? Please supply copies of pertinent federal statutes, regula-

tions and memoranda on which this authority is based and by which it is implemented;

(3) Are departmental controls, guidelines, or advice required by or offered to (a) federal, (b) state officials and private individuals who either administer or who utilize this data-gathering program? Please supply copies of pertinent rules or advisory documents as issued by federal and state agencies;

(4) For each category and each conglomerate of data, indicate its present state of computerization or other mechanization for access and retrieval as well as for evaluation and analysis;

(5) Describe plans for further computerization or mechanization in each program;

(6) In what instances would each system be utilized? By what officials and by what agencies?

(7) For each new data storage and processing program, please describe: (a) the advantages; and (b) the extent to which it permits correlating, common storage and multi-faceted analysis of data on a scale not hitherto available.

(8) What specific subject areas concerning an individual's background, personal life, personality and habits are noted in each data program?

(9) Have the Department and the Federal Bureau of Investigation developed comprehensive guidelines governing maintenance of each data system, access to it, review and disclosure of material in it, and distribution to other agencies? If so, please supply copies.

(10) A. Is the subject individual or his representative notified of the fact that he is in the data bank?

B. Is he allowed to review the data on record about him; to supplement his file; or to explain or rebut inaccurate material? Please describe the precise limitations on such rights for each restriction.

(11) What aspects of the recorded data are available to other persons? Who, specifically? For what purpose? By what authority?

(12) Is a record maintained of each inspection or use of the individual's records?

(13) For each data bank, please indicate how the information is collected, whether it is solicited from the individual, from third persons, or from existing records.

(14) What officials in the Department or agency are responsible for determining the accuracy of information in the data bank? What provisions are made, procedurally, for deleting information found to be inaccurate or inappropriate, either on the initiative of the Department or on motion of the individual?

(15) What other agencies have access to information or use of information in each data bank?

(16) What state and federal agencies may utilize the data in your computerized files by coding, interfacing and other devices relating to their own computers?

(17) What security devices and procedures are utilized to prevent:

a. Unauthorized access to the data file; and

b. Improper use of the information?

(18) What formal or informal arrangement does the Department have with Congressional Committees for the authorizing and reviewing of new data banks and the clearance of new electronic or mechanized record-management techniques?

(19) A. Have any data programs or the development of other comprehensive records systems been discussed before other Congressional Committees by Departmental representatives?

B. Have any been specifically approved by Congress or Congressional Committees?

C. If so, would you please supply any available testimony, or citations to such hearings?

In the first phase of our study, in connection with our hearings on S. 1791, the De-

partment kindly supplied a report on the statistical inquiries it sent to individuals or groups of people for various purposes over the last five years. For purposes of our current study, it would be especially helpful to have included in your report the processing, storage and use of responses to such inquiries.

Would you kindly supply copies of any statutes and regulations cited in your report to the Subcommittee, together with sample print-outs from each data bank.

I realize that the collection of such a large amount of information will constitute an administrative burden, but I hope it will not tax your employees unduly. The Subcommittee believes that a worthy cause will be furthered by the diligent and good faith efforts of the officials of the Justice Department to supply these responses to the best of their ability. In the final analysis, I believe Congress, the Executive Branch and the people will profit by this investigation.

Your own personal assistance in our study is deeply appreciated.

With all kind wishes, I am,

Sincerely yours,

SAM J. ERVIN, Jr.,
Chairman, Subcommittee on Constitutional Rights.

JULY 20, 1970.

HON. MELVIN J. LAIRD,
Secretary of Defense,
Washington, D.C.

DEAR MR. SECRETARY: In connection with our study of computers, privacy and constitutional rights, the Constitutional Rights Subcommittee is conducting a government-wide survey of the extent to which constitutional rights may be affected by federally-administered or federally-sponsored data banks containing personal information about individuals for statistical, administrative or intelligence purposes.

Clearly, the Federal Government's ability to respond to the needs of state and local governments and its capacity to meet its responsibilities to all of the people quickly and efficiently, may well depend on the ease and ingenuity with which it applies the best of the new technology to federal programs. Therefore, this Subcommittee inquiry should not be deemed criticism of Departmental policies in the field of data collection or processing. Rather, the questionnaire is designed to assist Congress in its evaluations and understanding of the current trend and practices in those areas where individual rights and privacy may be affected in some way. Letters to the Subcommittee and other congressional offices show a growing public concern and what is frequently an unnecessary alarm over the extent of government data collection about citizens and the reasons for it. While I believe some of this concern is warranted, much of it could be allayed by clearer definition of official duties and of the rights of citizens and by better communication with the public, the press and Congress about agency programs.

It is the Subcommittee's hope that the replies from this survey will better enable Congress to respond to public inquiries and to help it determine the need for comprehensive new laws and for a new federal agency to govern computerized and mechanized data banks where they affect individual rights to privacy and due process. Since reports from our investigation will be published, it is essential that to the extent possible, the questions be answered seriously and in layman's terms so that the public may understand your operations.

A particular area of current controversy is the extent to which federal agencies may appropriately operate systems for collection or storage of intelligence-type data on protesters, demonstrators and others involved in political activities either for or against various governmental policies, or whether or

not they maintain data banks containing information on political attitudes and beliefs of citizens. I should especially appreciate a statement on the degree to which the Department of Defense or any component service, agency or office, maintains such data programs and whether or not it is computerized or mechanized for easy access and retrieval. I believe such a statement might be facilitated if the questions submitted below were to be answered separately in connection with such programs, and supplied with your other responses as a separate item in your report.

It would be especially helpful if your report on these data banks takes into account such data as is ordered collected by an Air Force order issued on May 25, 1970, at Sheppard Air Force Base entitled: "Reporting Subversive Activities." Apparently in pursuance of civil disturbance prevention, this order, as you know, directs reporting of persons making statements with racial overtones, congregation of unauthorized persons, persons attempting to spread antiwar sentiments in public places on the Base, personnel making sympathetic statements in support of the antiwar demonstrators, and personnel making statements which indicate disloyalty to the United States, and persons having indebtedness being approached with offers of financial aid.

The Subcommittee would like to know whether identical or similar memorandums have been issued by any of the other services or any of its elements, or by any component agency or office under the Department of Defense. If so, please supply copies. In addition, we should appreciate copies of the directives, administrative regulation, and statutes authorizing such orders.

For each office, service or element where such orders are effective, please indicate the respective data in which such information would be stored, and the respective data program under which it would be analyzed and processed.

In addition to reports on these data systems, the Subcommittee would appreciate your responses to the following inquiries with respect to the administrative, intelligence, and statistical data banks on personnel and civilians:

(1) Describe briefly the major categories of data presently maintained and stored under auspices of the Department of Defense and each of the Services and their elements and the approximate number of subject individuals covered in each category;

(2) Under what statutory and administrative authority was each data bank established and for what purpose? Please supply copies of pertinent federal statutes, regulations and memoranda on which this authority is based and by which it is implemented;

(3) Do other federal agencies or any state, local or private agencies utilize such programs or data banks? If so, are departmental controls, guidelines, or advice required by or offered to (a) federal, (b) state officials and private individuals who either administer or who utilize this data-gathering or data-storage program? Please supply copies of pertinent rules or advisory documents as issued by federal and state agencies;

(4) For each category and each conglomerate of data, indicate its present state of computerization or other mechanization for access and retrieval as well as for evaluation and analysis;

(5) Describe plans for further computerization or mechanization in each program;

(6) In what instances would each system be utilized? By what officials and by what agencies?

(7) For each new data storage and processing program, please describe (a) the advantages; and (b) the extent to which it permits correlating, common storage and multi-faceted analysis of data on a scale not hitherto available;

(8) What specific subject areas concerning

an individual's background, personal life, personality and habits are noted in each data bank?

(9) Have the Office of the Secretary, the Services, or their component agencies, developed comprehensive guidelines governing maintenance of each data system, access to it, review and disclosure of material in it, and distribution to other agencies? If so, please supply copies.

(10) A. Is the subject individual or his representative notified of the fact that he is in the data bank?

B. Is he allowed to review the data on record about him to supplement his file; or to explain or rebut inaccurate material? If there are restrictions on such permission, please describe the precise limitations.

(11) What aspects of the required personal data about an individual are available to other persons? Who, specifically? For what purpose? By what authority?

(12) Is a record maintained of each inspection or use of the individual's records: (a) by persons within the department, service, or agency in which the individual services, has dealings with; (b) by persons in other agencies; (c) by private persons?

(13) For each data bank, please indicate how the information is collected, whether it is solicited from the individual, from third persons, or from existing records.

(14) What officials in the Department and services and agencies are responsible for determining the accuracy of information in the data bank? What provisions are made, procedurally, for deleting information found to be inaccurate or inappropriate, either on the initiative of the Department or on action of the individual?

(15) What other agencies have access to information or use of information on each data bank? Official? Private?

(16) What states and federal agencies may utilize transfers or access to the data in your computerized or mechanical files by coding, interfacing compatibility or other arrangement with their own systems?

(17) What security devices and procedures are utilized to prevent:

a. Unauthorized access to the data file; and

b. Improper use of the information?

(18) What formal or informal arrangement does the Department, Service or agency have with Congressional Committees for the authorizing and reviewing of new data banks and the clearance of new electric or mechanized record-management techniques?

(19) A. Have any existing data programs which you administer as Secretary of Defense, or the development of other comprehensive records systems been discussed before other Congressional Committees by Department's or service representatives?

B. Have any been specifically approved by Congress or Congressional Committees?

C. If so, would you please supply any available testimony, or citations to such hearings?

Would you kindly supply copies of any statutes and regulations cited in your report to the Subcommittee, together with sample print-out from each data bank.

I realize that the collection of such a large amount of information will constitute an administrative burden, but I hope it will not tax your employees unduly. The Subcommittee believes that a worthy cause will be furthered by the diligent and good faith efforts of the officials of the Defense Department to supply these responses to the best of their ability. In the final analysis, I believe Congress, the Executive Branch and the people will profit by this investigation.

Your own personal assistance in our study is deeply appreciated.

With all kind wishes, I am,

Sincerely yours,

SAM J. ERVIN, JR.,

Chairman, Subcommittee on
Constitutional Rights.

Mr. ERVIN. Mr. President, the editors of many newspapers wisely perceived the dangers which the Army's program presents to the principles of the Constitution. The New York Times, in an editorial published on June 6, 1970, commented:

... the fundamental question concerns the right of the Army to set up a domestic secret service. We are under the impression that the FBI was already engaged in this activity as provided by law. The implications are ominous in a country where the military is supposed to be subservient to civilian authority.

The editor of the Raleigh, N.C., News and Observer in a recent editorial stated that Congress and the President ought to share the "acute concern about this matter." He continues:

Now that news of Army surveillance activities is out, failure to curb those activities, or at least to put some proper safeguards on them, will leave lawmakers and the chief executive resembling, at best, silent accomplices in repression. . . . The mere fact that the military has plainclothesmen sneaking around and spying on legal political activities of civilians is enough to discourage those activities. And that is a very real infringement upon individual liberties.

The editor of the Boston Globe on March 15 called attention to remedies which have been proposed for improper data banks. This editor states:

The disclosure gives added point to the suggestion of Alan F. Westin, professor of public law and government at Columbia University, for legislation creating a writ of habeas data, similar to a writ of habeas corpus, commanding government and private organizations to produce, on demand, the data they have collected on petitioning individuals.

The editor of the Toledo Times comments that while the Defense Department has an obligation to use its intelligence apparatus for the protection of internal security, for the safeguarding of communications, transports and defense plants:

The indications are that the military intelligence network has gone far beyond such legitimate precautions and is nosing around in the area of political opinions. Monitoring of ideologies smacks more of thought control than of national security. If allowed to continue unchecked, it could open the door to military control of the civilian government.

The Washington Post, in an editorial on May 21, called attention to a fact which many citizens had already noticed. This is that the Senate on May 19 had passed a bill to protect the privacy and first amendment rights of employees of the Federal Government and applicants for employment but had done nothing whatsoever about other Americans. Commenting on the Army's collection of data about all manner of citizens, recording their participation in protests, their attendance at political meetings, their enrollment on petitions, the editorial writer observed:

These data, computerized by the brilliant resourcefulness of modern technology, lie waiting like buried bullets to shoot down a blossoming career. There is not much use in protecting government employees from snooping if the citizens who might otherwise become employees are under Big Brother's surveillance. In such a system, no one knows what job offers may be denied him

because at some time he has been unconventional or indiscreet.

The author of an editorial published in the Charlotte Observer of March 5 restates a principle which should be engraved on the heart of every official in the Defense Department and indeed on the heart of every official in the executive branch. He writes that Army intelligence:

Is supposed to concern itself solely with defense-oriented counter-espionage, counter-sabotage measures, and security clearance of defense personnel. It has no business in purely civilian affairs, and its efforts in that sphere are not likely to increase civilian sympathy or Congressional goodwill.

Americans have traditionally held a strong aversion to "spying", a tradition that draws strength from our pride in the Bill of Rights, our heritage of individual liberties, and our distaste for foreign states which rely on secret police to maintain their power.

Mr. President, I am firmly convinced that every Member of Congress agrees with this observation.

Mr. President, I ask unanimous consent that a cross section of thoughtful editorial opinions on both sides of this issue be printed in the RECORD at the conclusion of my remarks, together with various news articles describing developments in this matter. These are:

EDITORIALS

Charlotte, N.C., Observer, March 5, 1970.

Charlotte, N.C., News, March 13, 1970.
Raleigh, N.C., News and Observer.

The New York Times, April 1, June 6, 1970.

The Washington Post, May 21, 1970.

Time Magazine, March 9, 1970.

Sarasota Herald-Tribune, Sarasota, Fla., March 10, 1970.

Chronicle, Houston, Tex., March 12, 1970.

Chronicle, San Francisco, March 3, 1970.

Milwaukee, Wis., Journal, April 7, 1970.
Computerworld, April 8, 1970.

The Sunday Star, Washington, D.C., April 19, 1970.

The Courier-News, Plainfield, N.J., April 21, 1970.

The Toledo Times, Toledo, Ohio, April 23, 1970.

The Washington, D.C., Daily News, April 23, 1970.

News Dispatch, Michigan City, Ind., April 23, 1970.

Post Star, Glens Falls, N.Y., April 24, 1970.

The Wichita, Kans., Eagle, April 24, 1970.

Courier, Waterloo, Iowa, April 24, 1970.
St. Louis Post-Dispatch, April 24, 1970.

Times, Valdosta, Ga., April 24, 1970.
Herald, New Britain, Conn., April 24, 1970.

Kennebec, Maine, Journal, April 24, 1970.

Journal, Sioux City, Iowa, April 24, 1970.

Tribune, Scranton, Pa., April 28, 1970.

The Houston, Tex., Post, May 1, 1970.
News-Sun, Springfield, Ohio, May 3, 1970.

Boston, Mass., Globe, May 20, 1970.
Boston Sunday Globe, March 15, 1970.

ARTICLES

Charlotte, N.C., Observer, March 1970.
Chicago, Ill., News, January 15, 1970.

Washington Daily News, by John Cramer, February 5, 1970.

Computerworld, February 11. March 11, April 8, 1970.

Minneapolis, Minn., Tribune, February 15, 1970.

Chicago, Ill., Sun-Times, February 27, March 8, April 23, 1970.

San Antonio, Tex., Express, March 1, 4, 1970.

Washington, D.C., Evening Star, February 13, 28; March 28, April 22, 1970.

St. Petersburg, Fla., Times, April 19, 1970.

Philadelphia, Pa., Press, April 19, 1970.

Washington, D.C., Post, April 23, 1970.

Chicago, Ill., Tribune, April 23, 1970.

Gazette Telegraph, Colorado Springs, May 3, 1970.

News Free Press, Chattanooga, Tenn., May 17, 1970.

New York Times, April 12, June 2, 1970.

The Progressive, June, 1970, by Morton Kondracke.

Staten Island, N.Y., Sunday Advance, July 19, 1970.

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

(See exhibit 2.)

EXHIBIT 1

CONUS REVISITED: THE ARMY COVERS UP (By Christopher H. Pyle)

The Army still watches civilian politics. Despite over 50 Congressional inquiries, the threat of House and Senate hearings, and a lawsuit by the American Civil Liberties Union, more than 1,000 plainclothes soldier-agents continue to monitor the political activities of law-abiding citizens.

Some reforms have occurred since this blanket surveillance was first revealed in the January issue of this magazine. The Army has admitted that its CONUS (Continental U.S.) Intelligence program exceeded its needs in preparing for riots and has agreed to cut it back. It has also promised to destroy two widely circulated "blacklists" on dissenters and to scrap its computerized data banks containing records on the membership, ideology, programs, and practices of virtually every activist political group in the country, from the violence-prone Weathermen to the non-violent Urban League. Important as these reforms are, however, they are deceptive.

THE FIRST PLAUSIBLE DENIALS

When *The Washington Monthly* reached the newsstands on January 9, the Army high command dove for cover. The Pentagon's office of Public Information refused to comment. Reporters were told to submit their questions in writing. From its headquarters at Fort Holabird in Baltimore, the Army Intelligence Command flashed orders to each of its intelligence groups limiting the collection of domestic intelligence to only the most "essential elements of information." Agents were forbidden to discuss any aspect of the program with newsmen and were warned that any who did would be prosecuted for breach of national security. From his office on the second floor of the Pentagon, Robert E. Jordan III, Army General Counsel and Special Assistant to the Secretary for Civil Functions, suspended all replies to Congressional inquiries. In violation of its own regulations, the Army even refused to acknowledge receipt of them.

By the end of the month, however, the rising tide of criticism could not be ignored. Recognizing this, the Army issued, on January 26, the first in a series of partial admissions. In the jargon of the spy trade, such admissions are known as "plausible denials," because they are invested with just enough truth to mask an essential falsehood. Thus

the Army confirmed the existence of the nationwide intelligence apparatus (true), but said that it collected political intelligence only "in connection with Army civil disturbance responsibilities" (false). "Civil disturbance incident reports are transmitted over [an] . . . automatic voice network teletype system to the U.S. Army Intelligence Command headquarters" (true) and "information on incidents by types and geographical location is placed in the data bank from key-punched cards" (also true). But: "This is incident information only and does not include individual biographies or personality data" (false).

The statement also acknowledged that the Army "does publish an identification list, sometimes with photos, of persons who have been active in past civil disturbance activity" (true), but failed to mention that the list (actually a booklet) also contained detailed descriptions of persons and organizations never involved in civil disturbances.

Finally, the Army admitted in a backhanded way that its agents had infiltrated civilian political groups: "For some time there has been a special prohibition against military persons undertaking such activities as undercover operations in the civilian community." Of course, it did not say when the order was issued, or whether it was being obeyed. (It is not.)

The "plausible denials" satisfied no one. Inquiries directed to the Secretary of the Army, Stanley R. Resor, poured forth from both Houses of Congress. Legislators of such diverse persuasions as Senators Williams of Delaware, Hart of Michigan, Dole of Kansas, Brooke of Massachusetts, Percy of Illinois, Fulbright of Arkansas, and Cook of Kentucky demanded to know if the charges were true and, if so, by what authority and for what purpose the Army was spying on law-abiding citizens.

Congressman Cornelius E. Gallagher (D-N.J.), Chairman of the House Invasion of Privacy Subcommittee, and Senator Sam J. Ervin, Jr. (D-N.C.), Chairman of the Senate Subcommittee on Constitutional Rights, led the attack. Gallagher wrote to Secretary Resor on January 26: "I am deeply concerned about the implications of collecting dossiers on Americans who are pursuing constitutionally protected activities, especially when they are to be imbedded in immediately available form in a computerized data system."

Senator Ervin, a member of the Armed Services Committee and a former judge, was more outspoken. "The Army," he said in a Senate speech on February 2, "has no business operating data banks for the surveillance of private citizens; nor do they have any business in domestic politics."

When the Army continued to avoid inquiries during the month of February, however, Members of Congress expressed annoyance at being ignored. Congressman Gallagher, usually a staunch friend of the military, was especially fed up. After waiting over two weeks for the Army to acknowledge his letter, he threatened to hold hearings.

Still the Army stalled for time. It had good reason. Like Congress and the public, its civilian hierarchy first learned of the Intelligence Command's unbridled curiosity from the press. Unable to learn more from the Assistant Chief of Staff for Intelligence, who greatly downplayed the CONUS system's capabilities, the civilians resolved to conduct their own inquiry. This reached a point of revelation sometime in mid-February when Army General Counsel Jordan went to Fort Holabird and watched as the computer bank on dissidents disgorged a lengthy print-out on Mrs. Martin Luther King, Jr.

On February 25, Jordan dispatched the Army's first reply to more than 30 Congressional critics. Each received the same letter, regardless of the questions he had asked. It opened with a lengthy defense of the

Intelligence Command's library of security clearance dossiers—never at issue—and closed with a brief confession: "There have been some activities, which have been undertaken in the civil disturbance field which, on review, have been determined to be beyond the Army's mission requirements."

"For example, the Intelligence Command published . . . an identification list which included the names and descriptions of individuals who might become involved in civil disturbance situations." And: "The Intelligence Command has operated a computer data bank . . . which included information about potential incidents and individuals involved in potential civil disturbance incidents."

Jordan assured Members of Congress that both the identification list and the data bank had been ordered destroyed. "Thus," he concluded, "the Army does not currently maintain the identification list referred to above. No computer data bank of civil disturbance information is being maintained."

Again, the denials were both plausible and deceptive. Jordan's seemingly candid letter failed to mention that in addition to the Fort Holabird computer (an IBM 1401) and the Intelligence Command's identification list (published in over 330 copies), the Army also maintained:

1) over 375 copies of a two-volume loose-leaf encyclopedia on dissent entitled "Counterintelligence Research Project: Cities and Organizations of Interest and Individuals of Interest" but popularly known as "the Compendium." Compiled by the domestic intelligence section of the Counterintelligence Analysis Division (CIAD), a Pentagon-based unit responsible for briefing high Army officials like Jordan on protest politics, the Compendium contained descriptions of hundreds of organizations and individuals, including the John Birch Society, the Urban League, the Fifth Avenue Peace Parade Committee, Negro playwright LeRoi Jones, and the late Rev. Martin Luther King, Jr.

2) a computer-indexed, microfilm archive of intelligence reports, newspaper clippings, and other records of political protests and civil disturbances at CIAD headquarters in Alexandria, Virginia. The index to this data bank is a computer print-out, 50 lines to a page, a foot-and-a-half thick. It catalogues microfilmed documents relating to such groups as Young Americans for Freedom, the Southern Christian Leadership Conference, and the Center for the Study of Democratic Institutions. Individuals listed include Rear Admiral Arnold E. True and Brigadier General Hugh B. Hester (war critics), Georgia State Representative Julian Bond, and folk singers Joan Baez, Phil Ochs, and Arlo Guthrie.

3) a computerized data bank on civil disturbances, political protests, and "resistance in the Army (RITA)" at the Continental Army Command headquarters, Fort Monroe, Virginia. The civil disturbance-political protest side of this data bank was developed because the Continental Army Command hoped to recapture supervision of its riot control troops from the Pentagon's special 180-man Directorate for Civil Disturbance Planning and Operations.

4) non-computerized regional data banks at each stateside Army command and at many military installations. In addition to the usual agent reports, incident reports, and newspaper clippings, these records include booklet-size "CONUS intelligence summaries" published each month by the 1st, 3rd, 4th, 5th, and 6th Armies, and the Military District of Washington.

5) non-computerized files at most of the Intelligence Command's 300 stateside intelligence group offices. These records on local political groups and individuals are similar to, but more detailed than, the records at Fort Holabird which the Army promised to destroy. The political files of the 108th Military Intelligence Group's Manhat-

tan offices, for example, take up five four-drawer file cabinets and require a full-time custodian.

Congressional reactions to Jordan's admissions, omissions, and denials were mixed. Congressman Gallagher—although fully aware of the omissions—seemed pleased. Without withdrawing his threat of hearings, he announced to the press that the Army would no longer keep tabs on peaceful demonstrations or publish a list of individuals who might be involved in a riot. His announcement, repeated in interviews over the weekend, became the basis of widespread and erroneous newspaper reports. *The New York Times* of February 27 was typical: "Army Ends Watch on Civil Protests." Gallagher got the credit for the apparent victory.

Other members of Congress were slower to react and before they did Morton Konracke of *The Chicago Sun-Times* reported on February 28: "The Army acknowledged yesterday that it maintains files on the political activities of civilians other than the computerized political data bank it told Congressmen it was closing down." Konracke, a thorough reporter, listed them all.

The following Monday, Senator Ervin expressed his dissatisfaction with Jordan's letter. In a letter to the Secretary of the Army he reiterated his demand for a complete report to Congress, and in a Senate floor speech denounced the surveillance as a "usurpation of authority." "The business of the Army in [civil disturbance] . . . situations is to know about the conditions of highways, bridges, and facilities. It is not to predict trends and reactions by keeping track of the thoughts and actions of Americans exercising first amendment freedoms."

"If there ever were a case of military overkill," he added, "this is it . . . I suggest the Army regroup and define its strategic objectives, lower its sights, and reidentify its enemy. Under our Constitution that enemy is not the American citizen."

THE ARMY REGROUPS

Within the Army, much regrouping was already going on. A letter received by Congressman Gallagher from sources close to the 116th Military Intelligence Group at Fort McNair in Washington, D.C., described what was happening at the lower echelons:

On the morning after news reports about the dismantling of the CONUS system first appeared in the Washington papers . . . members of the 116th were . . . informed that their unit and its operations would be unaffected . . . They were told that the only major effect of the Congressional and press criticism would be destruction of the national data bank and related files that were kept at Fort Holabird. Files kept by the regional M.I. Groups (which were the basis for the Fort Holabird file and contained more information) would remain intact, and members of the M.I. Groups would continue their operations of surveillance, infiltration, and reporting as previously.

In addition, all files and operations of the 116th were to be classified to prevent the release of any information about them; disclosure of such information would subject people who released that information to court-martial or prosecution in civilian court for violation of national security.

At the present time, the files of the 116th M.I. Group consist of a 5x7 card file on several thousand persons in the Washington area. On these cards are a picture of each person, his name and address, occupation, background, a record of political groups with which he has been affiliated, notes on political meetings, rallies, and demonstrations which he has attended, and summaries of his views on political issues.

To gather such information, the 116th routinely assigns some 20 of its men as full-time undercover agents to infiltrate political

groups and observe politically active persons. . . . Some of these officers have grown beards and long hair to pass as students on local college campuses. In addition, other members pose as members of the working press to obtain pictures of those involved in political activities; concealed tape recorders are also commonly used to record speeches and conversations at political events. Until very recently the 116th's standard equipment also included a full TV video-tape camera and sound truck labeled "Mid-West News," which was used to record major demonstrations.

Higher up the chain of command, officials at Fort Holabird also balked at carrying out the new policy. Questioned by Joseph Hanlon of *Computerworld* on March 10, an Intelligence Command spokesman refused to say whether the computer tapes there had actually been erased or merely placed in storage. He admitted, however, that the "input" to the data bank (presumably the key-punch cards) had not been destroyed.

Higher still, the civilians supposedly in charge of the Army struggled to find out what their military subordinates were doing. Robert Jordan, surprised by the *Washington Monthly* article and by his pilgrimage to the Fort Holabird computer, was taken aback once more on February 27 during a conference with Congressman Gallagher. Asked why his letter made no mention of the microfilm archives at CIAD, he replied: "I'll have to check into that."

To help Jordan out, Secretary Resor wrote to the Army Chief of Staff, General William C. Westmoreland, on March 5: "I would appreciate your asking all commanders in CONUS, Alaska, and Hawaii down to the installation level to report whether their command has any form of computerized data bank relating to civilians or civilian activities, other than data banks dealing with routine administrative matters. . . ."

THE UNDER SECRETARY TRIES HIS HAND

The results of this canvass have not been made known, but on March 20 Under Secretary of the Army Thaddeus R. Beal wrote long letters to both Ervin and Gallagher. He claimed: "The only other 'intelligence files' concerning civilians maintained by the Army consist of the files maintained by the Counterintelligence Analysis Division."

No reference was made in either letter to: 1) the Continental Army Command's computer files at Fort Monroe, about which Gallagher had made specific inquiries; 2) the regional data banks kept by most of the 300 offices of the Army Intelligence Command; or 3) similar records maintained by the G-2s (intelligence officers) of each stateside Army command and of many Army posts.

The microfilm archives at CIAD, Beal went on to say, contain only "limited files concerning political activity" in keeping with that unit's responsibility "for identifying factors which affect civil disturbance potential. . . ." He did not mention that these files take up over 200 rolls of microfilm, at 500 frames a roll. Nor did he acknowledge that the unit's domestic intelligence section, which is larger than any of its foreign intelligence sections, had charged its "left wing," "right wing," and "racial" desks with maintaining detailed card files on dissident individuals and groups. These files are in addition to mounds of current FBI and Army reports and newspaper clippings which are coded on key-punch cards (for the computerized index) and recorded on microfilm.

The Under Secretary's claim that the archive was used only in connection with civil disturbance planning was similarly misleading. According to former CIAD employees, one of the principal uses of this file—if not the main reason for its existence—has been to satisfy the curiosity of the Pentagon's brass. A not unusual assignment carried out by one domestic intelligence expert was to

write an unclassified report on SDS for a general to send to his daughter at an exclusive Eastern women's college.

In addition to these "plausible denials," Beal also admitted that CIAD had compiled "an identification list . . . on individuals and organizations associated with civil disturbances." "This list," he contended, "was last updated in late 1969 [true] and is available to a limited number of Department of the Army organizations with civil disturbance responsibilities [false]." According to persons who helped compile it, the Compendium went out to over 150 Army Intelligence and troop units, plus the FBI, the Justice Department, Naval and Air Force Intelligence, the CIA, and U.S. embassies in West Germany and Canada.

More important, Beal conceded that "the lists are now out of date, are not considered necessary. . . . [and] are being . . . destroyed. . . ." In addition he promised that the Army would: 1) henceforth limit its curiosity to "incidents where there is a high potential for violence or disorder growing beyond the capability of state and local police and the National Guard to control;" and 2) destroy all existing computerized data banks on civilian politics.

No new computerized data banks, he said, would be established without the approval of both the Secretary of the Army and the Chief of Staff after "consultations with concerned committees of Congress."

The concessions were substantial. To Congressman Gallagher, they were sufficient. "In view of the Army's commendable action in reversing its former policy," he announced "I see no further need for a Congressional hearing at this time."

To Senator Ervin, on the other hand, Beal's assurances were plainly inadequate. Only the press of other matters, such as preventative detention, bail reform, and the Government Employees' Privacy Bill kept him from calling his subcommittee into session for a full-scale review of all government political data systems, starting with the Army's.

THE ACLU GOES TO COURT

While Congressmen and Senators struggled with the Army's evasions and deceptions, the civilian intelligence program was being attacked in the courts. On February 17 the American Civil Liberties Union filed suit in Federal District Court in Washington, D.C., against the Secretary of Defense, the Secretary of the Army, the Army Chief of Staff, and the Commanding General of the Intelligence Command. The suit charged that the surveillance, data banks, and blacklists violated the Bill of Rights by reason of the chilling effect which knowledge of their existence can have upon the willingness of citizens to exercise their freedoms of speech, press, and association and their right to petition the government for redress of grievances.

The plaintiffs were 13 individuals and organizations whose non-violent, lawful politics had been the subject of widely distributed Army reports. The first was Arlo Tatum, executive director of the Quaker-sponsored Central Committee for Conscientious Objectors in Philadelphia. An IBM card prepared for his computer file at Fort Holabird showed only that he had once delivered a speech at the University of Oklahoma on the legal rights of conscientious objectors. Other plaintiffs included Women's Strike for Peace, Veterans for Peace, Conrad Lynn, and the Reverend Albert Cleage, Jr.

Even before filing suit, the ACLU was aware that a cover-up might be attempted at the lower, as well as higher, echelons of the Army. This suspicion was confirmed by the letter describing the activities of the 116th M.I. Group and by former intelligence agents who warned that many units would hide copies of blacklists and personality

files, regardless of what their civilian superiors told them to do.

In an effort to prevent this, the ACLU asked the District Court on March 12 for a preliminary injunction ordering the Army to cease its destruction of the records and to deliver them (along with inventories, receipts, and certificates of destruction) to the court for safekeeping, pending the outcome of the suit. Then, if the plaintiffs were successful, the court would be in a position to assure complete destruction of the records.

A hearing on this request, and an opposing motion by the Army which asked that the entire suit be thrown out for failure to show that the program violated anyone's constitutional rights, was convened in Washington on April 22 before U.S. District Court Judge George L. Hart, Jr.

Judge Hart, a graduate of Virginia Military Institute and a battlefield colonel during World War II, was openly hostile to the ACLU's contentions. He began the proceedings with an announcement that he would not hear testimony.

In effect, this announcement meant that Hart had prejudged the ACLU's claims. Few, if any, judges would consider issuing an injunction against the government on the basis of affidavits (written statements by persons not present to testify). To do so, of course, would deny the government the opportunity to cross-examine the witnesses against it and would be regarded quite properly as an abuse of judicial discretion.

Hart's reasons became clearer as the hearing progressed. For example, when Frank Askin, the ACLU's chief counsel at the hearing, argued that it would be all right for members of Army intelligence to follow accounts of protest politics in the newspapers, but that they should not be permitted to maintain computerized files on the political activities of specific individuals, the judge scoffed: "It's all right if they remember it, but they can't take note of it . . . Isn't that ridiculous?"

Nor could he understand why citizens should fear the military's surveillance any more than they should fear reporting of political activities by the news services. "News-papers don't have guns and don't have jails," Askin responded. ". . . nobody is afraid that one of these days the newsmen are all going to sweep into town and come to arrest the troublemakers."

But the judge was unimpressed: "There is no threat that the Army is going to come in and arrest you . . ." "If it does," he added: "We still sit here with the writ of habeas corpus."

"But, your Honor, then why are they keeping these lists of people, that's the issue at stake . . . They have no need for this . . ."

"It may help them know what persons are likely to cause trouble [in civil disturbances] and thereby keep an eye on them," Hart replied, apparently forgetting that the Army had agreed to withdraw the lists precisely because they were not needed for that, or any other, purpose.

The ACLU's other contentions—that the surveillance had exceeded the Army's civil disturbance responsibilities, that riot control troops do not need blacklists to enforce curfews or clear streets, that the CONUS intelligence operations encroached upon the authority of civilian law enforcement agencies—were also rejected. Even Askin's offer to present a former intelligence agent who had infiltrated a coalition of church groups was brushed aside with the question: "Did they have a sign saying 'No Military Personnel Are Admitted'?"

"What . . . the plaintiffs are complaining of here," Hart decided, "is that the Army is keeping the type of information that is available to the news media in this country and which is in the morgues of the newspapers

. . . and magazines. . . . They show no unconstitutional action on the part of the Army; they show no threat to their rights." Accordingly, he refused to confiscate the records. Instead, he dismissed the suit.¹

The likelihood that the CONUS intelligence program will be cut back soon is low. The ACLU has asked the Court of Appeals for a prompt hearing and reversal, but that court has yet to act. With summer here, chances of a hearing before fall are dim.

Chances are better that Judge Hart's decision will be overturned on appeal, but even that depends on which members of the relatively liberal Court of Appeals are assigned to review it. The panel could turn out to be as unsympathetic as Judge Hart, in which case the plaintiffs would have to take their appeal to the Supreme Court and suffer still more delays.

Thus, it will be many months at best before the witnesses testify, and perhaps years before a final judgment is rendered. Meanwhile, as the delays multiply and Army security restrictions tighten, the ACLU will find it increasingly difficult to keep its evidence up-to-date.

Odds for Congressional hearings are also poor. Representative Gallagher appears to have left the field, while Senator Ervin and his subcommittee staff are swamped by work on other matters. And although many members of Congress have expressed their personal concern about the surveillance, no other Congressional committees have taken up the fight.

Inside the executive branch, prospects are even worse. The Army's civilian leaders have said nothing since Beal's letters of March 20, while Pentagon press officers continue to evade inquiries with the excuse that to answer them would prejudice the ACLU lawsuit.² Moreover, the Justice Department has reasons of its own to put up a stiff legal battle to keep the Army Contributing to the expanded surveillance of dissenters ordered by President Nixon.

¹ At a press conference following the hearing, the ACLU's attorneys introduced several witnesses whose testimony Judge Hart refused to hear. One was Oliver Peirce, 25, a former agent assigned to the 5th Military Intelligence Detachment at Fort Carson, Colorado, during the summer and fall of 1969.

One of Peirce's assignments was to infiltrate a group called the Young Adults Project (YAP), which was established by a coalition of local church groups, the Young Democrats, and a ski club to operate a recreation center for emotionally disturbed young people. Although the project was entirely non-political, Peirce said, he and a soldier-informant were directed to make detailed reports on its meetings because one of the group's founders had attended anti-war demonstrations outside the fort and had once been a member of SDS.

In addition to watching YAP, the 5th MID also sent an informant to the 1968 SDS National Convention in Boulder, Colorado, assigned five undercover agents to monitor an anti-war vigil in the chapel of Colorado State College, maintained two full-time infiltrators within the local peace movement, and sent others to observe meetings of the Colorado Springs poverty board.

Operations such as these, Peirce said, were carried out even though they often duplicated political surveillances conducted by the FBI, state and local police, and the Colorado Springs office of the 113th Military Intelligence Group (part of the Army Intelligence Command).

² The rules against official comment on pending lawsuits, of course, were designed to protect criminal defendants from prejudicial pre-trial publicity. They do not exist to immunize the government from press inquiries when its officials are accused in civil court of exceeding their authority.

Were the court to end all military domestic intelligence operations, the FBI would have to run the civil disturbance early warning system—a politically risky and tedious task which it does not want—and the FBI and the Secret Service would have to find new alternatives to what has been a free source of supplementary manpower.³ In addition, the Justice Department would be deprived of the Army's political wire service, upon which it depends to feed its political computer and to produce, each week, a four-volume guide to coming events on the political circuit.

No matter how discouraging the prospects for reform may seem, however, efforts to curb the CONUS intelligence program must go on. The initiative remains with Congress—particularly with those committees of Congress which have jurisdiction to hold hearings.⁴

Without the threat of hearings, the Army's civilian leaders are not likely to end their evasions and deceptions, admit the full scope of the program, or reconsider its needs or consequences. They are the crisis managers of their bureaucracy. Threats, not suggestions, determine their agenda.

But while hearings may command their attention, only skillful questioning can move them towards reform. Once the full scope of the program is established, the Army's official must be pressed to concede what in effect they acknowledged by their promises—that blacklists and dossiers do not contribute to the prediction or control of riots. Having conceded that, they will be hard put to justify the continued pursuit of personality and organizational data in light of its cost, its effect on the willingness of people to participate in politics, and the mischief that could result were the records to fall into the hands of blackmailers, demagogues, or security clearance adjudicators.

To question the Army's needs, however, is not enough. The hearings should also define the Army's authority to monitor civilian politics in light of such principles as civilian control of the military, state and civilian primacy in law enforcement, compartmentalization and decentralization of intelligence duties, and obedience to the constitutional scheme of separate branches of government sharing policy-making powers.

Finally, whether or not the hearings produce legislation, they should attempt to establish a consensus on what the lines between permissible and impermissible conduct for Army intelligence should be.

This will be the hardest task of all. There is no question that the Army must know about incidents and activities which bear upon the need for federal riot troops and the manner in which they may best be deployed. Similarly, there is no question that it does not need to know anything about the beliefs and actions of individuals and groups

³ During the 1968 Democratic National Convention in Chicago, for example, Army agents posed as TV camera crews, a naval intelligence agent tape-recorded speeches in Grant Park, and two plainclothesmen from the staff of the Army Assistant Chief of Staff for Intelligence occupied assigned seats within the convention hall. All of this assistance—and more—was given despite the Counterintelligence Analysis Division's correct prediction that federal troops would not be needed.

⁴ Besides Senator Ervin's Constitutional Rights Subcommittee (of the Judiciary Committee), these include Senator Edward M. Kennedy's Subcommittee on Administrative Practices and Procedures (also of the Judiciary Committee), Senator John Stennis' Armed Services Committee, Senator Abraham Ribicoff's Committee on Executive Reorganization (of the Committee on Government Operations), and Congressman Robert W. Kastenmeier's Subcommittee No. 3 (of the House Judiciary Committee).

that pose no threat to military security or public order. Nor is there any reason to believe that Army agents must conduct undercover operations in order to calculate the size, location, and kind of riot troops may be called upon to quell.

The difficulty will come in determining 1) the extent to which military intelligence units in the field should be permitted to watch controversial political figures on the theory that "agitators" cause riots, and 2) the extent to which the Army, through CIAD or similar units, should be expected to analyze the political and social aspects of civil disturbances. There are strong reasons for leaving both of these functions up to civilian authorities. On the other hand, the domestic intelligence section of CIAD has a fairly good record for common sense and has more than once persuaded hard-nosed generals that demonstrators and rioters are not "the enemy," "insurgents," or part of "the Communist conspiracy."

Wherever the lines around the Army spy program are finally drawn, however, action on them should begin promptly. Incredible though it may seem, the Army has already assembled the apparatus of a police state. That apparatus must be disassembled before it falls into the hands of those who would deliberately or inadvertently misuse it.

EXHIBIT 2

[From the New York Times, Apr. 1, 1970]

THE ARMY'S INDISCRETION

Recent disclosures in "The Washington Monthly" that the Army is operating an extensive political intelligence network raise the specter of secret military power undermining civilian rule. The American Civil Liberties Union has challenged in court what appears to be an unauthorized system of surveillance under control of the Defense Department. The A.C.L.U. charges that by maintaining dossiers on political dissenters, a special intelligence branch with some 300 offices throughout the country potentially violates the rights of free speech, association and privacy.

After some pointed inquiries by several members of Congress, the Pentagon says it has eliminated a computerized data bank containing millions of names, associations and incidents; but it appears that the Army retains complete microfilm files of virtually the same information. "Regardless of the imaginary military objective," Senator Sam Ervin, Democrat of North Carolina, observes that "the chief casualty of this overkill is the Constitution of the United States."

The danger represented by a domestic military secret service is, in fact, more serious than is indicated by the legal language of the A.C.L.U.'s charge. In contrast to such civilian agencies as the Federal Bureau of Investigation, an Army intelligence system operating under the cover of military secrecy could skirt all supervision and restraint by Congress, the executive branch and the courts. Neither the scope of its activities nor the competence and discretion of its personnel would be subject to civilian regulation. Unauthorized by law, the operation is accountable only to its own command, as indeed appears to have been the case ever since the network was created in 1965.

The defense establishment clearly has a mandate and a duty to use its intelligence apparatus for the protection of internal security. It is responsible for the safeguarding of communications, transportation, supply lines and defense plants. Since the armed forces also play an important role in the prevention of civil disorder, they have a legitimate concern with the identification of persons who might engage in sabotage or similar criminal acts. They have at their disposal pertinent information gathered by the civilian law-enforcement and investigatory agencies.

But the indications are that the military intelligence network strayed far beyond such legitimate precautions and roamed instead uninhibited into the area of political opinions. Monitoring of ideologies smacks more of thought control than of national security. If allowed to go unchecked, it could open the door to politico-military control over civilian government. The political dossier on civilians is not a legitimate weapon in the Army's arsenal.

[From the New York Times, June 6, 1970]

THE ARMY'S POLITICAL FILE

The Federal Court of Appeals in the District of Columbia is now considering a request for an expedited appeal, if not summary reversal, of a case that concerns the civil rights of many people engaged in lawful dissent. It involves the Army's practice of collecting information and keeping secret files on the political activities of civilians and organizations.

The Army won the first round in Federal District Court in Washington. A judicial ruling gave a go-ahead for military intelligence to expand its existing dossiers on dissenters and protesters who expressed their opinions in speech, writing, or by association and assembly.

In dismissing a suit brought by the American Civil Liberties Union on behalf of various peace groups, black ministers and attorneys and even the Memphis sanitationmen's union, Judge George L. Hart Jr. refused to hear the testimony of two former military intelligence agents. They had planned to present evidence that a computerized data bank was maintained by the Army at Fort Holabird, Md., on thousands of civilian "dissenters." Their disclosures, supplementing an article in "The Washington Monthly," were later made out of court.

Judge Hart drew an analogy from the bench between the right of the Army to gather and store intelligence and a newspaper "morgue" that keeps names and data on organizations on file. This comparison, as the A.C.L.U. pointed out, failed to recognize that a newspaper is not a military organization, has no power of arrest and—so far as we know—maintains no arsenal of weapons.

But even without this flawed reasoning, the fundamental question concerns the right of the Army to set up a domestic secret service. We were under the impression that the F.B.I. was already engaged in this activity as provided by law. The implications are ominous in a country where the military is supposed to be subservient to civilian authority.

[From the Raleigh (N.C.) News and Observer]

ERVIN AND THE SNOOPERS

If North Carolina Sen. Sam Ervin is able to do nothing to depress the U.S. Army's appetite for all sorts of data about all sorts of civilian activities, he is performing a valuable service by calling attention to this frightening business and trying to learn more about it. The Senate subcommittee on constitutional rights, of which Ervin is chairman, is a most suitable agency for inquiring into the Army's fact-gathering operation, for constitutional rights are directly and disturbingly at stake.

Ervin's interest stems from an article by Christopher Pyle, an ex-Army intelligence officer, and from constituents' letters prompted by publication of the article in *The News and Observer*. Very quickly, the senator phrased the questions that beg for answers. Just how much information is the Army collecting about lawful political activities of private citizens? Are constitutional rights protected in the collection process? What relation has the data to defense? And just

what does the Army plan to do with all the fruits of its snooping? While popping these questions (in the form of a questionnaire sent to the Army and other snooping agencies), Ervin voiced the very sound opinion that "the Army has no business operating data banks for surveillance of private citizens, nor do they have any business in domestic politics."

Congress and the President ought to share Ervin's acute concern about this matter. Now that news of Army surveillance activities is out, failure to curb those activities, or at least to put some proper safeguards on them, will leave lawmakers and the chief executive resembling at best, silent accomplices in repression. As Pyle pointed out in his article, Army snooping can be exceedingly dangerous even if its results are not used. The mere fact that the military has plainclothesmen sneaking around and spying on legal political activities of civilians is enough to discourage those activities. And that is a very real infringement upon individual liberties.

Ervin has assumed the important responsibility of asking the questions about the Army's yen for data irrelevant to its traditional role. All his colleagues should join him in insisting that the questions be answered in full.

[From The Charlotte (N.C.) Observer, Mar. 5, 1970]

ARMY INTELLIGENCE "SPYING" ON CIVILIANS MUST BE HALTED

Americans have traditionally held a strong aversion to "spying", a tradition that draws strength from our pride in the Bill of Rights, our heritage of individual liberties, and our distaste for foreign states which rely on secret police to maintain their power.

In modern times, of course, "spying" has become a vast global industry, and it was inevitable that America, too, should strive to develop intelligence agencies to counter those of any presumed or potential enemies. Even so, we as a people dislike "spying" and look upon it as a necessary evil of modern times.

It was therefore somewhat shocking to discover, over recent weeks, that the Army's Intelligence branch has become massively involved in monitoring internal social and political activities.

This revelation has come about largely through the Senate's Constitutional Rights subcommittee headed by Sen. Sam Ervin.

About 1,000 agents have infiltrated and monitored political gatherings of every description, including some at the high school level. Computerized dossiers have been collected covering the activities of several thousand individuals and organizations, ranging from such avowed revolutionaries as the SDS Weathermen on to such relatively innocuous groups as the NAACP and the American Civil Liberties Union. Last month the ACLU filed suit against Army Intelligence, charging it with illegally interfering with the rights of civilians.

ASTOUNDINGLY, none of this was done with the approval, or even the knowledge of Congress. The Army insists its spying activities are necessary to help it deal effectively with domestic unrest, and further insists that the files of the FBI and the Justice Department are not adequate for its needs—an assertion which insults the competence of those professional agencies and also raises interesting questions as to what Army Intelligence's specific "needs" might be in such matters.

It may be that the military simply no longer trusts civilians to do such jobs properly, regardless of constitutional niceties. It is likewise doubtful that the Army gained much new information by duplicating the activities of the civilian intelligence agencies.

One Army report warned of possible domestic violence on "St. Lazar's Day", when men of Serbian descent might be tempted to revive the old days of Balkan bomb-throwing. Any intelligence report that seriously warns of a Serbian uprising in 1970 America does not reassure the public as to the Army's expertise in domestic spying.

The CIA has, from its inception, been expressly forbidden to engage in purely domestic spying. Agencies operating under the Justice Department are trained to a high degree of professionalism and tightly-monitored by civilian judicial authorities. Army Intelligence is supposed to concern itself solely with defense-oriented counter-espionage, counter-sabotage measures, and security clearance of defense personnel.

It has no business in purely civilian affairs, and its efforts in that sphere are not likely to increase civilian sympathy or congressional goodwill.

[From the Charlotte (N.C.) News, Mar. 13, 1970]

GOVERNMENT SNOOPS TOO MUCH

What Sen. Sam J. Ervin Jr. (D.-N.C.) has called the government's "boundless curiosity" about its citizens does indeed appear to be without limit. And the government apparently has no shyness about seeking to satisfy it.

The latest result is that the Justice Department has put its political files into a massive computer, so that complete reports on cities, events, organizations and individuals can be printed out instantly. Officials aren't saying specifically what is in the files, but make clear that perfectly legal activities can earn a person some space in the computer. Information comes from the FBI, the Secret Service, the Treasury Department, U.S. attorneys around the country and other sources, and even includes such things as who said what in a speech to whom.

While the Justice Department defends the computerized system, saying that the information was already available in the files, we would suggest that the computer amounts to a serious escalation in the spying on citizens. First because the machines make feasible the collecting, storing and indexing of amounts of data that simply could not be managed otherwise, and are therefore a temptation to broaden the spying on citizens. Second, because the computer makes possible the coordinating of data throughout all branches of government, hastening that awful day when everything known about a citizen—from his interview with the army psychiatrist to the petitions he has signed to the size of his gambling losses—can be obtained by typing his Social Security number into one computer.

The Justice Department apparently has not gone to such lengths, yet, and it ought to be stopped before it goes another step. There is a legitimate reason for federal law enforcement officials to have ready access to the records of convicted and accused felons. But there is no reason for them or anyone else to have push-button access to the record of a man's political opinions and activities.

BUSINESS, TOO

Nor do the dangers to personal privacy and freedom stop at the edge of government these days. The computer's ability to handle vast quantities of information quickly and cheaply has paved the way for private information operations every bit as threatening as those run by the government.

How threatening is the question a new \$50,000 study will seek to answer. But the potential for mischief is frightening. Whether a citizen wants a loan, a job or an insurance policy, he fills out forms giving considerable amounts of personal information. Behind this on occasion comes the com-

pany investigator who may ask neighbors and associates about everything from the cleanliness of the person's house to his drinking habits. All this, plus performance with charge accounts, etc., can end up in private computers.

The study by the National Academy of Sciences will try to learn how much information does end up on computers, how it is used and swapped, how much control the citizen has over such information about him. It's a worthy project, and one that ought to be of considerable interest to the Congress. For the tools for handling and mishandling information have become so available and so powerful, that the potential for damage to the citizen is enormous.

[From the Boston (Mass.) Sunday Globe, Mar. 15, 1970]

ARMY SPYING ON CIVILIANS

Two weeks ago Army spokesmen informed two members of Congress (Chairman Cornelius E. Gallagher of the House Subcommittee on the Invasion of Privacy and Chairman Sam J. Ervin of the Senate's Judiciary Subcommittee on Constitutional Rights) that Army Intelligence had destroyed its files on political activists.

But there was a catch in it, as more than one alert reader of *The Globe* has pointed out. The destruction was only token, a cover-up. The Army did indeed destroy its data banks and related files at Ft. Holabird, Md.—or so it was said, at least. But it did not destroy other similar files pertaining to several million Americans and maintained by its Counter Intelligence Analysis Division in the Pentagon and by at least seven other military intelligence offices. It has indicated that it may do so on demand of Congress but the central question remains as Sen. Ervin, a Southern segregationist but one of Congress' most respected authorities in other constitutional matters, has put it:

"By what authority was the Army permitted to engage in such illegal activities with nearly 1,000 plain-clothesmen working out of 300 offices?"

The senator has committed himself to getting an answer, and it is high time, for, as he says:

"Although I may have little if anything in common with the views of persons who are probably in the Army files, the very existence of such unconstitutional surveillance by the Army is destructive of our form of government."

Groups spied on include the American Civil Liberties Union, the Southern Christian Leadership Conference, the John Birch Society, the National Association for the Advancement of Colored People, the Women's Strike for Peace, the Center for the Study of Democratic Institutions, and Clergy and Laymen United Against the War in Vietnam. The Army's excuse is that "it has to be ready for contingencies in the event Federal troops are ordered into action by the President." To this Sen. Ervin replies:

"If the President determines that new forms of intelligence gathering are necessary, let him so inform Congress and let Congress assign the responsibilities to an appropriate civilian agency. I suggest the Army regroup and reidentify its enemy. Under our Constitution, that enemy is not the American citizen."

It could not have been better said. The "predicting of trends and possible reactions" of the American people is none of the military's business. Nor is it proper for the Army to stockpile, as Sen. Ervin says it has "an amazing arsenal of weapons" for use against political activists.

"The chief casualty of such military overkill," says the senator, "is the Constitution of the United States which every military officer and every appointed official has taken an oath to defend."

In this case, the Army's illegal activity was disclosed by a former captain of intelligence, Christopher H. Pyle, now a graduate student at Columbia University. But, as Sen. Ervin puts it, "the preservation of our civil liberties cannot depend on the lucky discovery of illegal programs."

The disclosure gives added point to the suggestion of Alan F. Westin, professor of public law and government at Columbia University, for legislation creating a writ of habeas data, similar to a writ of habeas corpus, commanding government and private organizations to produce, on demand, the data they have collected on petitioning individuals.

This may not be a complete answer. But Americans, somehow, must not let themselves be put through another "I hold in my hand" era.

[From Time, Mar. 9, 1970]

ARMED FORCES SPYING ON CIVILIANS

Anything smacking of secret police tactics has always been highly suspect in the U.S. The Central Intelligence Agency is specifically barred from domestic spying. The FBI operates under tight civilian and judicial controls. Pentagon intelligence and security operations within the country are supposed to be limited to matters of direct military concern, such as counterespionage, protection against sabotage and investigation of personnel. Thus the shock when it became known recently that Army Intelligence had got into the business of monitoring the political and social protest activities of civilians.

From its own field work and that of other Government agencies, the Army has compiled dossiers in its computer at Fort Holabird, Md., on between 2,000 and 5,000 individuals and numerous political organizations. The records are not even limited to such avowedly revolutionary groups as the Black Panthers or the Weathermen. Also among them are respected organizations like the N.A.A.C.P. and the American Civil Liberties Union. The Army has also circulated to base commanders a six-volume "blacklist" of dissidents and their organizations.

Love Festival. About 1,000 agents have been used to monitor disturbances, rallies, even high school demonstrations. One agent was on the floor of the 1968 Democratic Convention in Chicago, mission uncertain. Two Keystone Korporals were flushed out of the bushes in a Chicago park as they watched a Yippie love festival. From such activities the Army compiled reports that were circulated to base commanders and law-enforcement officials. Some of the information relayed seemed ludicrous. One item warned of impending violence on the "Day of St. Lazar," when "Serbian men are supposed to show their manhood," presumably by bombing Yugoslav diplomatic missions.

The domestic intelligence program started modestly enough in 1967, when the Army began serious preparations to support local authorities in quelling ghetto riots. With the advent of large-scale antiwar protests, the Army argued that the files of the FBI, Justice Department and other agencies were not adequate for its intelligence needs. Therefore the Army extended its purview into areas normally reserved to regular law enforcement bodies. This was done without congressional approval. In some cases, the Army launched its clandestine activities without the knowledge of Army civilian officials.

Free Speech. The extent of the operations was revealed in January's *Washington Monthly*, a political review, by a former intelligence officer, Christopher Pyle. Since then, some members of Congress have threatened an investigation. The A.C.L.U. filed suit, charging that the Army's activities sought to inhibit civilians from exercising their rights of free speech and petition.

Last week the Army retreated, promising to conduct no more covert investigations of

civilians without the Secretary of the Army's approval, and to recall the blacklist. It also promised to destroy information about domestic political activists stored on the Fort Holabird computer. But the Army still maintains extensive files on civilian political activists, and has no intention of ceasing its snooping altogether. With that in mind, the A.C.L.U. intends to press its court suit for a permanent injunction against all such Army surveillance activities.

[From the Sarasota (Fla.) Herald-Tribune, Mar. 10, 1970]

ARMY ERASES A POLITICAL FILE

The U.S. Army has dismantled, at least in part, its machinery for collecting information on the domestic political activities of American civilians, according to two key lawmakers.

Sen. Sam J. Ervin Jr. (D-N.C.), chairman of the Judiciary Subcommittee on Constitutional Rights, and Rep. Cornelius E. Gallagher (D-N.J.), chairman of the Government Operations Subcommittee on Invasion of Privacy, announced last week the Army had destroyed its data banks and related files at Ft. Holabird, Md., pertaining to the political activities of 7 million civilians.

But the Army did not confirm destroying other similar files maintained on microfilm by the Counter-Intelligence Analysis Division (CIAD) and by at least seven military intelligence headquarters throughout the nation. The files consist mostly of reports prepared by the Federal Bureau of Investigation.

An Army spokesman has explained that CIAD helped determine where civil disorders were likely to occur.

Congressional concern over the data banks was sparked by an article in the January issue of Washington Monthly written by a former Army intelligence officer, Christopher H. Pyle. The article described an intelligence network of "nearly 1,000 plainclothes investigators, working out of some 300 offices from coast to coast," who write reports on "political protests of all kinds."

"To assure prompt communication of these reports," the article stated, "the Army distributes them over a nationwide wire service. Completed in the fall of 1967, this teletype network gives every major troop command in the United States daily and weekly reports on virtually all political protests occurring anywhere in the nation."

Pyle went on to describe a huge intelligence operation that stored and disseminated information on both groups and individuals who "might cause trouble for the Army."

Some of the groups listed in the article were the American Civil Liberties Union, the Southern Christian Leadership Conference, the John Birch Society, the National Association for the Advancement of Colored People, the Women's Strike for Peace, the Center for the Study of Democratic Institutions and Clergy and Laymen United Against the War in Vietnam.

Following publication of the Washington Monthly article, at least 50 members of Congress questioned the Defense Department about its banks of data on civilians, an Army spokesman told Congressional Quarterly.

The official order to destroy the "Data Bank of Political Activities" at Fort Holabird was issued Feb. 19, and members of Congress were informed of the action Feb. 23.

Sen. Ervin commended the Army for dismantling the computerized data bank, but said the "attempt to explain all their files on civilians raises more questions than it answers. . . . The Army has not yet answered our questions, nor have they yet discussed all of their data banks and collection and filing of information about civilians."

Calling the operation a case of "military overkill," Ervin said an explanation of "how the Army was permitted to engage in such activities in the first place" was needed. "The preservation of our civil liberties cannot depend on the lucky discovery of illegal programs," he added.

Rep. Gallagher said the Army ordered the destruction of the Ft. Holabird data bank after he had announced he would hold public hearings on the "validity and legality of such a program."

He added that the Army told him it would ask Congress for permission before undertaking such a venture again. "I can assure you that no Congress will grant such permission," Gallagher said. "The construction of such a data bank is tantamount to a domestic espionage apparatus."

[From the Houston (Tex.) Chronicle, Mar. 12, 1970]

ARMY VIOLATES CIVIL LIBERTIES

Those Americans concerned with the erosion of their civil liberties have further justification for their fears. Despite assurances to the contrary, the U.S. Army is continuing to collect voluminous information on the political activities of civilians.

U.S. Sen. Sam Ervin, North Carolina Democrat, says the intelligence activity is a "usurpation of authority." He calls it an "illegal activity" and contends it's not the business of the Army to collect information on civilians. He suggests the Army redefine its strategic objectives.

We believe this activity is a violation of the individual's civil rights guaranteed under the First Amendment to our Constitution. Not only that, such activity can only lead to fear and distrust of a military establishment and erode its necessary base of civilian support.

The Army has abandoned operation of a political computer data bank at Fort Holabird in Baltimore, Md., but there remains the microfilm file of the counter-intelligence analysis division (CIAD) of the office of the Army's assistant chief of staff for intelligence. It's still very much in operation. It contains information on thousands of individuals, including many nonviolent activists, and even two retired military officers who have criticized the Vietnam War.

The Army admits it uses the information—including FBI reports and other documents—to evaluate the violence-potential of upcoming events. There is, however, no clear-cut safeguard against the information being used for other purposes.

We are alarmed at this aspect of "big brotherism." But we're not suggesting abandoning the legitimate safeguarding of our internal security. We need governmental agencies with this responsibility but they should be staffed and headed by civilians.

[From the Milwaukee (Wis.) Journal, April 7, 1970]

THE ARMY'S DATA BANKS

Public alarm over the growing prevalence of "data banks" tucked away in government offices, fingering millions of people as possibly "dangerous" in their future political activities, has got some remedial steps afoot.

The chairman of the Senate Judiciary Subcommittee on Constitutional Rights, Sen. Ervin (D-N.C.), responded to "numerous complaints" in January and zeroed in on the Army Intelligence Command, demanding "full explanation" of the nature of its data banks, their purposes and the legal authority for them, if any.

The Army got the message to the extent of reporting back, in its interim reply, that it has withdrawn and destroyed all copies of an identification list of persons whom it deemed likely to be involved in "civil disturbance situations" that it might have to

police. It has discontinued one data bank, similarly related, that it now admits, upon being prodded, was "not required" in aid of any possible missions. But it confessed to having seven million other individual files on American citizens in its Investigative Records Repository.

Ervin is keeping the heat on, demanding fuller explanation and further response. As he told the senate: "Clearly, the Army has no business operating data banks for surveillance of private citizens." They can be a tool of suppression and tyranny, useful for dragnet type operations—wholesale roundups and harassment of hundreds and thousands of citizens whom the Army might not approve of. Their existence is a threat to American liberty and justice.

[From Computerworld, April 8, 1970]

THE WORD GAME

The Army's recent action in "destroying" its computerized data banks on lawful civilian political activity was more a matter of semantics than of destruction.

Although the tapes have been erased, the data banks still exist in written form, and even possibly in punched card form. And presumably the programs for file maintenance and retrieval still exist.

Which all means the computerized data banks could be recreated in days, if not in hours.

Further clouding the issue is the fact that the Army apparently distinguishes between "computerized" and "computer-aided." So the "destruction" order did not apply to computer-maintained indexes to manually maintained data banks.

All this "destruction" of computerized data banks has only been a maneuver to take the pressure off the Army and to lead critics away from the real question:

Why is the Army maintaining files on civilian activity?

Civilian activity is a question of internal security, and as such, should be handled by the FBI or possibly the Secret Service—if it's necessary at all.

Sen. Sam J. Ervin (D-N.C.), normally considered quite conservative, summed up the situation this way: "I suggest the Army . . . re-identify the enemy. Under our Constitution, that enemy is not the American citizen."

[From the Washington Star, Apr. 19, 1970]

SIGNS OF A RIGHT-WING TAKEOVER INCREASE

Self-styled revolutionary Abbie Hoffman told a Texas audience the other day that because the United States is "losing the Vietnam war, it is turning to fascism at home."

There very definitely has been a swing toward repression and the trappings of fascism in this society, but I don't think this reason is Vietnam. The reason is Abbie Hoffman and his kind.

The promoters of violence, the bomb planters, the mad reformers push on zealously to prove a point that I made in an earlier column: That this country is not remotely in danger of a left-wing takeover; the danger is that fear of violent upheaval will provoke the great mass of Americans to tolerate aspects of fascism if that promises law and order.

Many "dreamers" in the Abbie Hoffman crowd say they know exactly what they are doing. They welcome a right-wing dictatorship, they say, because only when "the establishment" shows its "true fascistic colors" will the people rise up and smash this system.

Could we really let a rag-tag band of unkempt reformers, shouting the rhetoric of revolution, force upon the nation so much panic that the people would tolerate a dictatorship? One need not be an alarmist to conclude that the answer is yes.

The American Civil Liberties Union and several Congressmen, like Rep. Cornelius E. Gallagher, D-N.J., months ago challenged the Army practice of putting into a computerized data bank information on civilians involved in disturbances and demonstrations and who might become civil disrupters at some time in the future.

Army Secretary Stanley Resor sent a memorandum to the Army Chief of Staff March 6 stating: "No such intelligence data bank operations relating to civil disturbances or other activities involving civilians not affiliated with the Department of Defense should be instituted without the prior approval of the Secretary of the Army and the Chief of Staff. In view of the sensitivity of such operations, approvals will not be granted without consultations with concerned committees of the Congress."

The ACLU will charge in the U.S. District Court here Wednesday that while the Army proposes to close down its computerized data bank at Ft. Holabird, Md., it is collecting and storing such data elsewhere.

One need not be a raving liberal, or even a civil libertarian, to see the dangers of having the military snooping on civilian dissenters, compiling its own computerized lists of Americans the Pentagon regards as "potential security risks."

But the danger is there because the violent dissenters are a reality. Because the bombers and rioters are already here, much of the public is far more afraid of them than of a "military takeover" that is just an intellectual threat in the future.

The public's willingness to surrender basic individual liberties and rights of privacy will become all the greater if Nixon's aides can sell the idea that the country is endangered by extreme radicals who cannot be won over by racial, social, economic, or political reforms.

The New York Times quoted an unnamed Nixon assistant as saying: "It wouldn't make a bit of difference if the war and racism ended overnight. We're dealing with the criminal mind, with people who have snapped for some reason."

So, to protect society from "revolutionary terrorism," some Nixon aides are advocating a vastly expanded domestic intelligence apparatus—that is, more wiretaps and buggings, more undercover agents, more informers.

Think how far we have gone toward a police state in one year and where we might be in another year: the Pentagon with its master computer list of "risks" to internal security, the FBI listening in on more and more private conversations, a corps of "secret police" and their informers in every community, policemen permitted to burst into just about any private home without knocking, Post Office bureaucrats authorized to open and read your first class letters from overseas, Clark Mollenhoff or some other presidential political operative permitted to examine your income tax return, "preventive detention" laws that authorize jailing people someone believes might commit a crime, a proposal (just rejected by the White House) to subject all the 6- to 8-year-olds in the country to psychological tests to determine if they are inclined toward future criminal behavior.

All this and more because the men now around the throne in Washington can't think of any other way to deal with Abbie Hoffman, or the Black Panthers, or the Weatherman faction of the Students for a Democratic Society.

[From the Plainfield (N.J.) Courier-News
Apr. 21, 1970]

KEEPING TABS ON PEOPLE

The Army thinks it has good reason to keep tabs on the activities of civilian dissenters. The argument is that it needs to

gauge the potential for civil disturbances where the Army might be called out to restore order. To this end, the Army is alleged (Washington Monthly, February, 1970) to have used full-time undercover agents to infiltrate political groups and to have set up a computerized data bank on the political activities of civilian activists.

Civil libertarians in and out of Congress raised enough of a fuss about the Army snooping to get the Pentagon to agree to shut down its Fort Holabird, Md., data bank on civilians. But the American Civil Liberties Union (ACLU) plans to go into U.S. District Court in Washington tomorrow, for a hearing on a new complaint. It charges that such information is still being collected and stored elsewhere by the Army in violation of the Constitution.

One paradox is that while the ACLU is attacking Army surveillance, the Federal Bureau of Investigation is under White House orders to step up its monitoring of militant left-wing groups and individuals. As explained by anonymous White House aides (New York Times, April 22, 1970), the objective is to find out who potential bomb planters and snipers may be before they endanger others.

One aide says the increased surveillance actually strengthens safeguards of individual civil liberties. Unless the terrorists are stopped before they can act, the public will "demand that their police start cracking heads." One way or another, the file space for dossiers will continue to grow.

[From The Toledo (Ohio) Times,
Apr. 23, 1970]

BIG BROTHERS

The American Civil Liberties Union has challenged in court without success what appears to be an unauthorized system of surveillance by the Defense Department. The ACLU charged that by maintaining dossiers on political dissenters, a special intelligence branch with some 300 offices throughout the country potentially violates the rights of free speech, association, and privacy.

In contrast to such civilian agencies as the Federal Bureau of Investigation, an army intelligence system operating under the cover of military secrecy could escape all supervision by Congress, the President, and the courts. Neither its activities nor the competence and discretion of its spies would be subject to civilian regulation. Unauthorized by law, the operation is accountable only to its own command and has been ever since the network was created in 1965.

Obviously the Defense Department has an obligation to use its intelligence apparatus for the protection of internal security. It is responsible for the safeguarding of communications, transportation, and defense plants. Since the armed forces also play an important role in the prevention of civil disorder, they have a legitimate interest in the identification of potential saboteurs and the like.

But the indications are that the military intelligence network has gone far beyond such legitimate precautions and is nosing around in the area of political opinions. Monitoring of ideologies smacks more of thought control than of national security. If allowed to continue unchecked, it could open the door to military control over the civilian government.

[From the Washington Daily News,
Apr. 23, 1970]

ACLU LOSES ARMY SUIT

The American Civil Liberties Union has lost its battle to obtain a court order preventing Army intelligence agents investigating "law-abiding citizens."

District Court Judge George L. Hart Jr. denied the group a preliminary injunction and sustained the government's motion to dis-

miss the case. Judge Hart said "the evidence shows no threat by the Army and no unconstitutional action."

Julius Hobson, head of the Washington Institute for Quality Education, said he was intervening in the ACLU case because "the damn Army has my picture and my serial number. I want the court to let me see the card and tear it up."

ACLU lawyer Frank Askin told Judge Hart that the complaints by his clients " * * * a disgraceful system in the United States of America in which military authorities have employees lurking around the country spying on citizens. They (the Army) are our servants not our surveillance."

Mr. Askin testified that the Army has a teletype network "much like a news service," feeding information on "potential trouble makers" to Fort Holabird, Md. and "a microfilm library and computerized index of these persons at the Pentagon."

Mr. Askin said, "This causes a chill and a pall on freedom of speech by keeping dossiers on citizens." He said the ACLU had a list of witnesses, some of whom are former Army intelligence agents, willing to testify about the work they did.

INFILTRATION

"One agent was instructed to infiltrate a group called the 'Young Adults Projects,' an organization of church groups. He was instructed to become a member of this group and make reports of what was going on to Army intelligence in Fort Carson, Colo."

"The Army seems to think they have to attend peaceful meetings to curb disorders," Mr. Askin said.

[From the Michigan City (Ind.) News Dispatch, Apr. 23, 1970]

THE DOSSIER SOCIETY

"Experience should teach us to be most on our guard to protect liberty when the Government's purposes are beneficent. Men born to freedom are naturally alert to repel invasion of their liberty by evil-minded rulers. The greatest dangers to liberty lurk in insidious encroachments by men of zeal, well-meaning but without understanding."—Justice Louis Brandeis in dissent, *Olmstead vs. U.S.* (1928).

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Civil libertarians in and out of Congress raised enough of a fuss about the Army snooping to get the Pentagon to agree to shut down its Ft. Holabird, Md., data bank on civilians. But the American Civil Liberties Union (ACLU) yesterday went into U.S. District Court in Washington for a hearing on a new complaint. It charged that such information is still being collected and stored elsewhere by the Army in violation of the Constitution.

One paradox is that while the ACLU is attacking Army surveillance, the Federal Bureau of Investigation is under White House orders to step up its monitoring of militant left-wing groups and individuals. As explained by anonymous White House aides, the objective is to find out who potential bomb planters and snipers may be before they endanger others. One aide says the increased surveillance actually strengthens safeguards of individual civil liberties. Unless the terrorists are stopped before they can act, the public will "demand that their police start cracking heads."

One way or another, the file space for dossiers will continue to grow.

[From the Glens Falls (N.Y.) Post Star, Apr. 24, 1970]

ON FILE

Have a curious situation. Last February a Washington publication charged that the Army was using undercover agents to infiltrate political groups and that it had set up a computerized data bank to record the doings of political activists. A howl was raised in and out of Congress. The Pentagon agreed to shut down its Fort Holabird data bank on civilians.

The American Civil Liberties Union subsequently charged that the Army's promise amounted only to collecting the identical information and storing it elsewhere. It filed a complaint charging a violation of the Constitution. Last Wednesday a federal judge threw the case out of court.

Before he did so, however, the Army argued that it had to keep track of people in case it might be called upon to put down riots. According to witnesses, some 3,000 names in the Army's files including Joan Baez, a pacifist singer, Dr. Benjamin Spock, such organizations as the National Association for the Advancement of Colored People and the American Friends Service Committee, plus a lot of communist names. Witnesses told of infiltrating various organizations.

There is a general impression that this sort of information-gathering is the job of the Federal Bureau of Investigation. The FBI is, in fact, under orders to locate potential bombers and snipers. That is its job. But the Army? If it can get in on the act, why not the Navy, the Air Force, any federal agency that can find some remote excuse for snooping on civilians?

At this rate there could come a day when Miss Baez might labor under the impression she was singing to a sell-out audience only to discover that they were all Pentagon Sleuths. Somehow it hardly seems compatible with civil liberties. Just incidentally, what about the worth of the Pentagon's promise?

[From the Wichita Eagle (Kans.), Apr. 24, 1970]

PERSONAL LIBERTY SUFFERS AS POPULATION BURGEONS

A federal district judge has dismissed a suit to keep the army from collecting, storing and circulating information on the political activities of some 3,000 civilians.

The contention of the American Civil Liberties Union which brought the suit is that the army is engaged in surveillance that serves no legitimate military purpose.

The army counters with the assertion that it is required to conduct domestic intelligence activities to prepare for emergencies such as the riots that erupted in Newark and Detroit in 1967. Federal troops were called both times.

It is probably necessary for the good of all to keep the military informed of potential domestic crises. The nation's peace-keeping machinery would be powerless without knowledge.

The apparent infringement of the privacy we are all entitled to is the unfortunate result of activity on the part of a militant minority which could threaten the security of the entire nation.

The saddening result of a growing social complexity and a burgeoning population is that it is increasingly difficult to exercise complete personal liberty without infringing on the rights of others.

The task that lies ahead is to strike a balance. We must protect the whole society from the excesses of a few without unduly restricting personal liberty.

Military surveillance of civilians is distasteful, but for the protection of the many, perhaps necessary.

The trick is to see that it is not carried to excess, to guard against political suppression and invasion of privacy, it must be made certain that the military always remains under civilian control.

[From the Waterloo (Ohio) Courier, Apr. 24, 1970]

DON'T LET ARMY ASSUME FBI FUNCTIONS

A Federal district judge in Washington, D.C., has dismissed a suit filed by the American Civil Liberties Union which sought to prohibit the Army from investigating and keeping files on individuals possibly involved in subversive activities.

Testimony both in and outside the court indicated that the Pentagon's Counterintelligence Analysis Division may be keeping files on individuals ranging from members of the Ku Klux Klan to Attorney William Kunstler.

The ACLU says it will appeal the verdict.

We see nothing ethically wrong with the Army activity; but there seems to be a good argument that it is intruding on the specialized function of the Federal Bureau of Investigation.

The Army has the assignment of defending the country against foreign enemies. In case of widespread civil disorder, it is also called in to restore law and order.

Thus it has a right to obtain within certain limitations the information which would be necessary in carrying out those functions. The collecting of information implies no right to intervene in civilian affairs in any way except when called upon to do so by the commander-in-chief.

But there is obviously an overlap area involving the FBI and in most domestic situations the FBI would be the more appropriate agency to probe the activities of extremist right-wing and left-wing groups. While U.S. Supreme Court decisions allowing the advocacy of violence make court convictions difficult, investigation of possibly subversive groups by an agency of the Justice Department is much more desirable and defensible than by an agency of the Department of Defense.

We hope that the lower court verdict will not be reversed on appeal because it would be undesirable to have the Army's hands tied by intricate court decisions. But as a matter of practice, the President should investigate this area to determine if the Army has exceeded reasonable military necessity.

[From the St. Louis Post-Dispatch, Apr. 24, 1970]

LIKE A NEWSPAPER?

A federal district judge in Washington has concluded that the Army has a legal right to go on infiltrating and spying on civilian groups engaged in legally permissible activities. Maybe so; the American Civil Liberties Union intends to press an appeal.

The wisdom of the Army's efforts, as a matter of public policy, is entirely another matter. Judge George L. Hart Jr. made no case for that by holding that the Army's collection of intelligence reports is essentially no different from that of newspapers which store information on individuals in their files.

Newspapers do not store information on individuals or groups solely because of their political ideas and associations—and that is what the Army is doing. But no matter. The great distinction is that newspapers are not arms of government. The Army is. And when an arm of government goes about spying on citizens, and keeping vast records on them just because of their ideas and associations, then government is interfering with free political rights.

The ACLU argued that the Army's activities inhibited the free speech guarantees of the Constitution. We would not be surprised if a higher court agreed. In any case, since

Congress has not specifically authorized the military to spy on civilians, Congress ought to deny the Army the power to do so. It is not consistent with the ideals of a free country.

[From the Valdosta (Ga.) Times, Apr. 25, 1970]

TO PROTECT CIVIL LIBERTIES

The U.S. Army has felt it has had good reasons to be snooping around with its own force of undercover agents. They have been snooping right here at home, compiling information on civilians who have been involved in demonstrations and other types of political activities.

Army higherups say the activities have been necessary, because they need such information if called into an area to quell a disorder. But when the Army's homeside intelligence activities were made public, there was enough calm raised by civil libertarians and some Congressmen that the Army closed down its data bank on civilians at Ft. Holabird, Md.

The American Civil Liberties Union (ACLU), however, is going into court with a new complaint. It contends the Army is still collecting such information in violation of the federal Constitution.

One paradox is that while the ACLU is attacking Army surveillance, the FBI is under White House orders to step up its monitoring of militant leftwing groups and individuals. The objective is to find out who potential bomb planters and snipers may be before they endanger others.

It is apparent, despite what the ACLU and others say, that there will be more and more undercover activities right here at home. In effect, it will protect the civil liberties of a lot of people who would be killed or injured by some crazy bomb planter.

[From the New Britain (Conn.) Herald, Apr. 25, 1970]

THE DOSSIER SOCIETY

The question of official encroachment against personal privacy, a recurring problem of our times, has been raised again, this time by the United States Army, which thinks it has good reason to keep tabs on the activities of civilian dissenters. The argument is that the Army needs to gauge the potential for civil disturbances in which the Army might be called out to restore order. To this end, the Army reportedly has used fulltime undercover agents to infiltrate political groups and to have established a computerized data bank on the political involvement of civilian activists.

As it developed, enough of a fuss was raised by civil libertarians, both in and out of Congress, to get the Pentagon to agree to shut down its data bank on civilians. But the matter hasn't ended there. The American Civil Liberties Union charges that the Army, in violation of the Constitution, is still collecting such information and storing it elsewhere. The ACLU has gone into U.S. District Court in Washington for a hearing on the complaint.

Meanwhile, a paradox: As the ACLU continues its attack on Army surveillance of civilians, the Federal Bureau of Investigation is under White House orders to step up its monitoring of militant left-wing groups and individuals. White House aides explain that the objective is to find out who potential bomb planters and snipers may be before they endanger others. One aide claims this increased surveillance actually strengthens safeguards of individual civil liberties, since, unless potential terrorists are stopped before they can act, the public will eventually demand a suffocating clampdown by police.

One way or another, it looks as though the file space for dossiers will continue to grow,

which is a shame, because it measures our growing distrust of one another. A Constitutional test on the question of individual privacy may eventually resolve the matter, but it is sad that the issue has to be raised in the first place. In a time which experiences the increasing polarization of viewpoints, reconciliation seems a small hope indeed.

[From the Augusta (Maine) Kennebec Journal, Apr. 25, 1970]

THE DOSSIER SOCIETY

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Civil libertarians in and out of Congress raised enough of a fuss about the Army snooping to get the Pentagon to agree to shut down its Ft. Holabird, Md., data bank on civilians. But the American Civil Liberties Union (ACLU) went into U.S. District Court in Washington on Wednesday for a hearing on a new complaint. It charges that such information is still being collected and stored elsewhere by the Army in violation of the Constitution.

One paradox is that while the ACLU is attacking Army surveillance, the Federal Bureau of Investigation is under White House orders to step up its monitoring of militant left-wing groups and individuals. As explained by anonymous White House aides the objective is to find out who potential bomb planters and snipers may be before they endanger others. One aide says the increased surveillance actually strengthens safeguards of individual civil liberties. Unless the terrorists are stopped before they can act, the public will "demand that their police start cracking heads." One way or another, the file space for dossiers will continue to grow.

[From the Sioux City (Iowa) Journal, Apr. 26, 1970]

BIG BROTHER ROLE FOR ARMY?

This turbulent era has produced a number of disturbing expressions of movement toward thinking and speaking made sterile and stereotyped through the subtle injection of fear and intimidation. The cursory dismissal by a federal judge of a challenge to the Army's declared right to spy on civilians should leave any thinking American more than aghast.

Surveillance of civilian actions and comment is an accepted and approved extraordinary duty placed on the military when administering territory and peoples subdued by the force of arms. Does America fall into the category of occupied territory?

U.S. District Judge George L. Hart Jr., refused to hear a suit filed by the American Civil Liberties Union which contends that Army spying activities (one report claims 1,000 undercover agents) violates citizens' First Amendment rights of free speech and freedom from guilt by association. The denial was based on the opinion that the A.C.L.U. failed to show that the civilian spying is unconstitutional.

Which must mean that the gathering of data on private citizens is constitutional. It was constitutional in Germany when the Gestapo engaged in such activities during the Hitler era.

The Army claims it has good reason to keep tabs on the activities of civilian dissenters, the highly questionable argument being that it needs to gauge potential for civil disturbances to which it might be called to restore order.

There is clear evidence in this restless, violence-threatened period for anticipatory soundings and surveys of possible explosive situations. They are needed. And this summer may find the longest and hottest ordeal in recent years. As abhorrent to many as is the White House order for an increase in Federal Bureau of Investigation monitoring of suspected dissenters and extremists, property and human life may be at stake. Such action, with wise restraint, is an integral part of the defense of freedom.

The Army of the United States is another matter. It functions and performs at the discretion of civilian superiors. Civilian decree will judge when, if and where military protection is needed in the event of violent disturbance. Use in domestic emergency has, and should continue to be, an option of last resort.

A self-declared right to spy is neither in the spirit of this country's compact with freedom nor in the realm of common sense. Justice Louis Brandeis, in 1928, offered an opinion much in need of careful appraisal now:

"Experience should teach us to be most on our guard to protect liberty when the government's purposes are beneficent. Men born to freedom are naturally alert to repel invasion of their liberty by evil-minded rulers. The greatest dangers to liberty lurk in insidious encroachments by men of zeal, well-meaning but without understanding."

[From the Scranton (Pa.) Tribune, Apr. 28, 1970]

GOVERNMENT SNOOPING

In recent years more and more attention is being given to complaints against government snooping in areas where it may very well be termed invasion of privacy. The action of government agencies in gathering information about our citizens is now being looked upon with grave suspicion by all persons conscious of their rights and liberties.

The latest of the complaints lodged against investigative actions by the government involves the U.S. Army which is charged with using fulltime undercover agents to infiltrate political groups and to have set up a computerized data bank on the political activities of civilian activists.

Civil libertarians in and out of Congress raised enough of a fuss about the alleged Army snooping to get the Pentagon to agree to shut down its Fort Holabird, Md., data bank on civilians. But the American Civil Liberties Union (ACLU) is instituting court action on a new complaint. It charges that information is still being collected and stored elsewhere by the Army in violation of the Constitution.

The Army thinks it has good reason to keep tabs on the activities of civilian dissenters. The argument is that it needs to gauge the potential for civil disturbances where the Army might be called out to restore order.

One paradox is that while the ACLU is attacking Army surveillance, the Federal Bureau of Investigation is under White House orders to step up its monitoring of militant left-wing groups and individuals.

As explained by a White House aide, the objective is to find out who potential bomb planters and snipers may be before they endanger others. The informant says the increased surveillance actually strengthens safeguards of individual civil liberties. Un-

less the terrorists are stopped before they can act, the public will "demand that their police start cracking heads."

All of which serves to recall an observation by Justice Louis Brandeis: "Experience should teach us to be most on our guard to protect liberty when the Government's purposes are beneficent . . . The greatest dangers to liberty lurk in insidious encroachments by men of zeal, well-meaning but without understanding."

[From the Houston (Tex.) Post, May 1, 1970]

ARMY UNDER ATTACK

During World War II, many Americans were shocked by the use of "fifth columns" by this country's enemies, although they should not have been since the use of subversion to undermine resistance is as old as warfare itself. Still, since it involves a "sell-out" of one's country, it evokes feelings of moral indignation in some people.

The term "fifth column" came into use during the Spanish Civil War, one of the preliminaries of World War II, when it was applied to Madrid residents supporting Generalissimo Francisco Franco, the leader of the anti-democratic forces.

However, it is the Communists, who aided the resistance to France, that have developed use of this weapon to a fine point in recent years. They have made subversion an integral part of their military operations. They have developed highly complex and sophisticated techniques for penetrating and subjecting other countries by blending the use of subversion, terrorism and politics with that of outright military force.

The current conflict in Southeast Asia provides an excellent example of the use of these techniques. Because of this and the use of guerrilla warfare tactics, it is very difficult to distinguish combatants from non-combatants or friend from foe.

Subversion has become an important weapon in the worldwide operations of the international Communist movement.

For this reason, it is difficult to justify the outcry raised by some civil libertarians in this country about the collection by the Army of information about active and potential subversives. The military's right to "collect, store and circulate" information about the activities of civilian "dissenters" has come under broad attack, and the climate has been favorable because of the fear many people have of the loss of personal privacy as a result of the growth of governmental bureaucracy.

Congressional pressure forced the Army to close down its computerized data bank on civilian dissenters at Fort Holabird, Md. The bank was supposed to contain a "blacklist" of political activists, who might properly be regarded by the Army as potential troublemakers. The Army is continuing to maintain its files.

When the American Civil Liberties Union filed a suit in federal district court in behalf of 12 of these political activists, the judge threw the suit out and called some of the arguments ridiculous. Pointing out what the Army was doing was not different from what newspapers do when they collect clippings and notes in their "morgues," he upheld the Army's right to collect intelligence related to the carrying out of its mission, protection of the nation's physical safety. The decision will be appealed, of course, and the case could reach the Supreme Court.

The Army argued that its intelligence-gathering activities in this area are essential to the planning and operations in that it is necessary to gauge the possibility of civil disorders it might have to quell or help quell. The number of these disorders has increased greatly the past few years, and the Army has been called upon to come to the assistance of civil authorities on numerous occasions, particularly the National Guard.

[From the Springfield (Ohio) News-Sun,
May 3, 1970]

SNOOP WE MUST?

Big Brother, army-style, may be watching you and what's more, a federal district judge has ruled that it is perfectly all right for the Army to spy on civilians. The American Civil Liberties Union, which pressed the case against the snoops, will try again, and it is difficult to believe that higher courts won't tell the Army to start minding its own business.

The issue has been kicked up by the report from a former intelligence officer that the Army has 1,000 undercover agents probing, and compiling files on, several civil rights, antiwar and racist groups. The Army has conceded that the report is substantially correct and claims that it must spy on such groups because it someday might be called to put down civil disturbances involving them.

District Judge George Hart Jr. ruled that the Army's activities are constitutional, basing his decision in part on a far-fetched comparison between newspaper reporting and official surveillance and infiltration. That's as untenable as the Army's own excuse, which, if carried to its logical conclusion, soon would have soldiers spying on Republican and Democratic politicians because their conventions might become disorderly.

The issue obviously deserves the sustained opposition that the civil liberties union has vowed. Chances are an appeals court will order the Army back to soldiering. In the meantime, however, whether or not the snooping is constitutional, it is clearly wrong.

[From the Boston (Mass.) Globe,
May 20, 1970]

ARMY STILL SPYING ON CIVILIANS

House committee disclosure that Army, Navy and Air Force intelligence services are spending \$2.9 billion per year should be read in conjunction with former Army Capt. Christopher H. Pyle's letter to the editor elsewhere on this page.

As Mr. Pyle points out, the military, to do its job, "must have maps and descriptions of potential riot areas, early warning, of incidents likely to provoke mass violence, and information about direct threats to military installations, activities and personnel. But it does not need dossiers, card files, computerized data banks and identification lists describing the political beliefs and actions of persons and groups that pose no threat to public order or military security."

It is intolerable that the Army is still going about the business of spying on civilians in their purely civilian activities despite assurances to congressional committees that it would abandon such purely political and intimidating practices.

The \$2.9 billion does not include the cost of day-to-day operations in Vietnam or elsewhere beyond the United States, and it does not include the cost of intelligence activities of either the State Department or the Central Intelligence Agency. The \$6 billion annual expenditure of the CIA is concealed (or until now has been) in a one-line item in the Federal budget. The \$2.9 billion does include such items as the cost of infiltrating a coalition of church groups running a project for emotionally disturbed young people. It takes a strange kind of mind to find a threat to the security of the nation in such socially commendable enterprises.

Except within the areas defined in Capt. Pyle's letter, what Americans do in their own country would be none of the military's business even if the military's inquiry into such matters cost not one penny. But Assistant Defense Secretary Robert F. Froehke has testified that he "cannot hazard a guess" as to the total spent on intelligence over and above the sums mentioned. He has said that,

if he made such a guess, "it would be frightening."

Can any better argument be offered for Congress to get back its traditional control of the purse strings and other powers over American life which it has surrendered to the executive branch of the government?

[From the Washington (D.C.) Post,
May 21, 1970]

SURVEILLANCE

The Senate Judiciary Committee has given unanimous approval to Sen. Sam Ervin's bill designed to protect the constitutional rights and privacy of executive branch employees. The bill, which, incidentally, has 54 other sponsors, would prohibit the questioning of government personnel or applicants for government jobs about their religion, personal relationships, sexual attitudes, race, religion, political preferences or affiliations unrelated to their employment. Well, you might think this was just a generalized expression of senatorial preference for virtue over vice. But not at all. When a closely similar measure came to the Senate floor in September, 1967, it passed that chamber overwhelmingly. It died aborning, however, in a House Post Office and Civil Service subcommittee—because certain federal agencies, the Civil Service Commission among them, looked askance at so much freedom.

In its contemporary version, Senator Ervin's bill provides exemptions for the CIA, NSA and FBI, gumshoe operations that continually insist they are a law unto themselves. Perhaps the bill's sponsors figure that those who go to work for these agencies are old enough to know what they're getting into and deserve no better than what they get; and it may be that exempting them is the price that has to be paid for covering State, Treasury and all the rest of the executive branch.

But what about all the rest of us outside the government? Senator Ervin's ardent objections notwithstanding, the U.S. Army is still taking it upon itself to collect data about all manner of citizens, recording among other things their participation in protests, their attendance at political meetings, their enrollment of petitions. These data, computerized by the brilliant resourcefulness of modern technology, lie waiting like buried bullets to shoot down a blossoming career. There is not much use in protecting government employees from snooping if the citizens who might otherwise become employees are under Big Brother's surveillance. In such a system, no one knows what job offers may be denied him because at some time he has been unconventional or indiscreet.

The American Civil Liberties Union has challenged this army surveillance in the courts. Its effort failed in a federal district court here; but the issue is now up for circuit court review. Government snooping into the private lives of citizens charged with no violation of law is worse than a nuisance, worse than an intimidation. It is a fascist technique which fosters fascism.

[From the Progressive, June 1970]

THE BOON OF SNOOPERY

(By Morton Kondracke, Washington correspondent for the Chicago Sun-Times)

If the nation is threatened with bombings, bank burnings, violent demonstrations, and assassinations doesn't the Government have a responsibility to find out who is up to such terrorism, and head it off? Indisputably, it does, but Federal agencies are now using this responsibility as a pretext for infiltration, spying, and file-keeping on a scale that would dumfound even the redoubtable old snooper of the 1920s, the late Attorney General A. Mitchell Palmer.

Consider: The Justice Department's Interdivisional Information Unit daily receives hundreds of

raw reports from the FBI, the Secret Service, and other agencies, and feeds them into a computer. Each week, the computer disgorges its contents onto print-out paper which fills four two-inch-thick regional books that list every demonstration in the country, violent and nonviolent, along with its organizers and their political backgrounds.

The Secret Service has compiled a computerized data bank containing 100,000 names and 50,000 investigative dossiers—not only on potential assassins, but on persons who might "embarrass" or make "abusive statements" about high Government officials.

As recently revealed by John Lang of the Associated Press, the Civil Service Commission employs seventeen clerks to read dissenting publications and clip the name of persons "favorably mentioned" for addition to the Commission's "subversive activities file," which now contains 2.5 million names. The CSC files are available to other Federal investigating agencies.

As uncovered by Robert Walters of the Washington Star, the Civil Service Commission is also considering guidelines which would forbid Federal employment to persons who "engage in violent campus demonstrations"—not necessarily those convicted of any crime or even formally charged.

In the most unconscionable example of all, the Army has undertaken to infiltrate civilian political groups, report on them, and keep massive files on individuals who have nothing whatever to do with the military. In response to criticism, the Army has justified this activity by referring to its need to move into situations of civil disorder when ordered to do so by the President. The Army was called into five cities in 1967 and 1968—none since—yet until recently it maintained two computerized data banks on civilians and still maintains one, at Fort Monroe, Virginia. It compiled two "blacklists" of troublesome individuals and groups, and it has a microfilm file containing the names of thousands of citizens, including Mrs. Martin Luther King, Joan Baez, Julian Bond, and anti-war Admiral Arnold E. True. Still other files are kept by local military intelligence groups headquartered in cities around the country.

Although the Army claims that its 1,000 counterintelligence agents are under specific orders not to engage in undercover activities in the civilian community, they regularly pose as students and newsmen at demonstrations and pose as interested participants by joining groups. One agent took up residence at Resurrection City in 1968. Another had a reserved seat at the Democratic National Convention. The 116th Military Intelligence group in Washington for a while drove to demonstrations in a video tape truck marked "Midwest News."

This does not begin to exhaust the list of agencies now involved in the boom business of snooping. Others include the Post Office and the Navy on the Federal level, and "subversive units" of several local police departments, which share their information with Federal spies.

The problem is compounded by the attitude of official Washington. On the one hand, the Nixon Administration's policies and rhetoric contribute to the radicalization of students, blacks, and just plain citizens. On the other, the Administration is cracking back at the radicalization by "unshackling" the uniformed police and expanding the political police. Attorney General John Mitchell has already authorized the use of "national security" wiretaps, requiring no court permission, on radical groups.

As disclosed by James Naughton of *The New York Times*, conservatives in the White House are determined to step up surveillance still further in the conviction that radical dissenters are not politically motivated at all. "We're dealing with the criminal mind," one Presidential aide told Naughton.

Without a doubt, there are criminals among U.S. radicals who give not one whit for democratic procedure and who would be only too happy to see an orgy of fear and destruction result in the actual triumph of a police state. To control the terrorists, however, we cannot rely on the Federal Internal Security Establishment as it presently operates. All of its instincts, ideological and bureaucratic, impel it to construct the kind of police state the radicals seek. In a sense, SDS bomb-throwers and J. Edgar Hoover's wire-tappers are partners in accelerating us toward 1984.

Breaking up this partnership will require Congressional intervention in response to public demand. In the era of terror and panic that we seem to be entering, however, few Congressional voices have been heard. In fact, only one legislator has had the temerity and the power to speak out consistently. He is Senator Sam Ervin Jr., North Carolina Democrat, whose strict constructionist view of the Constitution permits no bridling of the First Amendment and no invasion of privacy save through the legislative process. Ervin, who is a civil liberties hero and a civil rights racist, is preparing hearings on a broad range of Government spying and suppression of dissent. He cannot hold them too soon. It is imperative that they lead to tough legislation prescribing what the snooping establishment can and cannot do. Most spying now goes on under regulations promulgated by the spies themselves.

Ervin cannot bear the burden alone. Liberals, many of whom have been curiously inactive, must mount a major campaign to resist and reverse the current trend toward a police state, while still providing adequate controls to enable the Government to deal with genuine threats of violence. So must true conservatives, if their proclaimed commitment to preserve liberty is sincere.

[From the Washington (D.C.) Daily News, Feb. 5, 1970]

ARMY SNOOPS ON CIVILIANS' POLITICAL ACTS (By John Cramer)

Sen. Sam Ervin, D-N.C., the Constitutional Rights subcommittee chairman, may soon call special hearings on the recent disclosure that the Army has its own small regiment of plain-clothesmen checking on citizens who lawfully engage in protest movements.

And on the further disclosure, denied but not quite believed, that the Army is planning a data bank to provide "instant" information on the citizens investigated.

Both disclosures came in an article by Christopher H. Pyle, a former Army intelligence captain, in the January issue of the year-old, highly impressive Washington Monthly.

The Pyle article says in effect:

If you were a Federal employee who helped lead Monday's brown-bag boycott against Pentagon cafeterias, your activities probably were observed surreptitiously . . . duly recorded . . . and reports fanned out to Army installations even in Alaska, Asia and Europe by some of the almost 1,000 under-cover Army investigators "keeping track of political protests of all kind—from Klan rallies in North Carolina to anti-war speeches at Harvard."

That if you were active on Moratorium Day, no matter how legally, you are almost a 100 per cent in the Army's daily and weekly reports to its far-flung stations.

ARMY CLAIMS NEED

The Army justifies this on the ground that it needs the information to play its necessary role in assisting civilian authorities in time of civil disturbances.

Mr. Pyle insists, and Sen. Ervin agrees, that the Army program goes far beyond its legitimate needs.

The nationwide surveillance network Mr. Pyle writes about is based at Ft. Holabird,

Baltimore. Its principal function, he says, is "to protect the Army from espionage, sabotage, and subversion. Its main job is to investigate personnel being considered for security clearances, and to inspect military installations for adequate physical, wire-communications, and document security."

But in practice, his article says:

Holabird uses "soldier agents . . . personable young men" to keep watch on "virtually every political activist group in the country" . . . including "the Southern Christian Leadership Conference, Clergy and Laymen United Against the War in Vietnam, the Civil Liberties Union, and the National Association for the Advancement of Colored People."

These "soldier agents" are given only minimum training.

The information they collect is distributed by a group "commanded by a major and run by a civilian. They supervise the work of about a dozen persons who work in shifts around the clock. Most are WAC typists . . ."

This force "rarely has the time to verify, edit or interpret" the reports they send out to Army installations world-wide.

But despite this, the reports are used by other agencies, including Civil Service Commission, in evaluating the fitness for duty of Federal job applicants, and Federal employees already on the job.

PUBLISHES BLACKLIST

Mr. Pyle also wrote:

"The Army also periodically publishes an eight-by-ten-inch, glossy-cover paperback booklet known within the intelligence circles as the 'blacklist'."

"The 'blacklist' is an encyclopedia of profiles of peoples and organizations who, in the opinion of the Intelligence Command officials who compile it, might 'cause trouble for the Army' . . ."

"Sometime in the near future the Army will link its teletype reporting system to a computerized data bank."

"This computer . . . will be able to produce instant printouts of information in 96 separate categories. The incident reports will relate to the Army's role in domestic disturbances, and will describe such occurrences as bombings, mass violence and armed thefts."

"The personality reports—to be extracted from the incident reports—will be used to supplement the Army's seven million individual security clearance dossiers and to generate new files on the political activities of civilians wholly unassociated with the military."

If it doesn't scare you, it should. It scares me!

[From the Chicago (Ill.) News, Jan. 15, 1970]

ARMY SPYING ON CIVILIANS, EX-INTELLIGENCE MAN SAYS

(By Robert Gruenberg)

WASHINGTON.—The Army has 1,000 plain-clothes agents spying on civilian activities ranging from antiwar protests to Ku Klux Klan rallies, a former Army intelligence officer has charged.

Aside from violence-prone groups that the Army first decided in 1965 to watch, those under surveillance now include the National Assn. for the Advancement of Colored People, the Southern Christian Leadership Conference, the American Civil Liberties Union, and Clergy and Laymen United Against the War in Vietnam, according to former Capt. Christopher H. Pyle.

Pyle, a doctoral candidate at Columbia University, recently completed two years' service in Army intelligence.

Writing in the current Washington Monthly, Pyle says Army agents frequently have posed as press photographers covering antiwar demonstrations, students and even

as "residents" in Resurrection City, the mass assembly of poor blacks in Washington in the summer of 1968.

Originally, Pyle said, the Army's purpose was to "provide early warnings of civil disorders" it might be called upon to quell.

The program has expanded, he said, so that "today the Army maintains files on the membership, ideology, programs and practices of virtually every activist political group in the country."

The information is funneled by a teletype network to major troop commands in this country daily, while its files are available to the U.S. Civil Service Commission, the Atomic Energy Commission and military intelligence units.

The system will soon be hooked into a computerized data bank at Fort Holabird, in Baltimore, and will provide, among other things, Pyle said, "personality reports" on civilians "wholly unassociated with the military."

Pyle added that the army's files, unlike those of the FBI's national crime information center, "will not be restricted to the storage of case histories of persons arrested for (or convicted of) crimes."

[From Computerworld, Feb. 11, 1970]

ARMY FILES DATA ON LAWFUL CIVILIAN POLITICAL ACTIVITY (By Joseph Hanlon)

BALTIMORE, Md.—The Army now has a computerized data bank on lawful civilian political activity.

The computerized file of Civil Disturbance Incident Reports is one of several data banks maintained by the U.S. Army Intelligence Command Headquarters at Fort Holabird, here.

The incident reports actually include not only "civil disturbances," but lawful and non-violent meetings and lectures as well, and apparently include groups such as the American Civil Liberties Union.

Data from the file is available to other government agencies doing security checks, according to the Army. Primary input to the file appears to be newspaper clippings, with little or no attempt made to verify them.

CONGRESSMEN PROTEST

Letters of protest have been sent to Army Secretary Stanley R. Resor by the two congressmen most concerned about privacy: Sen. Sam J. Ervin, chairman of the Senate Constitutional Rights Subcommittee, and Rep. Cornelius E. Gallagher, chairman of the House Right to Privacy Inquiry.

The existence of the data bank was first revealed in the January *Washington Monthly* in an article by Christopher H. Pyle, who recently completed two years as a captain with Army Intelligence.

COMPUTER CORRELATES TRENDS

The incident reports are gathered from 300 field offices throughout the country, and are sent here by Teletype. The reports are then punched into cards and processed by computer.

An Army spokesman said that the computer "can correlate trends and like incidents" and could compile a list of all of the incidents in which a particular person has been involved. Other details of the computer operation are not available.

Incident reports are gathered by the local field offices from the police and by clipping local newspapers. The headquarters subscribes to the major news services such as the Associated Press, and articles relating to incidents are filed.

The FBI is also a major source of information, according to the spokesman. Finally, some information is obtained by undercover agents.

The justification for the data bank, according to the Army spokesman, is that the Army needs information of potential civil

disorders that it might be called upon to quell. In addition to collecting incident reports, the Intelligence Command Headquarters also collects information on "possible subversive activity" by civilians, and the "names and addresses of influential people in certain groups."

The Army maintains the name and address list in order to call on leaders for help in quelling riots, according to the spokesman. But Pyle suggests that the list is actually maintained in order to give the Army a list of people to be arrested.

ACLU INCLUDED?

The Army admits that incident reports include lawful meetings, and Pyle claims that the Army is building files on groups that are unlikely to be involved in civil disturbances. "The Army maintains files on the membership, ideology, programs, and practices of virtually every activist political group in the country," he said.

"These include not only such violence-prone organizations as the Minutemen and the Revolutionary Action Movement, but such nonviolent groups as the Southern Christian Leadership Conference, Clergy and Laymen United Against the War in Vietnam, the American Civil Liberties Union, Women Strike for Peace, and the National Association for the Advancement of Colored People (NAACP)."

Pyle told CW that while touring an Army Intelligence office, he saw a stack of incident report cards. The top card, he said, contained a single notation: that Arlo Tatum, executive secretary of the Central Committee of Conscientious Objectors, had delivered a speech at the University of Oklahoma on the legal rights of conscientious objectors.

OTHER DATA BANKS

The Army Intelligence Command Headquarters maintains several data banks here. A noncomputerized one is the Investigative Records Repository (IRR) used to maintain information for security checks of Army personnel and civilian Army employees. Information in the IRR files is available to the FBI, the Central Intelligence Agency, and to other government agencies for security checks.

The Intelligence Command probably exchanges data between its various data banks as needed, so that agencies requesting information from the IRR for a security check can probably get information from the incident reports as well.

Pyle charged that the incident reports "will be used to supplement the Army's seven million individual security-clearance dossiers and to generate new files on the political activities of civilians wholly unassociated with the military." The Army spokesman refused to discuss access rules for the incident reports. Pyle sees two dangers posed by the data bank of incident reports. First, since the incident reports are filed without much, if any, check, it is likely that "unverified and potentially erroneous and irrelevant reports" will get into the security-clearance dossiers of the IRR.

Second, Pyle notes that "unlike similar computers now in use at the FBI's National Crime Information Center in Washington," this computerized data bank is not restricted to the storage of case histories of people who have been arrested. Rather, it "specializes in files devoted exclusively to descriptions of the lawful political activity of civilians."

STATES ALSO HAVE DATA BANKS

The Army is not the only organization maintaining data banks of legal political activity. Many state police departments also do, and in some cases the information is available to the public. Most such files are not computerized, but since the Army Intelligence draws on state police files, this information probably ends up in the Army's computerized data bank.

The Massachusetts State Police Division of Subversive Activities maintains such a data bank. In its annual report for fiscal 1968, the division said that it had set up files "on peace groups, civil rightists, and other such groups." During that year, it "performed 4,034 security name checks."

Such checks are not just for state agencies. Although they are not authorized to do so, they will give out information to private concerns who call and ask. CW and other Boston newspapers have been able to check on individual files merely by telephoning the division and saying that they were considering hiring the individual.

NEW JERSEY FILE ILLEGAL

In New Jersey, the state attorney general had set up a reporting system in which the state police received reports on protests, rallies, and other demonstrations, whether legal or illegal.

Reports were to include basic personal data on the individuals involved, such as their names, ages, occupations and employers, names and addresses of associates, financial status, and past activities.

Last year, State Superior Court Judge J.S.C. Matthews ordered the attorney general to stop collecting such reports and "destroy all forms and files connected" with the reporting system.

Matthews declared that "the secret files that would be maintained as a result of this intelligence gathering system are inherently dangerous and by their very existence tend to restrict those who would advocate, within the protected areas, social and political change."

DOES NEW YORK HAVE A FILE?

New York State's computerized criminal data bank may also contain such a file. Plans call for it to contain a "crime intelligence file" which would include suspected Mafia members. This file is being used to check on possible Mafia associations with stock brokerage house employees [CW, Sept. 17].

[From the Chicago Sun-Times, Feb. 13, 1970.]

PLAN HEARINGS ON ARMY'S POLITICAL DATA BANK

(By Morton Kondracke)

WASHINGTON.—A House subcommittee will hold hearings in two or three weeks on the Army's computerized system for gathering political information of civilians, a committee aide said Wednesday.

Timing of the hearings depends on when the Army responds to inquiries sent to the Pentagon two weeks ago by Rep. Cornelius Gallagher (D-N.J.).

Gallagher, chairman of the House Government Operations Committee's right-of-privacy inquiry, is one of three legislators to have requested information on the Army system after its existence was disclosed by a former intelligence officer.

None of the three has received a response from the Army. Besides Gallagher, the letters were sent by Senators Abraham Ribicoff (D-Conn.) and Sam Ervin (D-N.C.).

Concern about activities of the CONUS (for Continental U.S.) intelligence branch of Army intelligence was first aroused by former Capt. Christopher Pyle in a magazine article in the Washington Monthly.

Pyle, now a graduate student at Columbia University, charged that the Army "has gone far beyond the limits of its needs and authority in collecting domestic political intelligence."

Though the Army has not yet responded to the legislators, it did acknowledge to newsmen that information is maintained on civilians "who have been active in past civil disturbance activity" and that it keeps computerized files on "civil disturbance incidents."

HOW IT'S GATHERED

Ribicoff asked the Army specifically whether the information is gathered by the

Army itself or whether data is supplied by other agencies.

The Army told reporters that its information comes from local, state and federal law enforcement agencies, though Pyle said it also was gathered by army intelligence agents posing as press photographers, college students and "residents" at Resurrection City.

The Army said its agents never engaged in undercover activity to gather domestic political intelligence.

COMPUTERIZATION CRITICIZED

Inquiries by Gallagher and Ervin were directed especially at the computerization of the Army information.

Long a battler against construction of a national data bank, Gallagher said the Army system described by Pyle seemed to be "a nationwide data bank of information about the constitutionally protected protest and dissent activities of many American organizations."

Gallagher told Army Sec. Stanley Resor in a letter that "I am deeply concerned about the implications of collecting dossiers on Americans who are pursuing constitutionally protected activities, especially when they are to be inextricably embedded in immediately available form in a computerized data system."

REBUTTAL?

Gallagher asked Resor whether individuals would be permitted to review and correct information gathered on them. He also asked about the Army's authority for operating the system, its use and source of funds.

Replying to reporters' questions, the Army insisted that its computerized files were not arranged by individual but by "incident" and were used only "for analysis of trends and identification of potential trouble spots."

But a Gallagher aide, Charles Witter, said testimony in previous computer-control hearings had shown that as long as information on individuals is stored in a computer, under whatever subject heading, it can be retrieved.

SECRET SERVICE LINK

Witter said the Gallagher inquiry will also look into whether there is a link between the Army system and the data bank maintained by the Secret Service.

That system, complained of by Ervin, permits collection of information on cranks, gate crashers and persons who threaten high government officials, but also on "anti-American or anti-U.S. government demonstrations in the U.S. or overseas" and individuals and groups intending to "embarrass" government officials.

[From the Minneapolis Tribune, Feb. 15, 1970]

U.S. ARMY RIVALS FBI IN SURVEILLANCE OF DOMESTIC ACTIVISTS

(By Frank Wright)

WASHINGTON, D.C.—Not long ago Conrad Lynn, an author of draft evasion materials replaced Yale University Chaplain William Sloan Coffin as the principal speaker at a Philadelphia, Pa., rally.

Lynn's appearance at the antiwar meeting was sponsored by the Philadelphia chapter of the Women's Strike for Peace. About 200 people came to the First Unitarian Church to hear him.

The same week the Rev. Albert Cleage Jr., founder of the Black Christian Nationalist Movement in Detroit, Mich., spoke to about 100 people at the Emmanuel Methodist Church there on the subject of black unity and the problems of the ghetto.

Also that week, about 300 members of Veterans for Peace and Women for Peace held a demonstration at the Museum of Science and Industry in Chicago, Ill.

They were protesting an armed forces exhibit.

In each case the gathering was peaceful, lawful and totally civilian in nature.

But, also in each case, agents of the U.S. Army observed the event and made a report. The reports were quickly transmitted by the Army's intelligence command to every major troop headquarters in the continental United States, Hawaii, Alaska, Panama and Europe.

These are not isolated incidents of occasional military surveillance of civilian political activity.

To the contrary, they are evidence of the latest example of the continuing growth of federal "Big Brotherism"—meaning the encroachment of the national government on individual privacy—in this country.

For four years, it develops, the Army has been closely watching civilian politics. Nearly 1,000 plain-clothes agents working out of 300 offices across the nation keep track of all kinds of protests.

The source of this disclosure is Christopher H. Pyle, a former Army intelligence officer. Pyle, 30, received an Army commission in 1961 upon graduation from Bowdoin College, Brunswick, Maine, where he was in the Reserve Officer Training Corps. He obtained permission to delay his active duty and earned a law degree and a master's degree in political science from Columbia University.

He entered the Army in 1966 as a first lieutenant and was assigned to the intelligence branch at Fort Holabird in Baltimore, Md. He was discharged as a captain in 1968 and now is a candidate for a doctor of philosophy degree at Columbia.

He described the Army's civilian-watching network in an article in the latest edition of the Washington Monthly, a journal focusing on politics and government in the national capital.

"When this program began in the summer of 1965 its purpose was to provide early warning of civil disorders which the Army might be called upon to quell. In the summer of 1967, however, its scope widened to include the political beliefs and actions of individuals and organizations active in the civil rights, white supremacy, black power and antiwar movements," Pyle said.

"Today the Army maintains files on the membership, ideology, programs and practices of virtually every activist political group in the country. These include not only such violence-prone organizations as the Minutemen and the Revolutionary Action Movement, but such nonviolent groups as the Southern Christian Leadership Conference, Clergy and Laymen United Against the War in Vietnam, the American Civil Liberties Union, Women's Strike for Peace and the National Association for the Advancement of Colored People," Pyle said.

"What is perhaps most remarkable about this domestic intelligence network is its potential for growth," Pyle said. "Uninhibited by congressional or presidential oversight, it has already expanded to the point where it in some ways rivals the FBI's older internal-security program."

"If the Army's fascination with the collection of domestic intelligence continues to grow as it has in the recent past, the intelligence command could use military funds to develop one of the largest domestic intelligence operations outside of the Communist world," he said.

The Army obtains its information from state and local police, the FBI, newspapers and, on occasion, its own undercover operations. Army agents have posed as press photographers covering antiwar protests, as students on college campuses and as residents of Resurrection City, where the poor people lived during their march on Washington in 1968, according to Pyle.

He said the Army also recruits civilian informants—sometimes for pay but usually via appeals to patriotism. For example, he said, Columbia recently gave students authority

to forbid routine inspection of their academic records by government investigators; but the 108th Military Intelligence Group in New York City quietly persuaded an employee of the registrar's office to provide information from the closed files on the spy.

Army agents file hundreds of reports each month on events and personalities, Pyle said. They are distributed daily and weekly over a nationwide wire service completed in the fall of 1967.

In addition, according to Pyle, the Army periodically publishes a paperback booklet known in the intelligence trade as the "blacklist." It contains profiles on people and organizations who, in the opinion of the officials who compile it, "might cause trouble for the Army," Pyle said.

The voluminous files, Pyle said, are soon to be computerized and stored in a central location at Fort Holabird's Investigative Records Repository.

This means their audience is likely to be substantially broadened, since numerous federal agencies—including the FBI, Secret Service, passport office, CIA, National Security Agency, Civil Service Commission, the Navy and the Air Force—have access to the repository and its data banks.

Pyle conceded that the Army, in order to help civilian authorities, needs a certain amount of information to provide early warning of incidents "likely to provoke mass violence."

But, he asked, "must it also distribute and store detailed reports on the political beliefs and actions of individuals and groups?"

He concluded that the Army has gone much too far.

Pyle's case has been taken up by Sen. Sam Ervin, D-N.C., who is known primarily as a segregationist on civil rights and a hard liner on law enforcement, but who also has a reputation as a champion of individual privacy.

Acting as chairman of the Subcommittee on Constitutional Rights, Ervin has undertaken a government-wide investigation of federal data banks and the extent to which they infringe on a person's desire to be left alone.

The first step is a survey of all departments and agencies to determine, as Ervin put it in a Senate speech, "what data banks are being developed and how they operate." The survey is still in progress.

In the same speech he called Pyle's disclosures "disturbing" and added, "Clearly, the Army has no business operating data banks for surveillance of private citizens, nor (does the Army) have any business in domestic politics."

Ervin also expressed concern over "data drives" undertaken by other agencies and said many of them were "unconscionable."

As examples, he mentioned activities of the Secret Service, the Health, Education and Welfare Department (HEW) and the Bureau of the Census.

The Secret Service, he noted, has asked all federal employees to provide it not only with information about plots to do violence to high government officials but also with information about people who want to make personal contact with those officials to redress grievances, persons who may be planning to "embarrass" those officials in some way and persons who participate in "anti-American or anti-U.S.-government demonstrations."

HEW, Ervin said, is sending to Medicare and Social Security recipients a 72-question survey making detailed inquiries into their financial condition and other aspects of their lives.

Those who fail to respond, he said, are pressured by follow-up letters and telephone calls from federal officials without ever being told that compliance is voluntary and not legally mandatory.

An earlier investigation by his subcom-

mittee, Ervin said, showed that during the last three years the Census Bureau had conducted 87 surveys for 24 other agencies covering more than 6 million people.

"Everything from bomb shelters to smoking habits to birth control methods was included in these 'people studies,'" Ervin said. "And usually with spaces for Social Security number, address and phone number on the form. All responses were fed into computers."

He said those in charge of some of the studies had told his subcommittee that it was "bad psychology" to tell the recipient that the studies were voluntary. It was better, they told the subcommittee, to give him the impression his replies were "required on pain of penalty."

Ervin called for new legislation to supervise and restrict the collection of data and, summing up, said:

"In the total recall of vast computer systems rests a potential for control and intimidation which is alien to our form of government and foreign to a society of free men."

"Regardless of the purpose, regardless of the confidentiality, regardless of the harm to any one individual, the very existence of government files on how people exercise First Amendment Rights—how they think, speak, assemble and act in lawful pursuits—is a form of official psychological coercion to keep silent and to refrain from acting."

"Because it is more insidious, it is a coercion far more effective and intimidating than any tyranny experienced by the founding fathers."

[From the Chicago Sun-Times, Feb. 27, 1970]

CIVILIAN DATA BANKS CONTINUE, DESPITE ARMY DISAVOWAL

(By Morton Kondracke)

WASHINGTON.—The Army continues to maintain computerized files on the political activities of thousands of civilians despite assurances it gave congressmen Thursday that it has discontinued the practice, The Sun-Times learned.

Microfilmed reports and a computerized index are maintained at the Pentagon on such individuals as Mrs. Martin Luther King Jr., folk singers Arlo Guthrie and Phil Ochs, black Georgia state Rep. Julian Bond and two retired military officers who have opposed the Vietnam War, Rear Adm. Arnold E. True and Brig. Gen. Hugh B. Hester.

The Army's general counsel, Robert E. Jordan III, sent letters to congressmen Thursday advising that a data bank at the Army Intelligence Command at Fort Holabird, Md., had been discontinued.

But sources who could not be identified said that the Holabird computer was only one of several files the Army keeps on civilian political activity.

It was learned that Rep. Cornelius Gallagher (D-N.J.) and Sen. Sam Ervin (D-N.C.) plan to continue their inquiries on Army data banks despite Jordan's letter. Ervin had asked the Army for a list of all its data banks.

CONFLICT APPARENT

In his letter, Jordan mentioned only one. He said: "The civil disturbance data bank (at Holabird) was discontinued since, after study, it was determined that the data bank was not required to support potential Army civil disturbance missions."

Jordan's letter also said that an "identification list" of persons "who might be involved in civil disturbance situations" had also been discontinued, but Gallagher was known to be studying whether the Army continues to maintain other "blacklists."

Information supplied to The Sun-Times also appears to conflict with Jordan's contention that the Army's "limited field of interest removes from legitimate concern of the Army minor forms of disturbances and

lawful activities not likely to lead to major disturbances involving use of federal resources."

Jordan declined to respond when an interview on the conflicting information was requested. Army information officers said they could not answer reporters' questions because of a suit filed by the American Civil Liberties Union to enjoin domestic intelligence gathering, even though the suit was not a criminal proceeding.

FAIL TO MENTION

Sources said that Jordan's letter failed to mention these domestic intelligence files:

(1) A microfilm data bank located at the Pentagon in the Directorate of Civil Disturbance Planning and Operations—the "domestic war room"—and maintained by the Counter-Intelligence Analysis Division of the Office of the Army's Assistant Chief of Staff for Intelligence.

Mrs. King, Bond, the folk singers and the military officers are only a few of thousands of persons on whom information is kept in the microfilm, the sources said.

(2) Although the computerized file at Fort Holabird has been discontinued, the information it contained is still on file at seven Military Intelligence Group headquarters around the country and could be reassembled.

Each group maintains files on domestic political activity in its region. Among them is the 113th MIG, Fort Sheridan, Ill.

(3) Smaller files are maintained at the G-2 office of each of the six Army Commands in the Continental United States and the military district of Washington.

(4) Still another political data bank is kept at the headquarters of the Continental Army Command, Fort Monroe, Va.

Jordan's letter went to congressmen in response to their inquiries about an article published in a Washington magazine by a former Army officer. Jordan confined his answers to rebuttal of the officer's assertions.

[From the Washington Star, Feb. 28, 1970] ARMY STILL MAINTAINING FILES ON CIVILIANS' POLITICAL ACTIVITY

The Army acknowledges that it maintains files on the political activities of civilians other than the computerized political data bank it told congressmen it was closing down.

It also conceded yesterday that information that formerly was kept in the computer is still on file and has not been ordered destroyed.

An Army spokesman confirmed that a microfilm file is kept on civilian political activity by the Counter-Intelligence Analysis Division of the office of the Army's assistant chief of staff for intelligence.

The spokesman, an official in the office of Army General Counsel Robert E. Jordan III, said that very few files were kept on individual civilians. He could neither confirm nor deny existence of files on several specific individuals.

Sources who asked not to be identified reaffirmed, however, that individual and organizational files number in the thousands and that they include data on such individuals as Mrs. Martin Luther King Jr., folk singers Arlo Guthrie and Phil Ochs and Georgia State Rep. Julian Bond.

SOME GROUPS MENTIONED

In addition, the sources said, files are kept on such organizations as the American Friends Service Committee, the American Civil Liberties Union, the Center for the Study of Democratic Institutions, the John Birch Society, Clergy and Laymen Concerned about Vietnam and the New Mobilization Committee to End the War in Vietnam.

Files are also kept on publications, including the magazine the Nation, the newsletter of Young Americans for Freedom, the

New Left's National Guardian and the underground Berkeley Barb.

The eight persons indicted in connection with disorders at the Democratic National Convention in 1968 are also listed, sources said.

While admitting existence of the microfilm file, the Army spokesman sought to play down its size and importance. He said it was an uncomputerized "office file" kept "for analysis purposes" by an agency charged with "answering specific questions" posed by top Army officials.

He said questions that might be posed to CIAD include "what likelihood is there that violence will occur this summer?" And "where is it likely to occur?" In case a mass march is planned somewhere. Another question would be "what likelihood is there that violence will occur which local authorities cannot handle?"

CIAD would use its files, which "consist primarily of FBI reports," to get an answer for the Army, based on the expected size of a march and the people and organizations planning it, he said.

CIAD also has a role in determining which U.S. cities might experience large riots. The Army now plans to be able to handle eight major disorders at once, a reduction from the 25 once planned for.

The spokesman said that there was an "innocent bureaucratic reason" for the CIAD files.

FBI POLICY CITED

He said, "The FBI has a policy that, if it once gives you a report, it won't give it to you again. So the analysis people have to keep the reports they've worked on before."

The spokesman said the files reflect work that CIAD has done. "This is far different from a data bank which contains whole reams of information," such as the one the Army maintained at Ft. Holabird in Baltimore and which was discontinued after pressure from Congress.

The spokesman said that a review of the Holabird data bank was under way before congressmen became aroused by a magazine article about it written by a former intelligence officer.

He said 50 congressmen sent inquiries to the Army about it—15 by personal letter to the Secretary of the Army.

The Holabird data bank was ordered discontinued on Feb. 19, he said, and an announcement was made Thursday to the congressmen. The announcement made no mention of the CIAD microfilm files or of the fact that formerly computerized information is still in files at Ft. Holabird, and at seven military intelligence group headquarters around the nation.

NO DESTRUCTION ORDER

No order has been issued yet for the destruction of those files, or of still other files maintained by the Continental Army Command at Ft. Monroe, Va., the spokesman acknowledged.

The Justice Department is the agency charged by President Nixon with primary responsibility for civil disorders.

The spokesman said, "We've been pushing for a long time to get Justice and the FBI to take over this responsibility completely. 'Justice does not (now) have the capability, in our minds, to do the job."

"We have to have an answer if we're asked, 'Will there be violence?'"

"Until we are satisfied that Justice can answer the question satisfactorily, we have to do it ourselves."

[From the Charlotte (N.C.) Observer, March 1970]

DATA BANKS FOR ARMY RILE ERVIN (By Davis Merritt)

WASHINGTON.—Angered by the Army's use of data banks to keep track of political pro-

testers, Sen. Sam Ervin (D., N.C.) announced Tuesday a governmentwide study of the surveillance of private citizens.

(Such civilian intelligence operations by the Army were recently disclosed in the article in the Washington Monthly magazine, which was reprinted in The Herald.)

Ervin said the Army and other government agencies are creating "monsters of surveillance whose very existence is often a form of coercion" to silence political protest.

Through his Senate Constitutional Rights Subcommittee, the senator will try to identify and control the many and massive intelligence-gathering programs within the government.

Citizens' First Amendment rights to free speech, assembly and petition will be "devastated beyond repair unless there is all-out control over the ever-curious executive branch of government," Ervin said.

The data banks are "garbage bins for the products of unwarranted invasions of privacy" and, "when hooked together, form a grave threat to Americans."

Ervin is particularly miffed about a recently disclosed Army system that keeps track of citizen anti-war protests.

Called CONUS, the secret Army data bank includes clippings from newspapers about campus and city-street protest activity and memos from intelligence agents based on casual conversations.

Ervin, early this month, wrote to Army Secretary Stanley Resor asking what business the Army had collecting data on civilians and what that had to do with defending the country.

He hasn't received a reply, and that makes him angry, too.

The military, he said, should have no role in civilian politics.

Likewise, he said, referring to previous data-bank discoveries by his subcommittee, the Secret Service has no business taking names of anti-war marchers, HEW has no business blacklisting scientists for their political beliefs, and government agencies have no business asking government employees how they spend their spare hours.

Ervin wants the study of all government data banks to help write laws giving citizens the right to see and answer charges made against them during intelligence-gathering operations. He also wants to control the improper exchange of information between agencies.

"The public does not have enough knowledge of these operations," he said. "There is no law requiring that the agencies divulge what they are doing."

[From the San Antonio (Tex.) Express and News, Mar. 1, 1970]

FORT SAM FILE WATCHES CIVILIANS

WASHINGTON.—The Army is maintaining computerized files at Fort Sam Houston on the political activities of civilians from San Antonio and elsewhere in the four-state 4th Army area.

The existence of the political "data bank" at Fort Sam was revealed this past week after the Army told congressmen it was closing its political data bank at Fort Holabird in Baltimore.

Later the Pentagon acknowledged that it was also maintaining the political data banks at seven other locations, including Fort Sam Houston.

The situation came to light after Rep. Cornelius Gallagher, D-N.J., and Sen. Sam Ervin, D-N.C., began quizzing Pentagon officials about reports of military intelligence activity in the realm of civilian politics.

Under fire, the Army's general counsel, Robert E. Jordan III, sent letters to congressmen Thursday advising that the data bank at Fort Holabird had been closed.

Sen. Ervin commended the Army Saturday for discontinuing the Holabird operation, but said further action is necessary

to protect the First Amendment freedoms of American citizens.

"The essential factor here was not necessarily the computerization of the files but the fact of the Army surveillance of citizens," Ervin said.

"Although I have little, if anything, in common with the attitudes and views of some of the persons who are probably in the Army files, the very existence of such unconstitutional surveillance by the Army is, I believe, destructive of our form of government," he said.

The senator called on the Army to "re-group and redefine their strategic objectives, lower their sights and re-identify their enemy. Under our Constitution, that enemy is not the American citizen."

The Army conceded that information formerly kept in the Holabird computer is still on file and has not been ordered destroyed.

It is the Pentagon's position that such files are necessary for military assessment of the possibility of domestic violence.

According to an Army spokesman, political intelligence gathering and analyses are unwelcome functions carried out by the Army only because the Justice Department is not capable of handling them yet.

Justice is the agency charged by President Nixon with primary responsibility for civil disorders.

The spokesman said, "We've been pushing for a long time to get Justice and the FBI to take over this responsibility completely.

"Justice does not have the capability, in our minds, to do the job.

"We have to have an answer if we're asked, 'will there be violence?'"

"Until we are satisfied that Justice can answer the question satisfactorily, we have to do it ourselves.

"Our hope is, we can get out of this entirely. We hope Justice will take over this responsibility themselves. When they are able to do so to our satisfaction, that analysis office—the Counter Intelligence Analysis Division—will close down entirely."

Microfilmed reports and a computerized index are maintained at CIAD on such individuals as Mrs. Martin Luther King Jr., folk singers Arlo Guthrie and Phil Ochs, black Georgia State Rep. Julian Bond and two retired military officers who have opposed the Vietnam war, Rear Adm. Arnold E. True and Brig. Gen. Hugh B. Hester.

In addition, sources who could not be identified said, files are kept on such organizations as the American Friends Service Committee, the American Civil Liberties Union, the Center for the Study of Democratic Institutions, the John Birch Society, Clergy and Laymen Concerned About Vietnam and the New Mobilization Committee to End the War in Vietnam.

Files are also kept on publications, including the magazine *The Nation*, the newsletter of Young Americans for Freedom, the new left's *National Guardian* and the underground *Berkeley Barb*.

The eight persons indicted in connection with disorders at the Democratic National Convention in 1968 are also listed, sources said.

While admitting existence of the microfilm file, the army spokesman sought to play down its size and importance. He said it was an uncomputerized "office file" kept "for analysis purposes" by an agency charged with "answering specific questions" posed by top army officials.

Questions that might be posed to CIAD include, he said, "What likelihood is there that violence will occur this summer?" and "Where is it likely to occur?" In case a mass march is planned somewhere, another question would be, "What likelihood is there that violence will occur which local authorities cannot handle?"

Although the computerized file at Fort Holabird has been discontinued, the information in it still is on file at seven military intelligence group headquarters around the country and could be reassembled.

Each group maintains files on domestic political activity in its region.

The groups are the 108th MIG, Fort Devens, Mass.; the 109th MIG, Fort Meade, Md.; the 111th, Fort McPherson, Ga.; the 112th, Fort Sam Houston; the 113th, Fort Sheridan, Ill.; the 115th, the Presidio, San Francisco; the 710th Military Intelligence Detachment, Hawaii, and the 116th MIG, Washington, D.C.

"The business of the Army in such situations (as domestic violence) is to know about the conditions of highways, bridges and facilities," Sen. Ervin said. "It is not to predict trends and reactions by keeping track of the thoughts and actions of Americans exercising First Amendment freedoms.

"If ever there was a case of military overkill, this is it..."

Secretary Jordan said, "The Army's domestic intelligence activity has been to a small degree in the civil sector, but only to focus upon civilian disorder, and the Army has long been pressing to have civilian governmental agencies meet even these intelligence needs."

[From the San Antonio (Tex.) Express and News, Mar. 4, 1970]

ARMY'S CIVILIAN SPYING SAID ENDED

Army intelligence officers in San Antonio and elsewhere throughout the nation apparently were back conducting only military business Tuesday with the task of destroying computerized files on the political activities of civilians reportedly completed.

The army last week ordered the information it collected in a computer the past three years on persons and organizations considered political activists, potential activists and potential participants in riots, destroyed.

A Pentagon spokesman said Tuesday the army had completed destroying the files. "Now that the civil disturbance operation has been discontinued, it will give them (Army Intelligence) more time for conducting security clearances on military personnel," the spokesman reported.

The order to destroy the information, fed into a computer, known as the "Databank of Domestic Political Activities," at Fort Holabird, Md., and supplied from seven Army intelligence units, including one located at Fort Sam Houston and downtown San Antonio, came after U.S. Rep. Cornelius Gallagher, D-N.J., informed the Army he would hold public hearings on the "validity and legality of such a program."

The 112th Military Intelligence Group is located here and was the operation which relayed information to the Data Bank for the 4th Army area although it is not part of the 4th Army.

The fact the San Antonio-based 112th was among those units feeding information on the political activities of civilians from San Antonio was confirmed by Army General Counsel Robert E. Jordan III, at the Pentagon.

Officers in the 112th at Fort Sam Houston and at their downtown offices at the 301 Building, at 301 Broadway (formerly the Manion Building), were unwilling to discuss their operation. They also refused to discuss why the 112th maintained downtown offices as well as a building at Fort Sam Houston, and newsmen were not allowed inside their second-floor downtown office.

Meanwhile, San Antonio Chief of Police George Bichsel said there was no doubt in his mind some police information had been fed into the Data Bank files.

"We share information with the FBI and if they wished they too could have given the 112th this information," Bichsel added.

He added that the Police Department did not "go around making reports" for the military, but just released information they asked for.

Asked if photographs taken of protestors of multi-family housing in the Edgewood Independent School District outside the Lulac anniversary banquet last Saturday at the Gunter Hotel by policemen were taken for Military Intelligence, Bichsel said he was positive they were not.

He said his department occasionally photographs individuals and groups involved in protests or demonstrations so the department would have a photo file available for its officers, if ever needed. "This does not imply they (demonstrators) are doing anything unlawful," Bichsel said.

[From the Chicago (Ill.) Sun-Times, Mar. 8, 1970]

ARMY CONDITIONS MET ON CIVILIAN INTELLIGENCE FILES?

(By Morton Kondracke)

WASHINGTON.—By its own stated conditions, the Army should be able shortly to give up its remaining intelligence files on civilian political activity.

The Army claimed it would give up all its political intelligence functions when civilian agencies are ready to assume them. Last week, the Justice Department said: "We are ready." James T. Devine, chief of the Justice Department's Civil Disturbance Group, said, "We are quite capable. We are qualified to do everything as far as advising the President is concerned."

JUSTICE RESPONSIBILITY

Under executive orders on civil disturbance preparation, the Justice Department is charged with advising the President when disorders have reached a point where federal action is necessary. The Army's responsibility, on orders from the President, is to move in as fast as possible to aid local authorities in putting down the disorder.

In furtherance of its responsibility, the Army constructed a \$2,700,000 command post under the Pentagon's mall parking lot, created a Directorate for Civil Disturbance Planning and Operations to maintain a constant riot watch, trained several military task forces in riot control and formulated logistic plans necessary to perform disorder duty in eight cities simultaneously, if necessary.

To prepare for fast action, the Army also compiled thick "city books" on 150 U.S. cities, containing maps, lists of officials, locations of bivouac areas and communications facilities: It went beyond this, however, into areas from which it is now retreating under congressional pressure.

BLACKLIST COMPILED

The Army Intelligence Command at Fort Holabird in Baltimore established a computerized data bank on civil disturbance incidents and on individuals and organizations that might become involved in them.

To fill the bank, local military intelligence units, collected reports from local police, newspapers and personal observation and sent them by teletype to Baltimore. The Army also compiled "identification lists"—also known as "blacklists"—on persons who "might become involved in civil disturbance activity."

To get an idea which eight cities were most likely to be hit by disorder, the Army vested "analysis" responsibility in the Counter-Intelligence Analysis Division of the office of the assistant chief of staff for intelligence. CIAD compiled a microfilm file of FBI reports on individuals and organizations.

As it has happened, the Army has been called to actual riot duty only four times since 1942—once in Detroit in 1967 and in three cities after Dr. Martin Luther King Jr. was assassinated in 1968.

When a former Army intelligence officer, Christopher Pyle, described the computer and the blacklists in a recent magazine article, congressmen complained, and the Army announced it had stopped both projects.

QUESTIONS ANSWERED

What remains of the Army's civilian intelligence activity, so far as is known, is principally the microfilm file at CIAD. The Army has assured Rep. Cornelius Gallagher (D-N.J.) that it will destroy data that formerly fed the computer. It also is examining the need for another political file at Fort Monroe, Va.

An official in the Army general counsel's office said CIAD would give up its analysis functions and microfilm files when "we are satisfied that Justice can satisfactorily answer the question, 'Will there be violence?'"

Devine, at Justice, said his office can satisfactorily answer the question—and does so daily for the attorney general, the official responsible for advising the President on disorders.

A COMPARISON

Devine's equipment for doing so is a regular budget of \$274,000, about 100 daily reports from the FBI and other agencies, 12 intelligence analysts, a computer that weekly prints out an 8-inch-thick set of books on the riot potential of every city in the nation, and a command post on the sixth floor of the Justice Department.

For sumptuousness, the Justice command post cannot compare to the Army's. Justice has what looks like a low-budget radio studio. The Army has a hushed "war room"—more impressive than the ones in movies—with computer consoles, instant communications linkups with any Army unit in the world's giant panels that can instantly show the map of any city in the nation.

For intelligence purposes, however, the Justice Department's Interdivisional Information Unit most logically surpasses the Army's CIAD. Both rely primarily on information gathered by the FBI, which is part of the Justice Department. Justice has a computer, while the Army does not. Justice has the authority to perform the intelligence function; the Army does not.

As a Pentagon aide said, "We've been pushing for a long time to get Justice and the FBI to take over this responsibility entirely." If the Army is satisfied with Devine's assessment of Justice's readiness, the need for pushing seems at an end.

[From Computer World, Mar. 11, 1970]

ARMY DROPS DATA BANK BUT KEEPS BANK DATA

(By Joseph Hanlon)

FORT HOLABIRD, Md.—With much fanfare, the U.S. Army has abandoned its computerized data bank on lawful civilian political activity.

But the Army failed to report that a microfilm data bank with a computer-produced index, apparently containing much the same information, is in use in the Pentagon.

Furthermore, only the central data bank has been abandoned. The input has not been destroyed, and could be easily reassembled. Even if the data bank is never reassembled, a soon-to-be-computerized index would enable the Army to reconstruct parts of the data bank as needed.

The abandoned data bank is the computerized file of Civil Disturbance Incident Reports maintained by the Army Intelligence Command Headquarters here. The incident reports included not only "civil disturbances," but lawful and nonviolent meetings and lectures as well. The American Civil Liberties Union and a labor union were included (CW Feb. 11, 25).

AMERICAN CITIZEN NOT THE ENEMY

Sen. Sam. J. Ervin (D-N.C.) Chairman of the Constitutional Rights Subcommittee,

charged the Army with "unjustified interference into domestic political activities." "I suggest that the Army regroup, redefine their strategic objectives, and reidentify the enemy. Under our Constitution, that enemy is not the American citizen," he declared.

In a letter to Ervin and several other congressmen released last week, Army General Counsel Robert E. Jordan admitted that such a data bank existed, and that it had been used to compile "an identification list which included the names and descriptions of individuals who might be involved in civil disturbance situations."

Jordan said that the Army has ordered the destruction of all copies of the identification list, and that the use of "the civil disturbance data bank was discontinued since, after study, it was determined that the data bank was not required to support potential Army civil disturbance missions."

An Army spokesman said that use of the data bank was stopped Feb. 18. He also said that IBM 1401 used for the data bank had also been used for payroll and other command functions, and would continue to be used in those areas.

INPUT NOT DESTROYED

The spokesman was unable to say whether the data bank tapes had been erased, or if they had merely been placed in storage. Furthermore, he admitted that copies of the input to the data bank have not been destroyed, and that the status of these copies "is being reviewed."

Under the old procedure, 1,000 military field agents, as part of their job, collected newspaper clippings, police reports, and other information on "civil disturbances." These reports were sent to the seven Military Intelligence (MI) group headquarters, who forwarded them here to Fort Holabird for inclusion in the data bank.

Under the new procedure, the field agents still collect the same information and forward it to the seven headquarters, as before. Now, however, the headquarters keep the information and do not forward it to the central data bank.

Furthermore, the MI headquarters still have copies of everything which they sent to Fort Holabird. The Army spokesman admitted that the only real change in procedure under the new ruling is the elimination of the central data bank. A non-computerized version of the data bank exists, although dispersed to seven locations, and collection of information continues.

"COMPUTER-AIDED"

Jordan concluded his letter with the statement: "No computerized data bank of civil disturbance information is [now] being maintained." But that statement is correct only if one distinguishes between computerized and computer-aided. At least one computer-aided data bank of civilian disturbance information is still being used.

That data bank is maintained by the domestic intelligence section of the Counterintelligence Analysis Division (CIAD) of the Office of the Assistant Chief of Staff for Intelligence. An Army spokesman admitted that such a data bank existed, but refused any other comment.

Other sources report that the CIAD data bank is in the domestic war room of the Pentagon.

COMPUTERIZED MASTER INDEX

In his letter to the congressmen, Jordan reported the existence of a master index of the names of everyone ever investigated by a defense agency. Called the Defense Index of Investigations, it was established at Fort Holabird in 1965 and is presently being computerized.

"Data included in this index is limited only to the identification of an individual, the type of investigation conducted, date of completion, and the location of the inves-

tigation (for example, Army investigations are filed in the Investigative Records Repository). The data is placed on keypunched cards which must be alphabetically filed," Jordan said. Unofficial sources report that there are now over 18 million cards.

When the computer is installed, according to Jordan, information on these cards will be entered into the computer. "The purpose of this computer will be to rapidly identify and indicate the location of files needed in security investigations."

Army and Defense Department spokesmen declined to amplify on Jordan's statement. But other sources said that the index probably contained references to persons mentioned in the Civil Disturbance Incident Reports as well as those included in the CIAD data bank. If this is true, then the Army could easily recompile the data on anyone who had a listing in the civil disturbance incident report data bank. This could be done by checking the index for the name; if the index indicated a listing in the now abandoned data bank, the intelligence officer would only need to contact the seven MI offices to recompile the file.

OTHER ARMY FILES

The Army does not just investigate political activists. In fact, most of its investigations are in other areas. In his letter, Jordan noted: "The U.S. Army Investigative Records Repository, run by the Intelligence Command, has approximately 7 million files relating principally to security, loyalty, or criminal investigations of former and present members of the Army, civilian employees and contractor personnel."

Unofficial sources report that "contractor personnel" goes as far afield as employees of the Red Cross. Furthermore, they say that the Investigative Records Repository also contains information on aliens, including prospective spouses of Army personnel and aliens investigated because of complaints.

In all, ten Defense Department Agencies maintain data banks of investigative records. These agencies include the Navy, Air Force, Defense Atomic Support Agency, and the Defense Supply Agency.

A data bank is even maintained on newspaper reporters accredited to the Pentagon, and includes comments on "inaccurate reporting."

Access to files, according to Jordan, "is limited by regulation to specifically authorized Executive Branch agencies."

ERVIN CRITICAL

Sen. Ervin has been particularly critical of the Army's collection of data on civilians, calling it "a case of military overkill." He continued: "Regardless of the imaginary military objective, the chief casualty of this overkill is the Constitution of the United States."

CALLS FOR NEW AGENCY

Sen. Ervin concluded that Jordan's letter "provides a remarkable demonstration of the need not only for new laws but for a new agency to regulate data banks and protect individual privacy."

[From the Washington (D.C. Star, Mar. 28, 1970]

DESPITE DENIALS, ARMY SENDS SPIES TO RALLIES

(By Morton Kondracke)

Despite Army denials that it engages in such activity, a military intelligence unit in Washington regularly infiltrates and reports on civilian political groups.

And in spite of assurances the Army gave to a congressman, the unit has not destroyed its extensive political file on civilians. It has merely classified it to keep it secret.

Agents of the unit, the 116th Military Intelligence Group, have posed as newsmen and photographers at rallies to get pictures for their files and at one time the unit even

maintained a video tape truck marked "Midwest News."

NO LONGER HAS TRUCK

The truck and its taping equipment, purchased at the end of a fiscal year with unexpended funds, have been disposed of recently out of concern the civilian spying would be discovered and exposed.

Information on the unit's activities was given to the Sun-Times by sources who asked not to be identified. Col. Frederick Barrett, commander of the 116th, refused to grant a request for an interview saying Army regulations prohibited it.

Data on the 116th activities has been supplied to Rep. Cornelius Gallagher, D-N.J., who, with Sen. Sam Ervin, D-N.C., has been probing Army civilian intelligence gathering.

Both Gallagher and Ervin earlier this year announced plans to hold meetings on intelligence gathering and evaluation programs maintained by the armed services and aimed at civilians in this country. Gallagher, however, called off the proposed House hearings earlier this month.

UNIT NOT MENTIONED

In his announcement at that cancellation, Gallagher made no mention of the activities of the 116th. The Army has not replied to a series of questions about the 116th submitted 10 days ago.

The activities of the 116th appear to contradict official assurances given by the Army on Jan. 26 that it never engages in undercover operations in the civilian community.

In answer to a question about general intelligence activities, the Army said that "for some time, there has been a specific prohibition against military personnel undertaking such activities as undercover operations in the civilian community."

"Exceptions to this policy may be made by appropriate civilian officials, but none have been made."

Despite this statement, the 116th maintains a staff of 20 agents whose job it is to infiltrate political groups and to observe politically active persons in the Washington area.

POSE AS STUDENTS

Some of the agents have grown beards and long hair to pass as students on college campuses in the Washington area. Others pose as members of the working press to obtain pictures of those involved in political activities.

The pictures are kept on file and are reproduced for agents attending demonstrations to enable them to identify those participating.

The unit has furnished tape recorders to agents attending rallies so they can clandestinely record speeches and conversations.

The videotape-sound truck was driven to demonstrations by agents posing as television newsmen for the nonexistent "Midwest News."

At one large demonstration, the Nov. 15 anti-war march on Washington, intelligence agents were assigned to bridges along the Baltimore-Washington parkway to count the number of buses heading for Washington bearing demonstrators.

The political intelligence activities of the 116th are frequently undertaken in concert with two other groups, the 108th at Ft. Meade, Md., and the 902D, also located in Washington, which reports directly to the assistant chief of staff for intelligence.

Information collected by the 116th is transferred to a file of 5-by-7-inch index cards. The unit has several thousand such cards on file, each referring to a different activist in the Washington area.

The cards contain a picture of the person, his name, address, occupation and background, a list of the political groups to which he belongs, notes on political meetings and

demonstrations he has attended, and a summary of his views on political issues.

One person known to be listed in the file is Julius Hobson, civil rights activist and former member of the Washington Board of Education.

Existence of such a file appears to contradict assurances the Army gave Gallagher that political intelligence records at local military intelligence groups would be destroyed.

The Sun-Times received information from the Army, however, that the only file so far destroyed was the computerized data bank maintained at the Army intelligence center at Ft. Holabird in Baltimore.

Information that formerly fed the computer is still at Holabird on paper, and no order has been issued to destroy it or files kept at the local level.

Similar files are located at military intelligence units at Ft. Devens, Mass.; Ft. Meade, Md.; Ft. McPherson, Ga.; Ft. Sheridan, Ill.; Ft. Sam Houston, Tex.; San Francisco and Honolulu. Other files are located at Ft. Monroe, Va., and a microfilm file, containing FBI reports as well as Army information, is kept by the Army's counterintelligence analysis division in Alexandria, Va.

Shortly after Army general counsel Robert E. Jordan III gave Gallagher assurances about the destruction of these files, a meeting was held at the 116th to inform agents that the unit would continue most of its activities.

The only activity to be discontinued, the agents were told, was operation of the computer in Baltimore. The agents were told they would continue to infiltrate and monitor local political groups.

However, the agents were informed that all files and operations of the 116th were to be classified to prevent release of any information about them to either the press or Congress.

The agents were warned that disclosure of the information would subject them to court-martial or prosecution in civilian courts "for violation of national security."

[From the New York Times, Apr. 12, 1970]
UNITED STATES TO TIGHTEN SURVEILLANCE OF RADICALS

(By James M. Naughton)

WASHINGTON, April 11—The Nixon Administration, alarmed by what it regards as a rising tide of radical extremism, is planning to step up surveillance of militant left-wing groups and individuals.

The objective, according to White House officials, is to find out who the potential bomb planters and snipers may be before they endanger others.

Preparations for expanding and improving the domestic intelligence apparatus—informers, undercover agents, wiretaps—were disclosed in a series of interviews with key officials, who requested anonymity.

According to these officials, President Nixon is disturbed by the rash of bombings and bomb scares, courtroom disruptions and reports of small but growing numbers of young people who feel alienated from the American system.

PARALLELS ARE DRAWN

On March 12, the same day that bombs exploded in three Manhattan office buildings, Mr. Nixon met over dinner in the White House with Irving Kristol, professor of urban values at New York University.

One aide who attended the dinner said the discussion included attempts to draw parallels between young white Americans from middleclass backgrounds who are resorting to violence and the Narodniki—children of the mid-19th century Russian aristocracy who murdered Czar Alexander II, and between militant black nationalists here and Algerian revolutionaries.

Mr. Kristol told the President it was not

unrealistic to expect the Latin American resort to political kidnappings to spread soon to Washington. Mr. Kristol confirmed the dinner meeting and said, "Some of these kids don't know what country this is. They think it's Bolivia."

Some, but not all, of Mr. Nixon's domestic advisers are convinced that the situation is critical. One of the more conservative aides contended, "We are facing the most severe internal security threat this country has seen since the Depression."

The officials have concluded that attempts to bring militants back into society's mainstream are as futile, as one stated it, "as turning off the radio in the middle of a ball game to try to change the score."

The official view is that extreme radicals cannot be won over with welfare, electoral or draft reforms or by White House rhetoric. "It wouldn't make a bit of difference if the war and racism ended overnight," said a highly placed Nixon assistant. "We're dealing with the criminal mind, with people who have snapped for some reason."

Accordingly, the Administration sees its prime responsibility as protecting the innocent from "revolutionary terrorism." The President said last month, when he asked Congress for broader Federal jurisdiction and stiffer penalties in bombing cases, that they were the work of "young criminals posturing as romantic revolutionaries."

TOUGHER PROBLEM TODAY

To keep tabs on individuals referred to by the President as "potential murderers" will require updating an intelligence system geared to monitoring the Communists three decades ago, the aides said.

They said it was easy to keep track of the Communists because they had a highly organized system that undercover agents could penetrate easily. But today's alleged anarchists are disorganized, operating in groups of three or four, and difficult to detect.

"We know there are people training themselves in certain forms of guerrilla warfare and the use of explosives," said an official, "but it's extremely difficult to answer the who, when and how."

A Nixon aide who is aware of the Justice Department's intelligence operations said there was no advance warning of the arson that destroyed a Bank of America branch in Santa Barbara, Calif., last month. He said that "We knew of the New York bomb factory" in a Greenwich Village townhouse, but only just before it exploded on March 6, killing three young people.

White House officials wonder aloud why one of the victims, Diana Oughton, 28 years old, once active in legitimate reform efforts, became a member of a militant faction of the Students for a Democratic Society.

"If we had a (phone) tap on Diana Oughton," a Presidential assistant said, "we might have arrested her before the bombs went off and nobody would have died."

SURVIVOR IS TRACED

The official said that Federal agents had traced a survivor of the Greenwich Village blast, Cathlyn Platt Wilkerson, to Canada, but he expressed "..." was not capable of pinpointing her activities before she became a fugitive.

Administration sources would not disclose details of the changes they are preparing in the intelligence mechanism, although they said a good deal of interdepartmental discussion about them was under way.

One suggestion was said to be the possibility of the Justice Department providing grants through the Law Enforcement Assistance Administration to local police departments for training in domestic intelligence gathering.

Only New York City and District of Columbia police men have adequate intelli-

gence systems, one official said, adding: "We need better trained people in metropolitan police departments so they can distinguish between a guy with a beard and a subversive."

The White House is aware of the political sensitivity of domestic intelligence gathering, which one aide described as "hangups in the question of snooping." He contended, however, that the Government was less interested in prosecuting individuals than in gathering information to "prevent the perpetration of an act of violence."

LIBERTIES GAIN SEEN

It would help to have "broader public awareness" of the need for improved surveillance techniques, he said. "One of the greatest disservices Senator [Joseph] McCarthy did to this country was to swing the pendulum so far that people no longer want to think about internal security," the official said.

He argued that it would, in fact, increase safeguards of the civil liberties of individuals to have a greater awareness of which members of society posed a threat.

"My concern is that sooner or later this is going to kill innocent people," the official said. "There will be tremendous public outrage and not enough time for restrained, measured response. People will demand that their police start cracking heads."

"The greatest safeguard for rights of individuals is to have good information on what the [radical fringes] are doing. Stop them before the bombings. Bomb legislation [with heavier penalties] is after the fact."

Mr. Nixon, who prefers to decide on Administration policy after receiving a set of clearly defined options, apparently has little choice but to adopt the recommendations of his more conservative staff members for increased surveillance. Liberal advisers have not provided him with alternatives.

Indeed, the liberals do not appear to have any answers to the problem of American radicalism. As one White House liberal put it: "What does Richard Nixon do for these people, short of resigning the Presidency?"

[From the Computer World, Apr. 8, 1970]

ARMY ADMITS DATA BANKS EXIST

(By Joseph Hanlon)

WASHINGTON, D.C.—The Army had admitted the existence of at least one more data bank on lawful civilian political activity, and is canvassing its own intelligence operations to find out if there are any others.

In addition, the Army has acknowledged the accuracy of charges made in CW (March 11) and elsewhere that there has been no change in the policy as to the collection of data, and that other non-computerized data banks of civilian activity still exist.

ARMY ISSUES DIRECTIVE

The Army's admissions are contained in a directive from Secretary of the Army Stanley R. Resor, dated March 8 and just recently released, and in a letter from Under Secretary of the Army Thaddeus R. Beal to several congressmen.

The Resor directive, "Restrictions on Intelligence Operations Involving Civilian Activities," thanks three generals for the action to eliminate "computer data banks (plural), containing information on civilians." This is the first admission by the Army that there has ever been more than one such data bank.

The directive asks all intelligence unit commanders "to report whether their command has any form of computerized data bank relating to civilians or civilian activity, other than data banks dealing with routine administrative actions," and orders the command to either "destroy" the data bank or request special permission to keep it.

Finally, Resor admitted that the Army is still only reviewing its policy of "direct overt observations of incidents in progress" and of "spot reporting." This could mean that the 1,000 Army intelligence field agents are still collecting information on union meetings, strikes, church meetings, political meetings, and non-violent protests.

ARMY REFUSES COMMENT

The Army has refused to make any comment on its data banks since early last month, but apparently even where it claims to have "destroyed" computerized data banks, it has kept the original data, and possibly data tapes and software as well. "Destroyed" may only mean that computers are no longer being used to access the data.

The Army has cited other more pressing matters, such as providing information on the Army's handling of the mails. More recently, it said that it couldn't answer questions because of the ACLU (American Civil Liberties Union) suit against the Army.

Meanwhile, a full hearing on the ACLU request for an injunction against the Army's collection of data on civilians has been set for April 22 in the U.S. District Court here [CW, Feb. 25].

In its suit, the ACLU charges that the Army's surveillance "casts a pall over lawful political protest" and deters people from exercising their First Amendment rights "for fear they will be made subjects of reports in the Army's intelligence network [and] that permanent reports of their activities will be maintained in the Army's data bank."

TELETYPE NETWORK

In addition to compiling reports on incidents and individuals, the Army also circulates reports through to Army posts throughout the country by Teletype. The ACLU suit contains as evidence the Teletype reports for March 13, 14, and 18, 1968.

Events reported in those teletype reports include:

20 people picketing the federal building in Hartford, Conn.

35 persons demonstrating at Fort Hamilton in Brooklyn.

An anti-draft meeting in Philadelphia.

A speech at Emmanuel Methodist Church in Detroit.

21 pro-Vietnam war pickets at the White House.

All were without incident, according to the Teletype reports.

[From the Pittsburgh (Pa.) Press, Apr. 19, 1970]

ARMY ACCUSED OF "BIG BROTHER" WATCH ON CIVILIANS

(By Daniel Rapoport)

WASHINGTON.—Is the United States Army, in the fashion of a military dictatorship, maintaining constant surveillance of dissenters and other civilians it classifies as potential troublemakers?

A number of civil libertarians and political activists contend it is. The Army acknowledges that until recently it dabbled in the field but says for all intents and purposes it no longer does.

The chairman of a House subcommittee who initially criticized the Army now says he believes "it has gotten out of the business." The chairman of a similar Senate panel has denounced the Army and is deeply skeptical of claims that it has changed its ways.

ATTACKED IN COURT

A U.S. district court here currently is weighing a request that it declare unconstitutional the Pentagon's surveillance of "lawful political activities" by civilians associated with the military.

The court also has been asked to order the Army to cease spying on such groups and in-

dividuals, to stop collecting data about them and to destroy those existing files.

The suit was brought by 13 individuals and organizations whose actions have been monitored by Army intelligence agents.

For years the Army has conducted security checks on civilians working for the service or defense contractors. In 1965 it officially became interested in civilians not related to the military.

WIDENED SCOPE

The justification: To be able to spot in advance potential civil disorders which the Army might be called upon to quell.

Two years later, according to former intelligence Capt. Christopher Pyle, the Army widened its scope "to include the political beliefs and actions of individuals and organizations active in the civil rights, white supremacy, black power and antiwar movements."

Most Americans had taken it for granted that the military served as their defender against foreign aggressors. Civilian agencies, such as local police and FBI, protected them against internal subversion.

Most of the critics of the Army's surveillance program concede the Army's need to acquire certain information to carry out its riot control mission. But they say that when the Army goes beyond what it needs for that mission and begins to spy on individuals it produces, in the words of a celebrated court decision, "a chilling effect" on the right of free speech and expression.

SENATOR OPENS UP

"The right or the business of the Army . . . is to know about the conditions of highways, bridges and facilities," said Sen. Sam Ervin, D-N.C., chairman of the Senate constitutional rights subcommittee.

"It is not to predict trends and reactions by keeping track of the thoughts and actions of Americans exercising First Amendment freedoms . . . regardless of the imagined military objective."

"The chief casualty of this overkill is the Constitution of the United States, which every appointed official has taken an oath to defend."

Even some members of the Army's Counter Intelligence Corps, the unit responsible for the program, reportedly were concerned at the direction the program was taking.

TOUCHED OFF DEBATE

Congressional and journalistic interest in the Army's surveillance of civilians started in January with the publication of an article in the magazine, "Washington Monthly."

The author was Pyle, currently a doctoral candidate at Columbia University, but from 1966 to 1968 a captain in Army intelligence.

Among the specific charges that have been directed against the Army, both in and out of court and by Pyle and others:

Extensive files are maintained on virtually every activist political group in the country.

They include not only extremist organizations with a penchant toward violence like the Revolutionary Action Movement and the Minutemen but such nonviolent groups like the Christian Leadership Conference, the National Association for the Advancement of Colored People and the Young Americans for Freedom.

Dossiers and computerized indexes are maintained on such individuals as Mrs. Martin Luther King, Negro Georgia State Rep. Julian Bond, folk singers Arlo Guthrie and Phil Ochs, a retired admiral and general who oppose U.S. Vietnam policy and an unidentified active duty Army general who somehow or other got on the mailing list of an underground newspaper.

The Army has maintained computerized data banks in which information on individuals or organizations can be instantaneously produced.

Underground operatives from among some nearly 1,000 Army plainclothes intelligence agents, have posed as newsmen and photographers at antiwar demonstrations and as bearded students on college campuses.

In Washington, personnel from the 116th Military Intelligence Group operated a video tape truck carrying the markings of a fictitious outfit known as "Midwest News." Purpose of these activities was to gather information and pictures.

The Army has compiled "blacklists" of individuals and organizations, who in the opinion of the Army, "might cause trouble for the Army."

The Army has answered some but not all of the charges. Its spokesmen point out that the pending lawsuit—instituted by the American Civil Liberties Union—plus the permanent reluctance for security reasons to talk about intelligence gathering activities bar complete discussion.

But in a series of letters from high-ranking officials and a memorandum from Army Secretary Stanley Resor the Army has said that it has dismantled its giant computer bank at the intelligence command headquarters in Ft. Holabird, Md.

The memorandum said the Army has set down a policy that no such computerized files of civilians shall exist without prior approval from the secretary of the Army and consultation with appropriate congressional committees, and has destroyed or will destroy all "blacklists."

Rep. Cornelius Gallagher, D-N.J., chairman of the House of privacy subcommittee, says he is convinced of the Army's "integrity on this point and no longer sees a need to hold the public hearings he had planned."

Critics have charged, however, the written letters from the Army to Gallagher and Ervin contained loopholes, such as a promise to destroy computerized data banks without saying what would be done to the raw, paper files whose information was fed into the computer.

Gallagher who had said an unchecked civilian surveillance system represented a "police state" philosophy, said he had been assured verbally that the backup files also would be destroyed.

"I am convinced that they are out of this business," Gallagher said.

Arthur Pyle, who has been the subject of praise from many congressmen, including Gallagher, thinks the hearings should continue. He says the Army has gone only halfway.

Ervin also remains unconvinced the Army has "gotten out of this business." He still wants to hold hearings and may do so this summer.

[From the St. Petersburg (Fla.) Times, Apr. 19, 1970]

ARMY TOOK INTELLIGENT LOOK AT CRAZIES' FERRYLAND PLOT

WASHINGTON.—A contingent of "crazies" planned to board the Staten Island Ferry a year ago, commandeer the vessel and order its captain to take them to Cuba, according to a document purporting to be an Army counterintelligence report.

The document, dated Feb. 27, 1969, did not indicate whether the Army took the threat seriously. The event, allegedly scheduled for March 1, 1969, did not occur.

Sources close to the intelligence community said the document was an example of the raw material that flows into Army files in its surveillance of civilian activities, a practice now under fire in Congress.

The report said a group known as "the crazies"—including members of the Youth International Party (Yippies), a radical organization that the Army did not mention—planned to announce their "birth" by

first stealing a mental patient from Bellevue Hospital in New York City.

After leaving Bellevue, said the report, the crazies planned to board the ferry peacefully.

"When they get on board they plan to threaten the boat's captain by demanding that he take them to Cuba," the report went on. "When the captain obviously refuses to do so, they plan to rush to one side and threaten to 'tip the boat over.'"

Then, in what may have been an attempt to justify Army interest in the caper, the report said:

"Military personnel traveling to NYC often use the Staten Island Ferry."

[From the Washington (D.C.) Evening Star, Apr. 22, 1970]

JUDGE DISMISSES SUIT TO BAR ARMY'S CIVILIAN SURVEILLANCE (By Donald Hirzel)

A federal judge here dismissed today a suit by the American Civil Liberties Union challenging surveillance of civilian activities by Army intelligence units.

The ACLU sought a preliminary injunction forbidding the Army to keep data on civilian activities such as civil rights, antiwar and anti-draft movements.

U.S. District Judge George L. Hart ruled that the Army is keeping data that is available to all news media and that its surveillance is "not an unconstitutional action . . . and does not threaten the rights of individuals."

He dismissed the case on a motion by Justice Department attorney Kevin C. Maroney, who contended such data is needed by the Army to provide security in time of civil strife.

Frank Askin, a Rutgers University professor who argued on behalf of the ACLU, indicated the dismissal will be appealed.

Hart refused to permit the ACLU to put witnesses on the stand—four persons who had served with Army intelligence—but relied on written affidavits and oral arguments.

In his arguments, Askin said the Army has an intricate system of intelligence which has been carried over into the civilian field from its original use in checking clearances for employees and in the security of Army operations.

He said the Army's "spying" on civilians creates a "chilling effect" on persons who want to protest lawfully and that it violates individuals' constitutional rights.

The government employs hundreds of agents "lurking around the country spying on law-abiding citizens and reporting back to central Army headquarters," he claimed.

The ACLU suit charged that data collected from across the nation is compiled in computers at Ft. Holabird in Baltimore.

The Army has announced that it is doing away with these computer banks. However, the ACLU said, the Army has not said what it plans to do with the data.

Askin had a running dialogue with Hart during his argument.

When Askin contended that the Army cannot lawfully spy on political activities by using undercover agents at demonstrations, Hart contended that such events usually are reported in detail by the news media. If newspapers can keep files on such activities, why can't the Army? he said.

Another argument by Askin was that information gathered today on individuals "might be thrown up to them" in years to come. The courts are here to protect the rights of individuals, Hart replied.

The judge said he felt the Army had an obligation to keep such information because it is called to aid in quelling civil disturbances.

"They could go in cold, but the military doesn't like to be fools," Hart said.

AGENTS TALK LATER

At a press conference following the hearing, the former Army intelligence agents who had expected to testify told of their experiences.

Oliver Peirce, 25, who is now a Massachusetts budget examiner, said he served with Army intelligence in Ft. Carson, Colo., and as an undercover agent, infiltrated church groups, the Young Democrats and a ski club.

His job, he said, was to report on the groups' activities to his commanding officer. Several other agents were doing the same job, he said.

The four told newsmen that information collected eventually filters to Ft. Holabird and the Pentagon.

[From the Washington (D.C.) Post, Apr. 23, 1970]

ARMY CHECK ON CIVILIANS IS UPHELD

The Army's right to "collect, store and circulate" information on the lawful political activities of civilian dissenters was upheld by a federal judge here after a two-hour hearing yesterday.

U.S. District Judge George L. Hart Jr. dismissed a suit challenging the Army's civilian intelligence program brought by the American Civil Liberties Union on behalf of 12 political activists.

At times describing the ACLU's argument as "ridiculous," Hart ruled that the Army's collection of facts about the public activities of dissenters is akin to the collection of facts by newspapers.

"Are they doing anything newspapers are not doing?" Hart asked, "keeping information in their morgues?"

Frank Askin, a Rutgers University law professor arguing for the civil liberties group, replied: "Newspapers are transitory, impermanent things . . . ten years from now no one wants to feel that the Army is keeping track of him with a check after his name."

The plaintiffs, who include the Rev. Albert Cleage, a black minister from Detroit, and Conrad Lynn, a black lawyer from New York, claim that the Army's monitoring of their activities casts a "chill and pall" over legitimate political protest.

The Army contends its intelligence gathering apparatus—which is based on various police, FBI and media reports as well as those from more than 1,000 agents—is necessary to gauge the possibility of civil disturbances.

Kevin Maroney, a lawyer for the Justice Department's internal security division, cited in court yesterday such antiwar demonstrations as the 1967 march on the Pentagon and the slum riots in Newark, Detroit and elsewhere.

In 1967-68, just after the civilian data began to be collected, the lawyer said, the National Guard was called out 83 times to aid in disturbances and the Army was called out four times.

In agreeing with Maroney, Judge Hart said: "When they are called in (the Army), if they do not have information they go in cold and if they like it like that, they are stupid."

ACLU lawyers said they would take their case to the U.S. Court of Appeals here to seek a summary reversal of Hart's ruling.

The suit against the Army was brought in February. It was prompted by an article in the Washington Monthly written by a former intelligence agent and detailing the operation of a "computerized data bank" on civilian dissenters kept at Ft. Holabird, Md.

Since that time, in response to congressional pressure, the Army has declared its intention of closing down the computer there, destroying a so-called "blacklist" (identification sheets on activists), and

cutting back on the number of "spot reports" on public protests.

However, the Army is maintaining its files in various other places, including those kept by the Counter-Intelligence Analysis Division and the Continental Army Command at Ft. Monroe.

The ACLU had planned to present as witnesses yesterday two former military intelligence agents, but Hart refused to hear their testimony. At a press conference later, they told reporters what they had been prepared to testify.

Oliver Pierce, 25, who was stationed at Ft. Carson in Colorado Springs, Colo., said he was assigned by his colonel to infiltrate the local "Young Action Project" made up of church groups, the Young Democrats and a ski club.

Pierce, who filed detailed reports on the group's session with his superior, said they were concerned about YAP because its organizer had been in several peace demonstrations. Pierce said the group was non-political.

Ralph Stein, 26, formerly the New Left man for the CIAD, said he did such things as prepare a detailed report on underground newspapers for a CIA official. He said most of CIAD's information was obtained from the FBI.

[From the Chicago (Ill.) Sun-Times, Apr. 23, 1970]

DISMISS SUIT ON ARMY CIVILIAN DATA FILE (By Morton Kondracke)

WASHINGTON.—A suit challenging the Army's gathering of political intelligence on civilians was thrown out of U.S. District Court here Wednesday.

Judge George L. Hart Jr. ruled that the American Civil Liberties Union had failed to show that the Army went beyond "keeping information available to all news media and stored in the morgues of newspapers."

He said the Army had not engaged in unconstitutional activities or threatened constitutional rights. The ACLU said it would appeal.

Frank Askin, an ACLU attorney, had argued that the Army's infiltration of political groups and its maintenance of extensive files "has a chilling effect" on expression of dissent and is an unauthorized activity for the Army.

Arguing for the government, Justice Department attorney Kevin T. Maroney said domestic intelligence was necessary to prepare the Army to control civil disorders, if called upon to do so.

Hart refused to allow the ACLU to present witnesses. After the court hearing, two former Army intelligence agents appeared at a press conference and revealed hitherto undisclosed details on civilian intelligence activities.

Former Cpl. Oliver Pierce, 25, said he was instructed by officials at Fort Carson, Colo., to infiltrate and report on a group known as the Young Adult Project in Colorado Springs.

Of the YAP's seven constituent member organizations, said Pierce, five were church young adult groups. One was a ski club and the other, the Colorado Springs Young Democrats.

The reason for the infiltration, according to Pierce, was that the YAP's organizer was a member of Students for a Democratic Society who had participated in anti-war activities. The organizer subsequently quit SDS.

Pierce said that "the activities of the group (YAP) were completely innocuous" and never involved anti-war action. The YAP published a calendar of church group events and operated a house where traveling hippies could stay without charge.

Other new details were presented at the press conference by former Sgt. Ralph Stein, 26, who operated as "Mr. New Left" for the Counterintelligence Analysis Division of the

office of the assistant chief of staff for intelligence from July, 1967, to late 1968.

Stein said that when he left CIAD, its domestic political section was larger than its foreign intelligence analysis section and domestic files were kept on some 3,000 individuals.

The individuals on file included folk singer Joan Baez, anti-war activist-pediatrician Dr. Benjamin Spock, Georgia State Rep. Julian Bond, Dr. Martin Luther King Jr., at least two anti-war former Army officers and leaders of the Communist Party, Women's Strike for Peace, the American Friends Service Committee, and civil rights groups including the National Assn. for the Advancement of Colored People.

Stein said files also were kept on non-leaders involved in demonstrations. Extensive FBI reports on the 600 persons arrested at the October, 1967, march on the Pentagon are in CIAD's microfilm file.

The CIAD received up to 30 requests a day for information from the files. On one occasion, said Stein, a brigadier general demanded a report on SDS for use by his daughter, a foe of SDS at Briarcliff College in New York.

Stein said he also was ordered on one occasion to brief the Central Intelligence Agency on underground publications.

The ACLU's major source of information was former Army Capt. Christopher Pyle, whose article in the Washington Monthly earlier this year sparked congressional concern over the Army's activities.

Pyle told the press conference that, while the Army has dismantled a political data bank at Fort Holabird in Baltimore, it maintains another at Fort Monroe, Va.

[From the Chicago (Ill.) Tribune, Apr. 23, 1970]

COURT UPHOLDS ARMY PRACTICE OF SNOOPING

WASHINGTON, April 22.—A federal judge today upheld the army's right to infiltrate civilian groups and compile intelligence reports on individuals ranging from Viet Nam war protesters to civil rights activists.

District Judge George Hart ruled the army activity was legal because, he said, it was essentially no different from that of newspapers in gathering information on people and storing it in their files.

He dismissed a suit brought by the American Civil Liberties Union [A.C.L.U.], which contended the effect of the army program was to inhibit free speech guaranteed by the Constitution. A.C.L.U. attorneys said they would appeal Hart's ruling.

During the 75-minute court hearing, a justice department attorney, Kevin T. Maroney, acknowledged the army compiles intelligence reports on individuals aimed at helping identify potential troublemakers in the event the army may be called in to deal with civil disturbances. But he said, and Hart agreed, that the A.C.L.U. had failed to show the army activity was unlawful.

After the court hearing, A.C.L.U. lawyers held a press conference to present two former army intelligence agents whom Hart had refused to hear as witnesses.

Ralph Stein of New York City, a former army counter-intelligence officer, said he helped compile reports on such persons as the late Dr. Martin Luther King Jr., the civil rights leader assassinated in 1968; Georgia legislator, Julian Bond; a folk singer, Joan Baez and Dr. Benjamin Spock, both active in anti-war movements; and several army generals who oppose American involvement in Viet Nam.

[From the Colorado Springs Gazette-Telegraph, May 3, 1970]

ARMY DOESN'T THINK SO: EX-GI SAYS LOCAL SPY DUTY ON CIVILIAN GROUP ORDERED

(By Molly Riffel and Doug Hardie)

Oliver Pierce, an ex-Ft. Carson corporal, told the Gazette Telegraph Saturday that he

was ordered by his superiors in the 5th Military Intelligence Detachment to infiltrate a civilian young people's group in Colorado Springs.

Pierce was questioned about his activities while at Ft. Carson after a national news magazine reported last week that Pierce is expected to testify in an appeal of an American Civil Liberties Union suit that he received such orders.

The ACLU suit charges the Army with operating a nationwide surveillance operation to keep track of political activists in the United States and storing its findings in a computerized data bank at Ft. Holabird, Md.

Pierce said Saturday he was ordered to infiltrate the Young Adult Project, a group in existence in Colorado Springs from May 1968 to December 1969.

According to Jerry Kvasnicka, an administrator of the Young Adult Project, the group was formed to administer services for young adults in Colorado Springs and included such projects as a "folk music workshop" and a center at 10 Beverly Place where food and sleeping quarters were available "in emergency situations" to young adults.

The Young Adult Project was made up of various "member" groups, such as the Young Democrats of which Pierce was also a member, and the SNO Jets, a local ski group, which paid \$10 to join. At one time the Council of Churches was a sponsor of the Project.

Pierce said Saturday he was ordered to investigate the activities of the group in May, 1969, because "they (his superiors at Ft. Carson) thought the Young Adults Project was getting ready to organize a group at Ft. Carson." He added that officers at Ft. Carson thought that Kvasnicka was a dangerous influence and didn't want him organizing any groups on the base.

Pierce said that he thought that Kvasnicka had no intention of organizing anything on the base.

When Pierce first became acquainted with Kvasnicka he told him he was clerk-typist at Ft. Carson. It was only when he was given a hardship discharge in December that he revealed his true identity to Kvasnicka.

Pierce said the charge that the Young Adult Project presented a danger to the army was "ridiculous", but that he could not convince his superiors that the Project and Kvasnicka were harmless.

He said that while he was stationed at Carson he knew of at least two "undercover agents" from the base who had infiltrated other civilian groups in Colorado Springs.

"They were downtown watching the peace movement," he said.

Pierce said the army was "overstepping its bounds" in infiltrating civilian groups and "creating a dangerous situation." He also said that the order to infiltrate the YAP came "from a colonel in the 6-2 section," not directly from his immediate commanding officer.

The chief of staff of the fifth division at Ft. Carson was unable to confirm or deny Pierce's story.

Referring to the alleged incident, Col. Charles Curtis, fifth division chief of staff, told the Gazette Telegraph, "that was a long time ago and none of the people who were commanding officers (over Pierce) are here now."

"We think he was a bona fide member of the organization," Curtis added.

The Ft. Carson Public Information Office released a statement saying, "The fifth military intelligence division of which Pierce was a member has responsibilities only on the Ft. Carson reservation. It is not Army policy to order its members to join civilian groups for any purpose."

Told that Ft. Carson denied his charges Pierce said, "The trouble is that neither the press nor anybody else can get any information from Ft. Carson."

[From the Chattanooga (Tenn.) News-Free Press, May 17, 1970]

ACLU RAPS ARMY SPYING ON CIVILIANS

WASHINGTON.—The American Civil Liberties Union plans to appeal a federal judge's ruling permitting the Army to spy on civilians who might cause disturbances.

The ACLU contended the Army violated the First Amendment rights of free speech and association by keeping civilian activity under surveillance.

U.S. District Judge George L. Hart Jr. dismissed the suit on the grounds the ACLU failed to prove the Army's activity was unconstitutional.

The ACLU wanted the court to order the Army to destroy all records, photographs, recordings and blacklists compiled by the military on civilian and political activity within the United States.

"You're saying the Army can read this information in the newspapers but can't take note of it," the judge said.

The suit was filed after Christopher H. Pyle of New York, a former Army intelligence officer, wrote in a magazine article that the Army has 1,000 undercover agents covering civilian activities from Harvard antiwar protests to Ku Klux Klan rallies.

"The Army has a right to know where trouble might start and the right to know which persons are likely to be troublemakers and to keep an eye on them," the judge said.

[From the New York Times, June 2, 1970]

JERSEY HIGH COURT BACKS POLICE FILES ON ACTIVISTS

(By Ronald Sullivan)

TRENTON, June 1.—The New Jersey Supreme Court today upheld the compiling by the police of secret intelligence dossiers on civil rights activists and other protesters that had been ordered destroyed last year by a lower court in Hudson County.

In a unanimous decision here by the court, the state's highest, Chief Justice Joseph Weintraub maintained that state and local law enforcement agencies had the right to collect and maintain intelligence files on persons suspected of taking part in civil demonstrations despite charges that such information violated guarantees of freedom of speech and assembly under the First Amendment.

"Lawlessness has a tyranny of its own," the state court ruled, "and it would be folly to deprive the government of its power to deal with that tyranny merely because of a figment of a fear that government itself may run amok."

The files, which remained intact under an injunction that superseded the order to destroy them, were challenged by the Jersey City branch of the National Association for the Advancement of Colored People and members of the Students for a Democratic Society.

The case was handled by the American Civil Liberties Union in a suit that is believed to be the first major court test in the United States of the constitutionality of current police practices of collecting and maintaining intelligence information.

Stephen Nagler, the executive director of the New Jersey Chapter of the A.C.L.U., expressed "shock" at today's ruling and said it would be appealed to the United States Supreme Court.

"I regret the court did not understand the scope or depth of the issue involved," Mr. Nagler said. "It apparently has lost touch with what's going on in New Jersey."

The case involves a new state intelligence system that began in 1968 under the impetus of Arthur J. Sills, then the State Attorney General. The system was formulated in the wake of Negro rioting in Newark and Plain-

field in 1967. It was designed to enable local policemen to improve their surveillance and preparation for potential civil disorder in the future.

BASIS OF SYSTEM

The intelligence system was based on a lengthy memorandum from Mr. Sills on the use of two state police security forms—one dealing with potential incidents and the other with intelligence information on persons taking part in them.

On one form, local policemen are advised to report on any civil disturbance, rally, protest, demonstration, march or confrontation. The form gives as examples such types of protest as pacifist, religious, right-wing, left-wing, civil rights, militant, nationalistic, black power, Ku Klux Klan and extremists.

The form says that the incident may either be planned, taking place or have already occurred.

The other form deals with persons taking part in the demonstrations and calls for exhaustive information on suspected participants, including details on their employers, their immediate families, organizations, finances, habits and traits, places frequented and past activities.

OPINION OF COURT

In today's decision, the State Supreme Court said: "Plaintiffs envision that a mere rally, protest, demonstration or march of a pacifist group will precipitate a police dossier on everyone who attends, including his butcher's and banker's opinion of his credit."

The court ridiculed such fears, which it described as "hypothetical horrors" that saw "each citizen harried amid his family, friends and business associates."

"There is not an iota of evidence," the court said, "that anything of the kind has occurred or will, or that any persons have been deterred by the prospect."

Despite the amount of information requested, the court here said that there was "no evidence that the Attorney General intended to intimidate anyone." In fact, the court added, the state's power to investigate is "basic."

"The basic approach must be that the executive branch may gather whatever information it reasonably believes to be necessary to enable it to perform the police roles, directional and preventive," the court said.

The court went on to note that the President's National Commission on Civil Disorders had recommended in 1968 that the local police could head off new disorder by effective surveillance of potential danger spots.

"In the current scene," the court said, "the preventive role requires awareness of group tensions and preparations to head off disasters as well as to deal with them if they appear."

"The police interest is in the explosive possibilities and not in the merits of the colliding philosophies."

Furthermore, the court said, "we think it preposterous to suppose that the memorandum was intended or understood to recommend round-the-clock surveillance of every person who attends an antiwar meeting."

"No doubt there may be situations in which judicial intervention is warranted," the court added, but it said it saw no reason to act before such situations were reported.

The police security forms had been called the tools of a "Gestapo-like network of police spies" by the A.C.L.U.

Superior Court Judge Robert A. Mathews, who had ordered the security forms destroyed, said they would have a "chilling" effect on anyone who wanted to advocate "social and political change."

The judge said in his ruling—upset by today's decision: "It is not difficult to imagine the reluctance of an individual to participate in any kind of protected conduct

which seeks publicly to express a particular or unpopular political or social view because of the fact that by doing so he might now have a record or because his wife, his family, or his employer might also be included."

[From the Staten Island (N.Y.) Sunday Advance, July 19, 1970]

MITCHELL DEFENDS JUSTICE DEPARTMENT'S "BIG BROTHER" ROLE

(By Jared Stout)

WASHINGTON.—The Justice Department has asserted a virtually unchecked right—not subject to the Constitution—to keep records on persons who are "violence prone" in their protests of government policies.

The right, Atty. Gen. John N. Mitchell said through a spokesman, arises from the inherent powers of the federal government "to protect the internal security of the nation. We feel that's our job."

It was the first time Mitchell had outlined the legal basis for the collection and computerization of dossiers on protesters within the department's special Civil Disturbance Unit.

The assertion matches in breadth the claim made June 13, 1969 when the government said it had unlimited powers to eavesdrop on those the Justice Department thinks are seeking to "attack and subvert the government by unlawful means."

The eavesdropping claim was made in defense of electronic eavesdropping against some defendants in Chicago Seven riot conspiracy trial.

The extension of this doctrine to the department's domestic intelligence operation came in response to questions arising from Mitchell's news conference last Tuesday.

Mitchell declined to give the legal foundation for the intelligence operation last Tuesday. He said only "there are no court decisions that would restrain us from compiling this type of information."

Later, however, he acknowledged through the department spokesman that the legal argument used to justify the Chicago Seven eavesdropping also applied to the intelligence operation.

In the Chicago case, the department said nothing in the Constitution's ban on unreasonable searches and seizures limits the power of the President—and the Attorney General—to eavesdrop, and now keeps records on, those who try to "foment violent disorders."

This position has been sharply attacked by critics including Sen. Sam Ervin, Jr. (D-N.C.) as a step toward "a police state" and a potential violation of First Amendment rights to free speech and association.

Earlier this past week, it was disclosed that Treasury Department agents had been seeking the names of those who had checked out books on bombs and explosives from public libraries in Atlanta and other cities.

Ervin attacked this step as he has other intelligence efforts, including those of the Secret Service which lists in computer files all those who may pose a threat to the President.

Throughout his opposition to such activities, Ervin has stressed the lack of standards in deciding who shall be listed within such files, and how once a person is catalogued, he may learn of the step and question his inclusion.

The Justice Department spokesman said the definition of "violence prone" persons for its purposes included those who either acted violently, counseled violence or appeared in the ranks of violent confrontations.

He said the dossiers were not kept on "as broad a range as those compiled by the Army," a reference to the watch military intelligence agent have kept on civilian pro-

testers. No notice is given to those whose names have been recorded.

According to the spokesman, this means those individuals listed in department records at least had to be present or in the leadership of violent events. Army records included, for example, those who subscribed to New Left publications.

It was learned, however, that the justice intelligence unit still has access to the records compiled by the Army, which said in February it had discontinued its record-keeping but has hung on to those it made in four years from 1966.

MANPOWER SERVICES AND INDIAN UNEMPLOYMENT

Mr. KENNEDY. Mr. President, on June 16 I offered amendment No. 700 to the Employment and Training Opportunities Act of 1970—S. 3867. This amendment would provide for the establishment of an Office of Indian Manpower Services in the Labor Department and a National Indian Manpower Advisory Committee to advise the Director of the Office of Indian Manpower Services concerning problems and policy relating to Indian employment and manpower. Finally, the amendment provides that a set percentage of appropriated funds for manpower programs shall be used for programs relating to American Indians.

I have discussed with a number of representatives of the Indian community the various issues and bills that Congress is now considering. They are waiting for Congress to act on a number of matters of general interest to them: the bill to return Blue Lake to the Taos Pueblo—H.R. 471; the bill to provide that the head of the Bureau of Indian Affairs should be an Assistant Secretary of Interior—S. 3203; the resolution calling for a White House Conference of American Indians and Alaska Natives—Senate Joint Resolution 168; and others. They also are hopeful that Congress will act favorably on the Indian Manpower Services amendment. I ask unanimous consent to have printed in the RECORD at the end of my remarks a letter from the National Congress of American Indians supporting this amendment.

Mr. President, this spring the BIA put together a report on Indian Reservation Labor Force and Unemployment for 1969. While we are all aware that unemployment has been increasing during the past year, these figures do not even reflect the recent increases. Yet they do reflect that the American Indian and Alaska Native

have an unemployment rate running over 80 percent in some areas.

The unemployment figures for Alaska Natives range from a low of 56 percent in the Nome Administrative Agency's jurisdiction to 66 percent and 67 percent in Anchorage and Bethel. A recent task force investigation of hiring in the oil fields discovered, for example, that only eight out of 800 jobs were held by Natives. The Departments of Labor and Interior are this month holding hearings in Alaska on Native unemployment, and I am sure that the results of those hearings will support the need for immediate action and initiative in that State.

At Fort Berthold, N. Dak., 699 Indians are unemployed, out of a labor force of 877, giving an unemployment rate of 80 percent; the rate at Camp Verde, Ariz., is 81 percent. Overall, Indian unemployment runs over 40 percent of the Indian population. Thus, while Indians and Alaska Natives represent only about 1 percent of our total population, they constitute roughly 10 percent of the Nation's unemployed.

Mr. President, I believe that the Indian unemployment figures will be of great interest to my colleagues. These data, relating to Federal reservation populations only, make it clear that we cannot continue to decry a national unemployment rate of over 5 percent while tolerating Indian unemployment at many times that figure. I ask unanimous consent that the BIA table of reservation unemployment be included in the RECORD at the end of my statement.

Finally, I believe that Congress, and the public, should know exactly how things stand in the Labor Department right now with regard to the problems of the American Indian, and incidentally, of other minorities.

In his message to Congress on Indian affairs on July 8, President Nixon spoke of the progress made by his administration since January of 1969.

The President stated:

New "Indian Desks" have been created in each of the human resource departments of the Federal Government to help coordinate and accelerate Indian programs.

Just a few days before the President issued his statement, the so-called Indian desk at the Department of Labor had been disbanded.

The Indian desk at the Labor Department had been just that—a single desk, with a single employee. He advised the

Manpower Administrator on Indian programs, but the actual policies were determined elsewhere, often in the regional offices. The Indian desk, along with two other desks representing blacks and Mexican-Americans, was part of the Office of Minority Groups Affairs of the Manpower Administration. On July 1, 1970, this Office was dissolved and its personnel assigned elsewhere or placed in limbo for an undetermined period. At the present time there is no Office of Minority Groups Affairs in the Labor Department. At the present time there is no official Indian desk in that Department, good intentions or high-level rhetoric to the contrary. This, I believe, strongly suggests the need for congressional action in establishing an Office of Indian Manpower Services in the Department of Labor. I hope that Congress will keep in mind this short history of the Labor Department's Indian desk when it considers the Employment and Training Opportunities Act of 1970 and my amendment to that act.

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

NATIONAL CONGRESS OF AMERICAN INDIANS,

Washington, D.C., June 23, 1970.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KENNEDY: On behalf of the National Congress of American Indians, I would like to thank you for your support of N.C.A.I.'s proposal embodied in S. 3867 and introduced by Senator Nelson for the establishment of an Office of Indian Manpower Services in the Department of Labor.

As you know, the problem of unemployment on Indian Reservations is one of the most serious problems facing Indians today. We are hopeful that Congress will swiftly pass this proposal into law and provide a means for real progress in this area.

We have noted the various amendments you have proposed to S. 3867. We strongly concur in your recommendation that 10% of all funds appropriated for Manpower Training Programs under the Act be set aside for the special Indian programs. Only if an adequate amount of funds are assured for the establishment and the maintenance of special Indian Manpower Training programs can meaningful progress be made.

We also concur in your proposal to make sure that Indians will serve in administrative, as well as advisory capacities in the design and operation of the Manpower programs.

Yours sincerely,

BRUCE WILKIE,
Executive Director.

INDIAN RESERVATION LABOR FORCE AND UNEMPLOYMENT, 1969 (AVERAGES FROM SEPTEMBER 1968 AND MARCH 1969 REPORTS)

	Labor force (16 years and over)	Unem- ployment	Percent of labor force		Labor force (16 years and over)	Unem- ployment	Percent of labor force
ALASKA				Hopi Agency:			
Anchorage Agency	4,785	3,145	66	Hopi	1,812	925	51
Bethel Agency	3,300	2,212	67	Kaibab	50	20	40
Fairbanks Agency	2,753	1,630	59	Navajo Agency—see also New Mexico; Navajo (includes New Mexico and Utah parts)	37,210	19,125	51
Nome Agency	3,225	1,814	56	Papago Agency:			
Southeast Agency	3,689	2,186	59	Gila Bend	104	36	35
ARIZONA				Papago (Sells)	2,206	922	42
Colorado River Agency—see also California:				San Xavier	282	86	30
Cocopah	24	10	42	Pima Agency:			
Colorado River (includes California part)	733	408	56	Ak Chin (Maricopa)	61	0	—
(Fort Mohave and Fort Yuma Reservations—see California)				Gila River	1,902	474	25
Fort Apache Agency	1,770	988	56				

Footnotes at end of table.

INDIAN RESERVATION LABOR FORCE AND UNEMPLOYMENT, 1969 (AVERAGES FROM SEPTEMBER 1968 AND MARCH 1969 REPORTS)—Continued

	Labor force (16 years and over)	Unem- ployment	Percent of labor force		Labor force (16 years and over)	Unem- ployment	Percent of labor force
Salt River Agency: Fort McDowell.....	79	4	5	MONTANA			
Salt River.....	550	107	19	Blackfeet Agency.....	1,300	551	42
San Carlos Agency.....	1,070	426	40	Crow Agency.....	994	260	26
Truxton Canyon Agency: Camp Verde.....	325	264	81	Flathead Agency.....	871	215	25
Havasupai.....	88	30	34	Fort Belknap Agency.....	627	336	54
Hualapai (includes Big Sandy).....	410	184	45	Fort Peck Agency.....	878	370	42
Yavapai.....	37	12	32	Northern Cheyenne Agency (Tongue River).....	676	124	18
				Rocky Boy's Agency.....	435	283	65
CALIFORNIA				NEBRASKA			
California Agency: Round Valley (Covelo).....	91	18	20	Winnebago Agency: Omaha.....	535	220	41
Alturas, Big Pine, Bishop, Cachi Dehe (Colusa), California public domain allotments, Cedarville, Cortina, Dry Creek, Enterprise, Fort Bidwell, Fort Independence, Grindstone Creek, Jackson, Laytonville, Long Pine, Look- out, Manchester, Rumsey, Santa Rosa, Sheep Ranch, Sherwood Valley, Shingle Springs, Stewart's Point, Sul- phur Bank, Susanville, Tule River, Tuolumne, X L Ranch.....	(*)	(*)	-----	Santee.....	78	39	50
Colorado River Agency—see Arizona: Fort Mohave (includes Arizona and Nevada parts).....	88	36	41	Winnebago.....	273	79	29
Fort Yuma (includes Arizona part).....	478	247	52	NEVADA			
(Colorado River Reservation—see Arizona)				Nevada Agency (see below): (Battle Mountain, Carson, Elko, Ely, Las Vegas, Lovelock, Odgers Ranch, Reno-Sparks, Ruby Valley, Summit Lake, Winnemucca and Nevada public domain allot- ments).....	(*)	(*)	-----
Hoopa area field office: Hoopa Valley.....	288	66	23	Duck Valley (Western Shoshone) (includes Idaho part).....	282	119	42
Big Bend, Big Lagoon, Coast Indian community (Resighini), Hoopa public domain allotments, Hoopa Valley extension (Klamath Strip), Roaring Creek, Trinidad.....	(*)	(*)	-----	Duckwater.....	11	2	18
Palm Springs office: Agua Caliente.....	(*)	(*)	-----	Fallon (Paiute) and Colony.....	40	3	8
Riverside area field office: Morongo.....	82	20	24	Fort McDermitt (includes Oregon part).....	65	28	43
Augustine, Barona Ranch, Cabazon, Cahuilla, Campo, Cuyapaipe, Inaja and Cosmit, LaJolla, Pechanga, Los Coyotes, Manzanita, Mesa Grande, Mission Creek, Pala, Pauma and Yuima, Rincon, San Manuel, San Pasqual, Santa Rosa, Santa Ynez, Santa Ysabel, Soboba, Sycuan, Torres-Martinez, Viejas (Baron Long).....	(*)	(*)	-----	Goshute (including Utah part).....	44	22	50
				Moapa River.....	13	2	15
COLORADO				Pyramic Lake.....	68	16	24
Southern Ute Agency.....	240	102	42	South Fork (Te-Moak).....	42	5	12
Ute Mountain Agency (includes New Mexico and Utah parts).....	326	202	62	Walker River.....	107	9	8
				Washoe-Dresslerville.....	41	1	2
FLORIDA				Yerington (Campbell Ranch) and Colony.....	35	6	17
Miccosukee Agency.....	74	5	7	Yomba.....	22	8	36
Seminole Agency: Big Cypress.....	114	19	17	(Fort Mohave Reservation—see Arizona, Colorado River Agency). (Iowa and Sac and Fox Reservations—see Kansas, Horton Agency).			
Brighton.....	90	13	14	NEW MEXICO			
Hollywood (Dania).....	156	12	8	Jicarilla Agency.....	525	218	42
				Mescalero Agency.....	565	390	69
IOWA				Navajo Agency—see Arizona: Canoncito (Navajo community).....	267	137	51
Sac and Fox area field office.....	122	20	16	Puerto Rico (Alamo Navajo community).....	298	134	45
				Northern Pueblos Agency: Nambe.....	75	50	67
IDAHO				Picuris (San Lorenzo).....	35	20	57
Fort Hall Agency—see also Utah: Fort Hall.....	1,316	678	52	Pojoaque.....	20	10	50
Northern Idaho Agency—see also Washington: Coeur d'Alene.....	152	70	46	San Ildefonso.....	230	120	52
Kootenai.....	18	8	44	San Juan.....	300	130	43
Nez Perce (Lapwai).....	556	100	18	Santa Clara.....	410	120	29
(Duck Valley Reservation—see Nevada, Nevada Agency)				Taos.....	500	280	56
				Tesuque.....	180	80	44
KANSAS				Southern Pueblos Agency: Acoma.....	540	150	28
Horton Agency: Iowa (includes Nebraska part).....	64	3	5	Cochiti.....	100	20	20
Kickapoo.....	72	8	11	Isleta.....	730	190	26
Potawatomi.....	128	12	9	Jemez.....	360	210	58
Sac and Fox (includes Nebraska part).....	5	0	-----	Laguna.....	1,000	470	47
				Sandia.....	80	30	38
LOUISIANA				San Felipe.....	490	210	43
Choctaw Agency—see Mississippi: Chitimacha.....	(*)	(*)	-----	Santa Ana.....	210	80	38
				Santo Domingo.....	770	350	45
MICHIGAN				Zia.....	120	90	75
Great Lakes Agency—see Wisconsin: Bay Mills (includes Sugar Island).....	60	32	53	(Ute Mountain Reservation—see Colorado.)			
Hannahville.....	33	18	55	Zuni Agency: Ramah (Navajo community).....	478	366	78
Isabella (Saginaw).....	72	29	40	Zuni.....	2,120	1,192	56
Keweenaw Bay (L'Anse and Ontonagon).....	82	38	46				
				NORTH CAROLINA			
MINNESOTA				Cherokee Agency (Qualla boundary).....	1,694	378	22
Minnesota Agency: Fond du Lac.....	170	86	51	NORTH DAKOTA			
Grand Portage (Pigeon River).....	70	33	47	Fort Berthold Agency.....	877	699	80
Leech Lake.....	922	338	37	Fort Totten Agency.....	489	253	52
Mille Lac.....	171	82	48	Turtle Mountain Agency.....	2,099	1,221	58
Nett Lake (Bois Fort).....	242	146	60	(Sisseton and Standing Rock Agencies—see South Dakota.)			
Southern Minnesota communities: Lower Sioux (Morton).....	38	16	42	OKLAHOMA *			
Prairie Island (Red Wing).....	36	19	53	Anadarko Agency: Kiowa, Comanche, and Apache (includes Fort Sill Apache).....	1,093	102	9
Prior Lake (Shakopee).....	3	0	-----	Wichita.....	364	98	27
Upper Sioux (Granite Falls).....	26	14	54	Concho Agency (Cheyenne and Arapaho).....	1,626	1,054	65
White Earth.....	748	267	36	Five Civilized Tribes Agency: Ardmore Agency—Chickasaw.....	1,634	202	12
Red Lake Agency.....	869	364	42	Okmulgee Agency—Creek.....	6,267	952	15
(Winnebago Reservation—see Wisconsin Great Lakes Agency)				Tahlequah Agency—Cherokee.....	3,355	970	29
				Talihina Agency—Choctaw.....	3,894	744	19
MISSISSIPPI				Wewoka Agency—Seminole.....	2,424	500	21
Choctaw Agency—see also Louisiana: Choctaw.....	976	130	13	Miami Agency (eastern Shawnee, Miami, Quapaw, Seneca- Cayuga).....	2,270	302	13
				Osage Agency.....	1,084	375	35
				Pawnee Agency (Kaw, Otoe, and Missouri, Pawnee, Ponca, and Tonkawa).....	1,630	1,130	69

Footnotes at end of table.

	Labor force (16 years and over)	Unem- ployment	Percent of labor force		Labor force (16 years and over)	Unem- ployment	Percent of labor force
Shawnee Agency:				Northern Idaho Agency—See Idaho: Kalispell.....	42	24	57
Iowa.....	26	4	15	Western Washington Agency:			
Kickapoo.....	246	35	14	Chehalis.....	41	11	27
Potawatomi.....	252	37	15	Hoh.....	10	4	40
Sac and Fox.....	144	12	8	Lower Elwha.....	51	19	37
Shawnee.....	414	67	16	Lummi.....	114	14	12
OREGON				Makah.....	164	62	38
Warm Springs Agency:				Muckleshoot.....	69	24	35
Burns-Paiute.....	61	17	28	Nisqually.....	56	27	48
Cecilio Village.....	12	3	25	Port Gamble.....	29	5	17
Umatilla.....	418	73	17	Port Madison.....	48	13	27
Warm Springs.....	499	161	32	Puyallup.....	30	11	37
(Fort McDermitt Reservation—Nevada, Nevada Agency)				Quileute.....	68	26	38
SOUTH DAKOTA				Quinault.....	331	99	30
Cheyenne River Agency.....	1,325	493	37	Shoalwater.....	8	4	50
Flandreau Reservation (school).....	40	5	12	Skokomish.....	64	13	20
Pierre Agency:				Squaxon Island.....	35	8	23
Crow Creek.....	366	235	64	Swinomish.....	86	37	43
Lower Brule.....	150	72	48	Tulalip.....	143	61	43
Pine Ridge Agency.....	3,202	1,666	52	Western Washington public domain allotments (Clallam, Duwamish, Jamestown, Nooksack, Skagit, Snoqualmie, and Suittale).....	55	26	47
Rosebud Agency.....	1,854	924	50	Yakima Agency (Reservation).....	2,140	488	23
Sisseton Agency (includes North Dakota part).....	404	189	47	WISCONSIN			
Standing Rock Agency (includes North Dakota part).....	1,282	547	43	Great Lakes Agency—see Michigan:			
Yankton Agency.....	378	134	35	Bad River (La Pointe).....	160	78	49
UTAH				St. Croix.....	74	20	27
Fort Hall Agency—see Idaho: Washakie.....	1	0	-----	Lac Courte Oreilles.....	152	27	18
Utah and Ouray Agency:				Lac du Flambeau.....	301	94	31
Skull Valley.....	11	6	55	Mole Lake (Sakoagon).....	43	23	53
Utah and Ouray.....	346	207	60	Oneida.....	538	43	8
(Goshute Reservation—see Nevada, Nevada Agency)				Potawatomi.....	74	52	70
(Navajo Reservation—see Arizona, Navajo Agency)				Red Cliff.....	152	80	53
(Ute Mountain Reservation—see Colorado, Ute Mountain Agency)				Stockbridge-Munsee.....	118	29	25
WASHINGTON				Winnebago (includes Minnesota part).....	462	180	39
Colville Agency:				WYOMING			
Colville.....	868	340	39	Wind River Agency.....	1,144	419	37
Spokane.....	196	56	29				

¹ Jurisdiction in Alaska represents Alaskan Native communities.

² Not available.

³ Jurisdiction in Oklahoma represents trust lands remaining from former reservations.

CONCLUSION OF MORNING BUSINESS

Mr. ALLEN, Mr. President, is there further morning business?

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

AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PROCUREMENT AND OTHER PURPOSES

The PRESIDING OFFICER (Mr. HARRIS). Pursuant to previous order, the Chair lays before the Senate the unfinished business which the clerk will state.

The LEGISLATIVE CLERK. A bill (H.R. 17123) to authorize appropriations during the fiscal year 1971 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and other weapons, and 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.

The Senate resumed the consideration of the bill.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

REPORT OF THE SPECIAL SUBCOMMITTEE ON TACTICAL AIR POWER

Mr. CANNON, Mr. President, I was pleased and honored to serve once again as chairman of a special subcommittee on Tactical Air Power of the Committee on Armed Services.

Other members appointed to serve on this subcommittee were Senators SYMINGTON, YOUNG of Ohio, THURMOND, TOWER and GOLDWATER, each of whom made an invaluable contribution to the work of the subcommittee and the findings I will present to the Senate today.

Senator STENNIS appointed the subcommittee on January 21, 1970, with the request we thoroughly explore as many tactical aircraft and missile programs as time would permit. Our objective was to determine the justification, or lack thereof, of the funds requested.

Mr. President, the Tactical Air Power Subcommittee reviewed 10 major aircraft programs and 12 major missile programs. The funds requested for these weapon systems was \$3.2 billion. The subcommittee recommended reductions of \$173.3 million—a reduction of 5.4 percent.

Mr. President, before I review the individual programs investigated and the conclusions arrived at, I would like to speak briefly about the approach used by the subcommittee in discharging its responsibilities.

Secretary Laird stated to the Armed Services Committee that his request for funds represented a "rock bottom" budget. In general, I certainly believe a

reasonable budget was presented. It was our duty to carefully review it. We felt strongly that our national security interests and the world in which we live today presented a clear mandate that we not act hastily or arbitrarily. Each Member took his job seriously. We were confronted with many difficult decisions. We deliberated over them at great length. The people, who worked hard and long on these programs, together with the sizable sums either invested or to be invested, required that we exercise the best possible judgment; that we act with caution and restraint; and that we obtain all relevant facts on each weapons system. We made every effort to achieve this objective. I hope, Mr. President, that the Members of the Senate will agree with our conclusions after my presentation.

I recognize, as does every Member, the increasing financial requirements for our domestic programs. I fully support the principles and objectives of these programs. However, I feel strongly, as a representative of the taxpayer, that our domestic programs should receive as careful and thorough a review on the justification for the overall funds requested as do the military programs. Merely because the goals and objectives of our domestic programs are worthwhile, does not warrant the hasty conclusion that billions of dollars should be "shoveled out" indiscriminately. These programs must meet the test of urgent and necessary requirements. The taxpayer of the United States is entitled to

no less—be they military or domestic programs.

In my judgment, justification for wielding a large ax on military programs to "cut for the sake of cutting" lacks wisdom and foresight. Our national security interests are of vital importance. They must not be abrogated or discounted in the pellmell rush to achieve economy in government.

We must not permit the desire for economy to sweep everything before it. I am personally concerned lest we take actions which may be contrary to our national security interests. As long as we have our worldwide commitments and expect the military to be capable and responsible to meet them, we must provide them with the weapons and hardware to do so. Otherwise, we are only "kidding ourselves."

Mr. President, the Soviet and Red Chinese Governments have not disappeared. They have not altered their national or military policies. The Soviet Union continues to substantially build up its military capability. This includes not only a vast increase in its ICBM capability, but sizable improvements in the quality and quantity of its aircraft, submarines, ships, ground forces, and so forth. I would hope their action in part may be as a "chip" in the international arena of SALT negotiations. However, I place little confidence in that conclusion.

Everyone agrees, Mr. President, that a lasting and true peace would be a grand and glorious achievement. I earnestly hope after Vietnam it is a constant environment in which we live. However, history has proven repeatedly that we cannot act on such an assumption.

As every Member of this body realizes, Mr. President, peace is maintained and preserved by the strong and not the weak nations. The aggressor nations in history have traditionally "gobbled up" the weak. The nation who attempts to appease the strong is inevitably struck down.

I would be extremely concerned if the United States were to retreat to a condition of preparedness which existed in this country prior to World War II and Korea when we were woefully unprepared. Fortunately, time was on our side so that we could prepare ourselves. No such assurance exists today or in the future.

Mr. President, I want to assure my colleagues that it is not my purpose in any respect to cry "wolf." I merely want the Members of the Congress to recognize fully the actions it will take this year, whether in the name of economy, expediency, and so forth. Every Member should recognize and accept the potential calculated risks that may be run.

It was with these thoughts in mind, Mr. President, that the Tactical Air Power Subcommittee deliberated at great length over each and every program reviewed and why no cuts were recommended unless we felt they were thoroughly justified.

The Tactical Air Power Subcommittee conducted hearings from February 4 through March 23. The hearings were of great benefit and assistance to us during our deliberations on the justification, or lack thereof, for authorizing the funds requested.

We reviewed 10 aircraft programs involving funds exceeding \$2.6 billion. The programs were the Air Force F-15, F-111, AX, A-7, Light Intratheater Transport and the International Jet Fighter. The Navy aircraft programs were the F-14, A-7, and the A-6; the Marine Corps Harrier program; and the Army Cheyenne program. While I will discuss each program briefly, I will talk at greater length about the three major programs, the F-15, F-14, and the F-111, inasmuch as they account for \$1.9 billion of the \$2.6 billion requested. We recommended a reduction of \$64.0 million and the full committee agreed with our recommendations with the exception of the Cheyenne/advanced helicopter development programs about which I will comment on shortly.

The Tactical Air Power Subcommittee reviewed 12 major tactical missile programs, involving a funds authorization request of \$545.3 million. We recommended a substantial cut of \$108.7 million—a 20 percent reduction—and approval of \$436.6 million. The full committee supported each of our missile system recommendations.

Mr. President, the subcommittee was vitally concerned as to the possibility that the Military Establishment may be acquiring too many different types of tactical missiles constituting unnecessary duplication. Of equal importance, we were concerned as to whether the Military Establishment may have established quantity requirements on some of the tactical missiles in excess of those we felt were justified.

Most of the tactical missiles being purchased today, by virtue of their complexity, involve high unit production costs. Most of them cost \$20,000 each and up. Therefore, any reductions that can be made, either in the type or quantity of missiles to be purchased, results in sizable savings to the taxpayer.

Mr. President, I want to assure the Senate, however, that our objective was not to eliminate missiles for the sake of elimination itself. This would be unjust and unwise. However, we were most anxious to prevent duplication or unnecessary proliferation. I will speak about each missile system after I discuss our findings on the aircraft programs reviewed.

TACTICAL AIRCRAFT PROGRAMS

Of the 10 tactical aircraft programs studied, I will concentrate on the F-15, F-14 and F-111 programs as they constitute the bulk of the funds requested. The Air Force F-15 and the Navy F-14 are new air superiority fighter programs. The F-15 is to be operational by 1975 and the F-14 will be operational by April 1973.

Mr. President, before discussing each program separately, I would like to discuss why it is so critical for the United States to support these programs this year.

For the United States to fight a successful conventional war it is essential to have an air superiority aircraft that can dominate the battlefield. This requires an aircraft that can meet and defeat any enemy aircraft in air-to-air battle. This, in turn, permits our other tactical air-

craft to support our ground combat forces by bombing enemy troops, supply lines, and so forth. Without an air superiority fighter capable of protecting those aircraft which require a "permissive" air environment, we would be faced with a dangerous situation.

The only aircraft the Air Force and the Navy possess today with an acceptable air-to-air combat capability is the F-4. This aircraft has been an excellent weapon system. However, each Member must recognize that the F-4 technology dates back to 1955. In an age of rapidly advancing technological achievement, it is not only questionable but doubtful that it could cope with adversary aircraft in the mid 1970's.

Today, the most likely enemy air superiority aircraft is the MIG-21. It has been well established that it is equal in performance to the F-4 at normal fighting altitudes. We then must examine what the Soviet Union has done to improve upon the MIG-21 fighter capability and, more importantly, what its capability will be by the mid-1970's. Recognized experts agree the F-4 will be technically outmoded by the mid-1970's and unable to achieve or maintain air-to-air combat supremacy with a potential enemy.

The Soviets since 1955 have flown 18 new models of modern tactical aircraft. Not all of these models went into production. However, it has afforded the Soviets a wide selection of high performance flying prototypes from which it can select the best for production.

Seven of the 18 new models, Mr. President, were seen by the free world for the first time 3 years ago at the July 1967 Moscow Air Show. At this show we first saw the Foxbat—the present holder of the world's speed record. Intelligence sources estimate at least three of the new fighters shown then are currently in production or will be shortly.

Mr. President, it is common sense to realize that a nation, with its eyes on the future and on what potential adversaries may do, will not develop a new aircraft inferior to existing models. Thus, it is fundamental to conclude that Soviet aircraft now in production will be superior to the Mig-21. Consequently, they will be superior to the F-4.

Mr. President, the seven types of tactical aircraft flown by the Soviet Union in July 1967 were designed before 1964. We must assume the Soviet Union, during the past 3 years, has continued its design efforts to improve upon the impressive aircraft flown at the 1967 air show. Unfortunately, the Soviet Union does not even make infrequent announcements of its aircraft or military achievements and the United States has been surprised when the Soviets do ultimately decide to disclose to the world what they have been up to.

I earnestly believe that the high level of aeronautical effort by the Soviet Union during the past few years and a conservative assessment of its existing capability and future activities requires the United States, of necessity, to undertake the development of new air superiority fighter aircraft.

A modern fighter cannot be developed overnight. It takes several years to de-

velop and produce. This is an inevitable and inescapable fact. Therefore, even though we approve and fund a new fighter today, it will be the mid-1970's before it is operational.

Mr. President, for the reasons just mentioned I believe there is an unquestioned need for the United States to develop and produce a new air superiority weapon system.

Some people ask the logical question: Why do we need both the F-14 and the F-15? The F-15 will be developed by the Air Force for the sole mission of achieving a maximum air-to-air capability. As such, it is to be light, fast, and highly maneuverable. Hence, it will not be able to operate from an aircraft carrier. If it were assigned this mission it would be structurally substantially heavier. The F-14 is designed to operate from an aircraft carrier. Anyone who has witnessed carrier landings and catapult launchings recognizes the structural integrity requirements for such aircraft.

The F-14 will replace the Navy F-4 in the air superiority role. In addition, it must perform the fleet air defense mission. This requires the F-14 to fly long distances and to loiter for substantial periods of time to protect carrier task forces against incoming enemy bombers, fighters, missiles, and so forth.

If the Navy were to restrict the F-14 to the air superiority role alone, it would be necessary to develop another expensive weapon system for the fleet air defense mission—the mission of the now cancelled F-111B program.

Another important factor is each service will have an aircraft optimized for its own operational requirements without compromise. The F-111 is a classic example of compromise. Neither the Navy nor the Air Force realized the performance goals originally established for that aircraft.

The advanced technology engine presently under development will be basically the same engine for both the F-15 and the F-14B. This will save substantial sums of money. Mr. President, I want to emphasize that a common engine makes sense, but a common airframe does not.

Mr. President, I have presented what the Tactical Air Power Subcommittee believes to be a very urgent requirement for the F-14 and the F-15. I would now like to present additional information with respect to each program.

F-15

The Air Force will purchase 20 research and development aircraft and several hundred operational F-15's. The total cost of the program is estimated at \$7.2 billion—\$1.8 billion for research and development and \$5.4 billion for production.

The Air Force requested \$370 million in fiscal year 1971 for research and development. Recognizing the urgent need for this aircraft, which I have already discussed, the Senate Armed Services Committee authorized the request in full. If the program proceeds as planned, the F-15 will be operational in 1975.

The F-15 contract was awarded to McDonnell Douglas in December 1969. Over 181 performance specifications are spelled out in the contract. With a keen

awareness of the difficulties encountered on previous weapon systems, this contract was carefully drawn. The F-15 will fly 6 to 7 months before any substantial production funds are committed. The contractor has total systems performance responsibility. Demonstrated technical milestones must be achieved before additional steps are taken. The Air Force must be notified 17 months in advance if additional funds are required.

The Air Force eliminated many "nice to have" features not considered essential to obtain a more economical aircraft.

A popular subject discussed in the Congress and the press these days is "cost overruns" and "cost growths." They are generally misunderstood and the F-15 is an excellent example. The original F-15 cost estimate was \$6 billion. This estimate was prepared before any cost data was received from the potential manufacturers. It was based on an analysis of what other aircraft purchased in the past had cost. While reasonable men prepared these estimates, it was a "best guess" type of information. When the contractors' proposals were received, it was evident the F-15 program would cost \$7.2 billion. Therefore, many people quickly concluded a substantial "cost overrun" had occurred. Nothing is further from the truth.

Mr. President, estimates prepared early in time prior to the receipt of cost proposals from industry certainly should not be used as a valid basis for the original cost of a weapon systems. They lack validity. Yet most people treat them as bona fide, realistic estimates and every dollar spent in addition thereto is represented as an evil "overrun." This should not be.

The United States has encountered serious inflation since 1965. Everyone recognizes this, particularly when they pay their monthly bills. However, many people assume the purchase of military weapon systems is an exception to inflation. Unfortunately, nothing is further from the truth. Inflation is the single most important factor resulting in higher costs for our weapon systems.

The Air Force's F-15 will use the same basic engine as the Navy F-14B aircraft. This will result in significant savings as the engine is one of the more costly components of any aircraft.

Mr. President, the committee concluded there was a clear requirement for the F-15 program and fully supported the request for \$370 million.

F-14

The F-14 program will cost an estimated \$8.2 billion—\$1.3 billion for research and development and \$6.9 billion for production. The Navy program calls for 12 R. & D. aircraft and 710 production aircraft.

The Navy request this year was \$982.2 million—\$324.2 million for research and development and \$658 million for production. We approved the request except for \$5.2 million.

The F-14 program is currently on schedule. The first flight is scheduled for January 1971 and the first squadron is to be operational by March 1973.

I have already discussed the requirement for an air superiority fighter and

the need for the F-14 to fulfill the fleet air defense mission.

The funds this year will purchase 26 F-14A aircraft. The Tactical Air Power Subcommittee satisfied itself that this program is on schedule, both in costs and technical achievement. There was a failure recently in testing a wing pivot lug. It was not a failure of the wing box as was reported. A crack occurred beyond the expected fatigue life of the aircraft. The engineering redesign has been completed. The fatigue test will be repeated prior to first flight. The component will be tested to several times the life expectancy of the aircraft. To over-design structural elements adds unnecessary weight. The objective is to design only to the strength required. Otherwise, we would develop a "flying battleship" which, while structurally magnificent, would be a disaster in the air.

I would like to make one thing very clear, Mr. President. When new weapon systems are being developed with a significant advance in the state-of-the-art, it is not unusual but expected that problems will arise during research and development. If no problems were encountered, then very little technical advancement is being realized. People tend to panic easily and lose their perspective when problems arise during the development phase. I do not dismiss the problems but urge that we examine them objectively to determine whether they are small or large. We should certainly not blow them out of proportion. We intend to follow closely the F-14 as well as other tactical programs presently in R. & D. The F-14A engine has been successfully run in a full-scale inlet. Testing so far indicates higher thrust and better fuel specifics than originally predicted. Weight, always a critical factor, is less than 1 percent over original predictions.

Some people have raised the question: Why did we not reduce the F-14 program from 26 to 15 aircraft in the fiscal year 1971 budget? I would like to comment on that point. We examined it in detail. If we reduced the program 11 aircraft this year and assumed these 11 aircraft would be purchased in subsequent years, it would cost the Government \$64 million more, primarily due to inflation.

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

Mr. CANNON. I am very happy to yield to the distinguished Senator from Missouri.

Mr. SYMINGTON. Mr. President, I am sorry that the time was changed on the address that is being made by the distinguished Senator from Nevada. Unfortunately, I have to leave, after listening to it up to this point, in order to keep a long-standing luncheon engagement. However, Mr. President, it is with pleasure I state that, in my opinion, in the years that I have been in Congress, there has never been a more thorough or more intelligent analysis of the true needs of this country with respect to aircraft, than has been presented as a result of extensive hearings conducted by the able Senator from Nevada, chairman of the Tactical Air Power Subcommittee, of which I have the privilege of being a member.

We do not necessarily agree on every aspect of this report, but the important point is that it is based on careful investigation and analysis by him and his able staff.

Mr. CANNON. I thank the distinguished Senator from Missouri for his very gracious remarks, and wish to say that he was one of the most valuable members of our subcommittee, as I pointed out earlier, and that much of its work is due to his fine efforts as well as those of the other members of the subcommittee.

Mr. President, the cost of 26 aircraft with support equipment and spares in fiscal year 1971 is \$598 million. The cost of 15 aircraft would be \$477 million. The very important fact to understand, Mr. President, is that the unit cost of the 15 aircraft would be \$32 million each versus a unit cost of \$23 million each for 26 aircraft. It is clear, therefore, that the Government would spend \$9 million more for each of the 15 aircraft authorized this year, or a total of \$135 million more than necessary. In addition, the unit cost of F-14 aircraft purchased in subsequent years would cost more money. I hasten to add that the unit cost figures are for this year only. The initial aircraft of any type costs more. The average price is much less as additional planes are produced.

The theory has been advanced, Mr. President, that it would not cost the Government any more money to purchase the 722 F-14 aircraft so long as reductions made this year were reinstated in future years. This involves too much theory and not enough reality. If the Senate reduced the F-14 program in the first production year, then it is only reasonable to assume the Congress would make additional reductions in future years when larger quantities of aircraft are involved.

Mr. President, the committee looked at an extreme example. Suppose the F-14 was a catastrophic failure at the time of its first flight in 1971. The estimated Government liability for the 26 aircraft is \$165 million. Its liability, if it purchased 15 aircraft, is \$124 million. We did not feel the difference, as to potential Government liability, was sufficient to warrant reducing the program from 26 to 15 aircraft and pay the increased costs as a consequence.

Mr. President, the Navy requires a modern air-superiority fighter at the earliest point in time. The Navy has already waited several years for a high-performance fleet air defense aircraft after the F-111B program was canceled.

The committee denied the request for \$5.2 million to initiate development of the F-14C aircraft. The F-14C would incorporate new avionics equipment. We questioned the wisdom of initiating a new avionics program. Its estimated R. & D. cost would exceed \$300 million. It would not be operational until the late 1970's. Therefore, we fully supported the F-14A/B programs but denied the funds for the F-14C.

F-111

The Air Force requested \$563.3 million for the F-111 program. This included \$48.2 million for research and development; \$283 million for production;

\$200.5 million for over-target costs; and \$31.6 million for initial spares.

Mr. President, I feel that Senators generally are aware of this program in some detail as it has been discussed many times over recent years.

It was originally anticipated that the \$283 million requested this year would provide 40 F-111F aircraft. This would complete one wing of F-111F aircraft, inasmuch as we authorized 58 aircraft last year.

The Air Force plans to live within the dollars requested. Consequently, any additional dollar requirements will result in a lesser number of aircraft being purchased.

As a result of the crash in December 1969, an extensive "proof test" program is underway. The cost will result in four less aircraft being purchased. Also, last year during preparation of the fiscal year 1971 budget, a significant reduction in the program was made which drove up the unit cost. Hence, at the present time it appears that the Air Force will only receive 25 F-111 aircraft with the \$283 million requested in this year's budget.

The Air Force still plans on operational F-111 wings. The first few aircraft have now completed the "proof testing" program and have been released to the Air Force for operational flying.

The committee inserted specific language in the authorization bill requiring the Secretary of Defense to assure himself that the F-111 is fully airworthy and that both the House and Senate Armed Services Committees be notified he is satisfied with the program prior to buying the aircraft authorized in this budget.

Mr. President, I believe it is important for Congress to understand that the F-111 is the only Air Force tactical aircraft capable of flying and bombing at night and in all weather conditions. There is no substitute aircraft able to perform these missions. The F-111 can conduct bombing missions by itself as it does not require additional aircraft to fly a "protective cover" against enemy aircraft. It is the only Air Force tactical aircraft with terrain following radar, enabling it to fly at extremely low altitudes in all weather conditions.

The total cost of the program is currently \$6.2 billion. Congress has already provided \$5.5 billion. Therefore, only \$700 million more is required to complete the program. The F-111 is the only aircraft with sufficient range to operate from England against potential enemy targets in Europe without refueling. The F-111 is a "safe" aircraft. Accidents so far, although widely publicized, have been no greater in number than any other fighter aircraft at a comparable point in flying time—that is, with the equivalent number of flying hours. It can take off and land from shorter runways and unimproved air strips. It is the only tactical aircraft that can fly supersonic at low altitudes.

Considering all of the major factors, the committee approved the funds requested for the F-111 with the exception of \$6.4 million in research and development funds necessary to continue the Sparrow-G program during fiscal year

1971. We requested the Chief of Staff of the Air Force to examine the wisdom of continuing the Sparrow-G program because of the limited number of F-111 aircraft that would have this capability. After his review, the Chief of Staff terminated the Sparrow-G program on March 18, 1970. Therefore, we denied the funds associated with this program.

HARRIER

The Harrier is a V/STOL aircraft developed by Hawker-Siddeley of England.

The Marine Corps request for \$118.3 million to buy 18 aircraft was approved.

Mr. President, it is interesting to note that the research and development costs were largely borne by England. We are purchasing the finished product. Last year the House Armed Services Committee stated "the Department of Defense is placed on notice that no further authorizations will be approved by this committee for the procurement of this aircraft unless its production is within the continental limits of the United States." In response to the congressional statement, arrangements were made to produce the Harrier in the United States.

I feel that this is an important step in the right direction. During the past 20 years we have invested several hundred million in various V/STOL programs but never developed one sufficiently successful to warrant production.

I have personally seen the Harrier perform. As a pilot, I can testify to its impressive performance and flying characteristics. Its mission is the close air support of Marine Corps ground forces engaged in combat. It is capable of vertical landings and takeoffs similar to helicopters. It can operate from small-sized naval vessels.

Mr. President, it is incumbent on me to mention that producing the aircraft in the United States rather than England will cost more money. The reason is obvious—increased labor costs. However, this is offset somewhat by creating substantial additional employment in the United States by people who will pay U.S. income taxes. It will bring a much needed advanced technology to this country. It should prevent us from pursuing additional V/STOL research and development programs. Production in the United States will also prevent adding to our existing adverse balance-of-payments situation.

AX

The AX is a new tactical aircraft for the Air Force to provide close air support for Army ground forces. The \$27.9 million requested for research and development was approved. Everyone agreed that there is a distinct requirement for an aircraft specifically designed for the close air support mission. Today in Vietnam we are using the A-6, A-7, A-37, F-100, and even the F-4 air superiority fighter in addition to Army helicopter gunships.

The Air Force intends to use existing "off the shelf" technology. It anticipates rapid progress without substantial R. & D. difficulties. The Air Force hopes to make an award soon to the two successful contractors. The present plan is to build competitive prototypes and then

conduct a 6-month flyoff competition. The company that has the best aircraft will receive the production contract. This approach is better than analyzing paper studies. It is unfortunate that because of the high costs, we cannot use this approach on other weapons systems.

The AX will carry 16,000 pounds of ordnance and operate at speeds of 120-450 knots per hour. It is to be a highly survivable aircraft.

A prime factor in favor of the AX is its reasonable cost, presently estimated at less than \$1.5 million per aircraft. However, as I have emphasized before, this is only the best estimate available until cost data is received from industry.

CHEYENNE

The Cheyenne is a rigid rotor helicopter being developed by the Army for the close support role. Last year, we denied the \$429 million requested as the Army had canceled its production contract due to certain technical problems encountered in research and development.

This year, the Army asked for \$17.6 million to continue R. & D. The Tactical Air Power Subcommittee felt that the funds should be authorized. The Government has already invested \$168 million in the program. Ten Cheyennes have been built and eight are still on hand. The major technical problem was the rotor control system. An improved system has been installed on one of the Cheyennes currently flying at the Yuma Proving Grounds. The Army said the Cheyenne would be flying in excess of 200 knots soon and a decision on approving production could be made next year.

I believe the great advance in the "state-of-the-art" to be derived from the rigid rotor technology was worth the investment this year. However, the full committee, after a thorough and fair discussion, concluded that with the approval of the AX program, there was no need to proceed with the Cheyenne program. I respect their judgment and abide by it, though I do not agree with it.

My purpose today is to merely explain the actions of the Tactical Air Power Subcommittee.

This was the only recommendation by the Tactical Air Power Subcommittee not concurred in by the full committee.

A-7 PROGRAM

The A-7 is a single-seat, single-engine tactical aircraft developed by the Navy for both close air support and interdiction missions. Both the Navy and the Air Force are purchasing this aircraft.

The Navy request was for 30 A-7E aircraft costing \$133 million, including spares. This number of aircraft will only replace aircraft losses during fiscal year 1971.

The Air Force requested \$216.7 million for 88 A-7 aircraft, spares, etc. This will complete the second A-7 wing and initiate third wing buildup. The last Air Force A-7's will be requested in fiscal year 1972.

The committee approved the A-7 funds for the Navy and Air Force.

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A-6 PROGRAM

The A-6 is the Navy's only night all-weather capable aircraft.

The Navy requested 12 A-6E aircraft at \$137.7 million including support equipment, spares, and so forth.

The A-6E is a new version of the A-6A aircraft which performed so splendidly over North Vietnam. There have been over 44,500 carrier landings without a single carrier landing accident.

The 12 aircraft are for attrition to make up for peacetime losses during fiscal year 1971.

INTERNATIONAL JET FIGHTER

The International Fighter aircraft is to be purchased by the Air Force to provide certain free world forces, particularly our allies in Southeast Asia with an adequate air superiority fighter.

Last year, the Congress authorized the Air Force to expend not to exceed \$28 million from other aircraft procurement funds for this program. No funds have been expended or obligated as yet. The Air Force requested \$30 million for fiscal year 1971.

Competition is presently underway between several U.S. firms to determine which aircraft will best meet the requirement. The aircraft selected must be relatively simple, inexpensive, and easy to maintain.

The committee agreed with the concept of providing our allies with a simple and inexpensive aircraft. However, since none of the \$28 million authorized to be expended last year has been obligated, the committee felt it was not necessary to authorize \$30 million additional and denied the request.

Mr. President, I want to add here that certainly the committee does approve of this concept. I feel that if the Air Force were to make a decision on what they were going to do and made it clear that they did not have sufficient funds on hand with the \$28 million, the committee would probably be receptive to their feelings.

LIT—LIGHT INTRATHEATER TRANSPORT

The Light Intratheater Transport is a proposal by the Air Force to develop a new tactical aircraft to replace the C-7 and the C-123 and to augment the C-130. It would be a tilt-wing turboprop aircraft.

The Air Force requested \$2 million for research and development. The committee denied the funds requested for this program last year. Little has transpired since last year to rejustify this program.

The Air Force admitted that total R. & D. costs would be about \$500 million. We felt it was important to "nip in the bud" programs of questionable merit and denied the funds requested.

SUMMARY ON AIRCRAFT PROGRAMS

Mr. President, that concludes my comments with respect to the 10 aircraft programs reviewed in detail by the Tactical Air Power Subcommittee. I believe it is extremely important for all of us to recognize that the Air Force request for 350 aircraft this year is the lowest number of aircraft since 1935 and com-

pares more favorably with the 588 aircraft in last year's bill. It is also important to realize that 180 of the 350 aircraft in this year's bill are helicopters to be purchased for other friendly nations. Thus, the Air Force will only receive 170 aircraft this year.

The Navy and Marine Corps request this year for 261 aircraft is the lowest request since 1946 and compares most favorably with the 401 aircraft requested last year. The vast bulk of aircraft will go toward attrition; namely, to make up for peacetime losses and those incurred in Southeast Asia.

During the last 6 years, the average age of Navy aircraft has increased from 6.9 to 8.1 years. By the time the aircraft in this bill have been delivered, the average age will increase to 9.3 years. This age increase continues despite the fact that the total Navy inventory has decreased by 11 percent during the past 6 years.

Mr. President, I feel, in view of the foregoing facts, that the \$2.6 billion requested for aircraft funds is extremely reasonable and well justified except for the \$65.2 million denied by the committee reducing the total request from \$2.655 billion to \$2.590 billion.

TACTICAL MISSILES

Mr. President, I would now like to review briefly the actions by the Tactical Air Power Subcommittee with respect to 12 major tactical missile programs. Our recommendations were all approved by the full committee. Funds were requested totaling \$545.3 million. We made reductions of \$108.7 million and approved \$436.6 million. This represents a sizable 20-percent cut in funds requested.

During our deliberations, we were concerned as to the justification for so many different types of tactical missiles, together with the total quantity requirements for each type of missile.

The tactical missiles being purchased today by the military departments by virtue of their complexity involve high production unit costs. Hence, any reductions that can be made either in type or quantity achieves sizable savings to the taxpayer.

I want to stress that our objective was not to eliminate missiles for the sake of elimination itself. However, we were most anxious that no duplication or proliferation of missiles be permitted. I am pleased to see the Department of Defense giving increased attention to this matter. I will now discuss the individual programs and the basis for our actions.

PHOENIX

The Phoenix is a long range air-to-air missile system to be installed on the Navy's F-14 aircraft enabling it to perform the Fleet Air Defense mission (FAD). The Phoenix fire control system will also control and fire the Sparrow, short range missile, and the gun.

The Phoenix was originally developed for the F-111B aircraft. Hence, the research and development program is almost finished. Flight test results so far have been extremely good—24 successes out of 33 attempts. The Phoenix represents a dramatic increase in the state-

of-the-art. It will be able to track-while-scan many targets simultaneously. It will also be able to simultaneously track and launch six Phoenix missiles against six different enemy targets.

The Navy requested \$8.5 million for research and development and \$101 million in production funds to buy production engineered missiles. This is an important step to insure that the missiles turned out on the production line attain the same necessary performance achieved by R. & D. missiles.

The Phoenix will be an expensive missile. However, a value engineering program was completed which reduced the unit cost by slightly less than half. Another favorable factor is that the AWG-9 fire control system weighs 130 pounds less today than was specified several years ago.

A key feature of the Phoenix is its on-board checkout system that will enable 85 percent of the system to be verified on the aircraft for a go, no-go condition. This will save significant money in contrast to older systems where expensive test equipment is required to determine whether the missile systems are in a satisfactory condition for combat.

We questioned the Navy closely about the total requirement for Phoenix missiles. The exact figure is classified. However, we have told the Navy we intend to follow this matter closely in the future when production missiles are being purchased to insure that excessive quantities are not procured.

The program is currently on schedule and the first fire control system to go into the F-14 will be delivered in January 1971.

The funds requested were approved.

SPARROW

The Sparrow is a supersonic air-to-air missile used by both the Navy and the Air Force. It was originally developed in the late 1940's. The latest operational model is known as the AIM-7E-2 which incorporates modifications required from our experience in Southeast Asia. A new Sparrow missile, known as the AIM-7F, is in research and development which will incorporate solid state rather than vacuum tubes, have extended range, proven reliability, and so forth. The 7F model will constitute a significant advance in the Sparrow missile system capability.

The Air Force requested \$14.4 million to buy several hundred AIM-7E-2 missiles. The committee approved this request so the Air Force can maintain a satisfactory inventory position.

The Navy requested \$54.1 million for the Sparrow program—\$1.4 million for R. & D. and \$52.7 million for procurement of both the AIM-7E-2 and the AIM-7F.

The committee reduced the Navy's procurement request by \$6.7 million by reducing the number of AIM-7F's by 50 percent. We authorized an increased number of the Sparrow AIM-7E-2 to compensate for the reductions in the 7F models.

Our reasoning was based on the fact that the 7F program is 2½ years behind schedule. Several problems were encountered. Although corrective actions are

underway, we felt one more year of validating the performance characteristics of the 7F was justified before significant procurement was authorized.

The kill capability of the Sparrow AIM-7E's fired in combat in Southeast Asia was much less than desired. We were assured the modifications incorporated on this model will substantially increase its combat capability.

We requested both the Air Force and the Navy to examine carefully the training expenditures of the Sparrow because of the high unit cost. While we fully support adequate and thorough training, we urge great caution be exercised in firing such expensive weaponry for training purposes.

MAVERICK

The Maverick is an air-to-ground tactical missile being developed for the Air Force. It is a TV-guided, rocket-propelled missile designed to destroy small, hard, fixed or moving targets such as tanks and pillboxes.

The Air Force requested \$24.7 million for research and development and \$25 million for production. The committee recommended approval of the \$24.7 million for research and development and reduced the \$25 million for production to \$3.1 million—a reduction of \$21.9 million.

The \$3.1 million will enable the Air Force to exercise a delay clause in its contract with the Maverick contractor. It was our judgment it would be profitable to continue this program in research and development for one more year prior to authorizing significant production funds. We were encouraged by the satisfactory test results achieved to date. However, substantial testing remains to be performed during fiscal year 1971. This will enable the Congress to make a wiser decision on the justification for production funds next year.

CONDOR

The Condor is a Navy air-to-surface missile with remote TV guidance from the launching aircraft. Its primary mission is to destroy high-value targets protected by intense local defenses. With a capability to launch the Condor at great distances from the target, the safety of the crew and invulnerability of the launching aircraft is greatly enhanced.

The Navy requested \$58.2 million—\$23.3 million for research and development, of which \$6 million was to modify test aircraft.

Mr. President, it was our judgment additional research and development is warranted in view of technical problems already encountered. Therefore, although we authorized the research and development funds and the modifications to the test aircraft, we denied \$28.9 million in production funds until more evidence of resolving the technical difficulties is available.

SHORT-RANGE MISSILE

The short-range missile is a proposed new air-to-air missile system specially designed for close-in maneuvering encounters with high-performance enemy fighters. It would be used on the F-15 and F-14.

The Navy and the Air Force have been working on separate missile systems to meet this requirement. It was our judgment a common short-range missile system should be developed so the Navy F-14 and the Air Force F-15 would use the same missile. Secretary Packard is to make a decision relatively soon on this matter.

Mr. President, in view of our support for a common missile, we authorized the \$2 million requested by the Navy for advanced development and reduced the Air Force request from \$37.2 million to \$8 million. Significant funds for the Air Force program from fiscal year 1970 have been deferred by OSD.

It was our judgment it would be premature to authorize \$37.2 million in fiscal year 1971 for the Air Force until Secretary Packard reaches a decision on which program should be approved for development.

FALCON

The Air Force requested \$15 million to modify some of its existing Falcon air to air missiles. The Falcon performs the same mission as the Sidewinder missile. They are both heat seeking missiles designed to home on the infrared energy emitted from a jet aircraft tailpipe. Both the Sidewinder and the Falcon have been in use for many years. They were designed for use against non-maneuvering enemy bombers. The success rate for earlier versions of both models in South Vietnam was low.

Mr. President, the Committee supported the concept that both the Air Force and the Navy should ultimately use a common Sidewinder missile to prevent further missile proliferation.

The Falcon missile has been modified previously. We saw no benefit in modifying it further. Hence, we denied the request for \$15 million to modify the Falcon missile.

SIDEWINDER

The Navy requested \$31.5 million to purchase several hundred Sidewinders and the Air Force requested \$17 million to modify several thousand Sidewinders. The committee approved these requests.

Once again we feel the services should exercise restraint in shooting large quantities of this missile for training purposes. Also, older models should be used for this purpose.

HARD STRUCTURE MUNITIONS

The hard structure munition is an air-to-ground rocket powered, TV-guided missile being designed for high effectiveness against large hard structure targets.

The Air Force requested \$7 million to continue research and development. These funds were disapproved on the basis that \$8.9 million previously appropriated is still available and the program has been delayed due to technical problems.

SHRIKE AND STANDARD ARM

The Shrike and the Standard Arm are antiradiation missiles designed to home on and destroy enemy early warning and surface-to-air missile radars. The subcommittee authorized the \$17.2 million requested by the Navy and the \$9.7 million requested by the Air Force.

While it would be desirable to standardize on a single anti-radiation missile the committee recognized that the Shrike missile, although less capable than the Standard Arm, is also less costly. The vast bulk of the funds authorized is to continue procurement of the cheaper Shrike missile.

TOW

The Tow is a wire-guided antitank missile. It is to be used by Army ground combat troops against enemy tanks.

The Tow uses an open breech launcher. Considerable discussion took place last year over the possible wisdom and feasibility of adapting the Shillelagh missile for this mission. The Shillelagh is a proven antitank missile fired from the Sheridan armored reconnaissance vehicle. In this role, it requires a closed breech gun tube. The committee interrogated the Army at great length relative to these programs. We concluded the Tow offers the Army a vitally needed antitank killing capability now. There would be a 4-year delay if we awaited delivery of the Shillelagh missile in the ground mount mode. No cost savings would be realized to the U.S. taxpayer. Hence, we approved the \$113.2 million requested by the Army to continue production of the Tow missiles.

DRAGON

The Committee approved \$9.6 million to continue research and development on the Dragon. It is a medium antitank assault weapon. It has been in engineering development since 1966. It complements rather than duplicates the Tow. We intend to monitor progress on this program closely in the future.

Mr. President, that concludes my comments on the 12 tactical missile programs analyzed by the Tactical Air Power Subcommittee.

In summary, the total money requested was \$3.2 billion for the 10 aircraft and 12 missile systems we examined. We denied \$173.3 million or 5.4 percent of the funds requested. Mr. Laird's budget presentation was by and large a reasonable one. This made our task of finding areas where equitable and nonarbitrary cuts could be made a difficult one indeed.

I will be pleased to answer any questions that the members have with respect to these programs.

Mr. THURMOND. Mr. President, as the ranking minority member of the special Tactical Air Power Subcommittee of the Senate Armed Services Committee, I wish to commend the able junior Senator from Nevada (Mr. CANNON) for his excellent presentation of the findings of the subcommittee.

Further, it should be noted that as chairman of the subcommittee Senator CANNON exercised outstanding leadership in his conduct of the lengthy and comprehensive hearings which probed into the tactical air and missile requests of the military services.

Mr. President, most notable in the work of the subcommittee was its refusal to make arbitrary cuts in our missile and aircraft programs despite pressures to the contrary.

While the subcommittee recommendations of cuts amounting to \$173.3 million

of the \$3.2 billion requested in these areas may seem small, it must be remembered we were dealing with what Secretary of Defense Melvin Laird termed "a rock bottom budget."

Each member of the subcommittee contributed to the close examination of these programs, but we always kept in mind that cuts must be fully justified just as requests must be fully justified.

There was one recommendation of the subcommittee in which the full committee did not concur. This recommendation was to complete the research and development program on the Army's Cheyenne helicopter.

As a strong supporter of this type of close fire support for our combat soldiers in the field, I regret the full committee did not see fit to complete development on this program. This is one area in which I feel the committee cut too deeply. However, I respect the judgment of the full committee and abide by it. I am sure this matter will come up later during the conference between the Senate and the House.

Mr. President, at the direction of the distinguished chairman of the Armed Services Committee, the subcommittee gave close attention to the possibility that the services may be duplicating weapons systems in the missile field.

In this area of study some duplication was found, specifically in the short range air-to-air tactical missile. As a result, the subcommittee made recommendations which we feel will result in a savings to the Government while at the same time not weakening our posture in this important area.

Further, some duplications were found in various types of bombs and once again actions were taken to correct this problem.

Also, it should be noted that particular study was given to several major tactical aircraft programs, specifically the Navy's F-14 and the Air Force's F-15. Senator CANNON's remarks on these two aircraft were quite thorough and appropriate, and reflected the attention given them by the subcommittee.

Finally, Mr. President, I hope the Senate will weigh carefully the report of the Tactical Air Power Subcommittee before undertaking any effort to further cut the military budget.

As I stated last week, in my opinion, procurement requests have already been slashed to an extent where the adequacy of our defense posture may easily come into question during future years.

Again, Mr. President, I wish to commend the able Senator from Nevada for the fine leadership that he has shown in this subcommittee.

Mr. CANNON. Mr. President, I want to express my appreciation to the distinguished Senator for his very great assistance as ranking minority member on the Tactical Air Power Subcommittee. I am sure that much of this report is due to the efforts of himself and the other members of the committee.

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

Mr. CANNON. I am very happy to yield to the Senator from Arizona.

The PRESIDING OFFICER (Mr.

McCLELLAN). The Senator from Arizona is recognized.

Mr. GOLDWATER. Mr. President, I rise not to question the Senator but to compliment him on what I believe is the best report in this area that I have heard in the years I have served on this committee. The personal knowledge which he has applied has been of great benefit to the committee. As a member of the subcommittee I can testify to the diligent and hard work of the Senator from Nevada in interrogating the military services relative to their need.

I was particularly happy in listening to his report to hear him emphasize time and time again that this is a rock bottom budget for aircraft and components. I personally feel that the requests are too low. But I have agreed with the subcommittee in its findings. I think the blame, if blame is to be placed, will have to be put with the Defense Department in not asking for enough in this very important field.

I was impressed, too, by the chairman's reemphasizing, and very powerfully reemphasizing, the threat—in fact, I should say the growing threat—caused by reason of the Russian Air Force increasing at a much more rapid rate than ours. They have produced a new prototype every 3 years, while most of our aircraft are over 10 years of age. They can outperform us, I think, in the categories of the fighter aircraft. The only thing we have going for us is the type of pilots we have in the three air services—I should say the four air services, recognizing the Marines as a separate force.

One thing that I think comes through loud and clear in the chairman's report—and I am sorry that there are not members of the Peace Through Law group here so that they can hear these comments—is the expertise that the subcommittee and the entire Armed Services Committee has at their command.

I do not think there is any other committee in the Senate that examines a subject as thoroughly as does the Armed Services Committee. We must realize that these weapons systems are a long time being born. The Army, the Navy, the Marine Corps, and the Air Force are now thinking of weapons they will ask us for 5 years from now. The requests come from men who have spent their lives in the service of their country. These requests are thoroughly studied by the Joint Chiefs of Staff, reviewed by the separate Chiefs once again, and then sent to the President where the National Security Council reviews them. Then, they are sent to both Houses of Congress and examined by committee staffs comprised of men with years of experience in weaponry and the use of weapons.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GOLDWATER. Mr. President, before the Senator from New Hampshire (Mr. McINTYRE) left the Chamber, he said he did not wish to begin his remarks until 1:30 p.m., so we have about 9 minutes remaining until then.

The PRESIDING OFFICER. The Chair would entertain a unanimous-consent request.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the time between now and 1:30 p.m. be allotted to the Senator from Nevada.

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

Mr. GOLDWATER. Mr. President, the staff members of both committees of the House and the Senate are fine experts in their fields. The staff of the subcommittee is as knowledgeable as any staff with which I have ever worked.

The thoroughness of the investigation and interrogation not only of this subcommittee, but all subcommittees and the entire committee makes it very questionable to me why these programs should be challenged on the floor of the Senate. I can understand that those of us who do not serve on the Committee on Labor and Public Welfare, for instance having certain questions because we are not considering pieces of hardware or actual demonstrated needs, and are talking about things that in most cases we do not know a lot about.

I hope Members of the Senate will refrain from any lengthy debate, such as was engaged in last year, which was a fruitless effort on the part of those who wanted to cut the military budget to bare bones. I hope that this year we can do as we have done in the past and accept the work of the Committee on Armed Services as the work of experts and recognize that these requests cannot be cut more without endangering the military power of the United States in this time of need. However, I think these words will fall on deaf ears, and I think we will have amendments to cut the program for the F-15, the C-5, and so on. I also feel those efforts will be defeated as soundly this year as they were last year.

Seeing the time is fleeting and the chairman of the full committee is present, I wish to repeat to the chairman, the Senator from Nevada (Mr. CANNON) that it was a real pleasure to serve with him this year, just as it was last year, and just as it has been my pleasure to serve with him during all the years we have been members of this committee. I commend him for the wonderful job he has done.

Mr. CANNON. I thank the Senator for his very kind remarks on my behalf. Also I wish to acknowledge his very valuable contribution to the committee. He is a very distinguished pilot himself and he is an expert in the areas we were considering. I agree with him in the commendation for the very fine staff we have. We have an excellent staff, and one that is highly technically trained. They are capable of going into these matters in great detail.

I share the Senator's views in connection with the attempt to meat ax these programs by people who do not have the expertise to deal with them.

Mr. YOUNG of Ohio. Mr. President, it has been my privilege to serve with the Senator from Nevada as a member of the Committee on Armed Services since 1963. He was a member of that committee before I had the honor to be appointed as a member. Then, since the creation of this special Subcommittee on Tactical Air Power early in January of

the present year, I have been brought into almost constant contact with the Senator from Nevada as a member of that committee.

The Senator from Nevada is one of the most dedicated members of this great committee of the Senate. I hope the Senator will not blush or deny my statement. It was a matter of hard work on my part to try to keep up with him. I observed the great work he did for our Nation as a member of this subcommittee. We had many, many meetings. We listened to a great deal of testimony. It is true we also had the assistance of experts, but I marvel at the great work of the chairman, the Senator from Nevada (Mr. CANNON), in saving the taxpayers a great deal of money in connection with the expenditures requested. At the same time he stressed the importance of research and of having all new systems thoroughly examined.

I learned a great deal from him. I feel that our Nation is fortunate that he is a member of this subcommittee having so much to do with research and development.

Of course, I also happen to be a veteran of World War II and I have always said I was the most scared fellow to serve at the Anzio beachhead. But we in the Senate know that the Senator from Nevada in World War II had a distinguished record as a pilot, and that he challenged death, in death's own domain above the clouds over a foreign land. Unfortunately, he was shot down over Germany. Very fortunately, because of his courage, perseverance, and indomitable spirit, he was never a prisoner of war, but after some 40 days and nights finally found his way back to the allied lines. We in the Senate hold him in the highest admiration.

I feel he has not only performed a most distinguished service for his great State of Nevada, but also he has served his Nation well.

Quite frequently in the Committee on Armed Services the votes of the Senator from Nevada and my votes vary, but it may be that oftentimes I am wrong and he is right because I certainly respect his judgment and I hold him in the greatest admiration. He is one of our finest public servants, as the Senator from Arizona (Mr. GOLDWATER) and the Senator from Mississippi (Mr. STENNIS), our distinguished chairman, and others who are here know.

I am pleased that I have not only the privilege of serving with him, but that I had the privilege of listening to the Senator's address today.

Mr. CANNON. Mr. President, I certainly thank the Senator for his overly generous remarks. As a member of the subcommittee he certainly added very greatly to the expertise on the subcommittee and assisted very greatly in compiling the report we presented to the Senate. I thank him again.

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

Mr. CANNON. I am happy to yield to the Senator from Mississippi.

The PRESIDING OFFICER (Mr. McGOVERN). The Senator from Mississippi is recognized.

Mr. STENNIS. Mr. President, I have heard a great part of the Senator's speech; and I have looked through all of it in the copy I have on my desk.

I want to point out to Senators and the people of the Nation that this is an extraordinary speech, based upon a highly important and far-reaching examination, hearings, and analyzing of a very complex subject matter, and one that is so vital and so essential to our national security.

I commend highly the work of the very able and outstanding chairman of the subcommittee, the Senator from Nevada, and also commend and thank the other members, the Senator from Missouri (Mr. SYMINGTON), the Senator from Ohio (Mr. YOUNG), the Senator from South Carolina (Mr. THURMOND), the Senator from Texas (Mr. TOWER), and the Senator from Arizona (Mr. GOLDWATER).

There is an unusual array of talent and experience of the highest type and dedication of the very highest caliber. I have pride in them and their work. Notice that there are three members from the majority party and three members from the minority party. There was no appointment there so either party would have a majority over the other. They were appointed with other purposes in mind and in view, and that is what they have done.

Here we have the benefit of their report and their work, and the testimony of witnesses on 10 major aircraft programs and 12 missile programs. There are 2,715 printed pages of testimony, and a very sizable part of it covers every essential phase of the systems examined and also contains testimony by witnesses not only on this subject but the need as a whole.

By the way, the report on the bill sets forth for every Member of the Senate and the press and anyone else interested a very complete analysis and report on all these aircraft programs and procurement requests of all kinds. I shall put these tables into the RECORD later, with the consent of the Senate, but I am referring now to page 32, with reference to the aircraft program, followed by a series of tables, numbering about 10 in all, and, in addition, 19 separate charts on research and development that show everything. It is a strong lead to every single major item in the bill. I call that to the attention of the membership of the Senate.

I also noticed in the Senator's speech reference to the policy recently announced by Mr. Laird, Secretary of Defense, and Mr. Fitzhugh. The "fly before you buy" policy is reflected in the report and in the speech with reference to some of the programs that have been examined.

I join in the fine tribute to the Senator from Nevada for his capacity in this particular field, he being an outstanding pilot in his own right and a veteran of World War II, as are other members of this very fine subcommittee.

When we have the concentrated wisdom, time, talent, and experience of all these men, I am sure that is something that will be taken seriously by the Senate. I do not boast of anything at all, but I do

not believe there will be any appreciable change in the fine work that the subcommittee has done.

Again I congratulate the Senator from Nevada and thank him.

Mr. CANNON. I thank the distinguished chairman of the committee for his generous remarks. I appreciate the comments he has made about the members of our committee, who are outstanding members of the Senate and who have contributed greatly to the work of the committee.

Mr. President, I yield the floor.

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

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

Pursuant to the previous order, the Senator from New Hampshire is recognized for 1 hour.

INDEPENDENT RESEARCH AND DEVELOPMENT

Mr. MCINTYRE. Mr. President, I would like at this time to address myself to another of the subject areas examined in depth this year by the Research and Development Subcommittee. I refer to what became known during last year's debate as the subject of "I.R. & D." As I have said before, it is one of the most complicated subjects I have ever encountered.

Pursuant to the agreement reached during floor debate on last year's bill, the committee's Ad Hoc Subcommittee on Research and Development held 4 days of open hearings, supplemented by many hours of more informal sessions, into Department of Defense funding of its contractors' independent technical effort.

The independent technical effort expenditures of defense contractors are those expenditures undertaken by a company largely at its own initiative rather than according to the terms of a direct contract with the Defense Department. These expenditures are classified at present into three different categories—*independent research and development—I.R. & D.*—*bid and proposal—B. & P.*—and *other technical effort—O.T.E.*

The I.R. & D. program of a defense contractor is no different from the ongoing research program which all commercial companies have to have if they hope to keep up with technology and their competitors. Companies selling in commercial markets recover the costs of such programs as overhead costs reflected in the prices of products to their customers. So do defense contractors selling to the Defense Department, but the method and amount of their recovery is not solely of these contractors' choosing.

Since World War II the Defense Department has had a constant need to buy large, sophisticated technological products for which it is the sole customer. It was recognized early by both the Department and industry that very few firms could afford to develop such products on their own. The high risk of failure of the R. & D. effort and the high risk that the

final product, even if successfully developed, might not find a customer could not be accepted by even the largest of those defense-oriented firms.

As a result, the Department initiated use of cost reimbursement and other negotiated type contracts as a substitute for the traditional fixed-price type of contract. Under a cost reimbursement contract, the Department agrees to reimburse the contractor for the costs incurred in carrying out the work on the contract and in addition to pay a negotiated amount of profit in the form of a fixed or incentive fee. Determination of the direct costs to be reimbursed under a particular contract is not difficult. It is far more difficult, however, to identify and decide which of a company's indirect or overhead costs are to be charged to a given contract.

An elaborate system has been worked out by the Defense Department and established in the Armed Services Procurement Regulations—ASPR—to solve this problem as far as a contractor's I.R. & D. costs are concerned. In the most elementary terms, this system allows a contractor to recover over the course of a year, an amount approximating that percentage of his total I.R. & D. costs as his non-fixed-price sales to the Defense Department represent in relation to his total sales. In furtherance of this goal, the largest defense contractors are required each year to negotiate with the Defense Department advance agreements which establish a ceiling on the total I.R. & D. costs they may recover for the year in payments under their non-fixed-price contracts with the Defense Department.

The B. & P., or bid and proposal, expenditures of defense contractors are those expenditures incurred in the preparation of bids or proposals to the Department of Defense for new weapons systems or components. Such work is often, in terms of technical content, closely akin to the effort involved in a company's I.R. & D. work. The difference between B. & P. and I.R. & D. lies in the purpose for which the work in question is done. If it is done without the intent of including the results in a specific proposal, but has the more general aim of developing processes, products, or service capabilities, it is called I.R. & D.

The O.T.E. classification encompasses a group of miscellaneous technical activities not classified traditionally as either I.R. & D. or B. & P. It is really a hybrid classification which has grown up as an accounting convenience and without any underlying rationale. The Defense Department has proposed the abolition of this account and a reclassifying of the items within it on a reasoned basis into either the I.R. & D. or the B. & P. accounts.

S. 3003

A prime purpose of the committee's hearings was the evaluation of S. 3003, a bill introduced by Senator PROXMIRE for the purpose of revising extensively the manner in which the Defense Department now funds its contractors' independent technical effort.

S. 3003 would prohibit the reimburse-

ment of a company for its I.R. & D. and O.T.E. costs unless such costs were specifically provided for in a given contract. In such event, the contractor in question would have to submit to the Defense Department a technical appraisal of each I.R. & D. project covered, and reimbursement would not be allowed unless the work at issue was of direct or indirect benefit to the work being performed under the contract itself.

S. 3003 would also restrict the instances in which reimbursement for bid and proposal costs would be permitted and would provide that such reimbursements could never exceed 1 percent of the direct material and the direct labor costs of the contract through which they were made.

The committee recommends against enactment of S. 3003. In its view, the enactment of S. 3003 would produce a series of adverse effects which would far outweigh its benefits.

The provisions of S. 3003 relating to I.R. & D. and O.T.E. would eliminate much of the contractor independence which is so important a part of the present administrative controls of these activities. The overall effect of a system under which all I.R. & D. projects had to be contracted for specifically, and subject to individual technical evaluations, would be an elimination of I.R. & D. as it is presently known and the substitution of direct contracting as a national policy.

One result of such a change would be significantly higher administrative costs for the Defense Department. It would be impossible for the Department to evaluate and contract individually for the millions of I.R. & D. projects undertaken annually by defense industry without sizable increases in its scientific and contracting staffs. Increases of such magnitude are not advisable at a time when pressures on the size of defense budgets are forcing significant manpower reductions at the Department.

A second, related result would be a decrease in the amount of research work performed by defense industry. Such a decrease would inevitably occur if an elaborate administrative program had to be gone through before reimbursable work could ever be undertaken.

It might be argued that this decrease in the quantity of work undertaken would be offset by the improved quality of the work done as a result of the Department's close evaluation of its relevance to future defense needs. The committee strongly doubts, however, whether this would be the case. In the first place, relevance to the Department's needs can be assured in large part by the fact that the defense industry's motive in undertaking the work is always future sales, sales which would not occur unless relevance to the Department's needs existed. Second the Department of Defense simply does not have in-house a monopoly on the best scientific and engineering minds in the country. It is doubtful whether even an expanded technical staff at the Department could consistently outguess industry as to the best potential solution to basic technological problems.

A related consideration is the fact that the solution of such basic technological problems is often a process of trial and error. This implies a flexibility to change directions when a given approach seems doomed to failure, or another significantly more promising. Such flexibility would be lost if an administrative straight-jacket were placed on industry's I.R. & D. efforts.

S. 3003's limitation of the reimbursement of B. & P. expense to a maximum of 1 percent of direct material and labor costs in a given contract is also troublesome. To begin with, this limitation establishes a maximum believed to be about half the rate currently being experienced by most defense contractors. Even more important, B. & P. expense has no direct relationship to the cost of direct material and labor. It is related to the contractor's backlog and the magnitude and complexity of the systems and equipment on which he undertakes to quote. As a result, B. & P. expenses fluctuate considerably between contractors and for individual contractors from year to year.

PROBLEMS NONETHELESS NOTED

While the committee is convinced, as a result of its hearings, that enactment of S. 3003 is not advisable, the committee is also convinced that the Department's administration of its contractors' independent technical effort can be significantly improved and the costs of these programs somewhat reduced.

The committee found, for example, that the overall I.R. & D. programs of even the largest defense contractors were subject at times to only cursory technical reviews. The brochures covering these programs were often poorly studied and only brief trips made by department's personnel to the contractor's plants where the work contemplated was to be performed. One side effect of this limited review was the occasional funding by the department of contractor research and development relevant to the companies' commercial as opposed to Defense Department sales.

While the committee recognizes that detailed reviews of a company's individual I.R. & D. projects are neither feasible nor desirable, it sees no reason why greater efforts cannot be made to evaluate more closely the general scope of companies' I.R. & D. programs. The department should assure itself that the areas in which a company is working are, in broad terms, both defense-related and likely to produce technological advances in which there is a clear Defense Department interest. Any increases in technical staff needed to assure this limited objective are, in the committee's view, clearly warranted.

The committee was troubled also by recent increases in the overall magnitude of Defense Department funding of its contractors' independent technical effort. Between 1963 and 1969 the amount of money invested in this program increased from \$459 million to \$759 million, a rate of growth significantly greater than the rate of growth in the Department's procurement budget. And these figures cover payments to the major defense contractors only.

Among the factors responsible for these increases are several to which insufficient attention has been paid to date.

One of these is the difference between the competitive pressures in the commercial and defense markets. A company manufacturing for the commercial market has no assurance that it will be able to recover even the direct costs of his product, let alone indirect costs such as the costs of an allocable share of his overall research program; it all depends on the reception accorded his product in the market. Defense contractors, however, often bear far less risk. Their contracts with the Government often assure them of reimbursement for both types of costs. Accordingly, while both types of contractors can be expected to pursue research programs which maximize their potential sales, defense contractors have an incentive, other things being equal, to spend more in absolute amounts. This incentive can be counterbalanced only by Government controls designed to replace the competitive pressures of the private market.

The fact that the existing system of Government controls has been deficient in several respects is in large part responsible for the rising costs of contractors' independent technical effort programs.

Advance agreements with major contractors, for example, are designed in theory to set a ceiling on the maximum reimbursable costs which a contractor can recover in a given company's fiscal year. In practice, however, up to 38 percent of these advance agreements have actually not been signed until 6 to 8 months into a contractor's fiscal year, after which time advance cost control is no longer possible.

Moreover, advance agreements have been negotiated in the past only on the I.R. & D. portion of most contractors' programs. Given the similar nature of I.R. & D., B. & P., and O.T.E.-type work, many contractors have sought to circumvent their I.R. & D. ceilings by reclassifying additional desired work in the B. & P. and O.T.E. categories.

DEPARTMENT OF DEFENSE POSITION

In its testimony before the committee, the Department of Defense admitted the existence of these problems. It also proposed the following five-point plan as a means of coming to grips with them:

First. The improved use of individually negotiated advance agreements for the control and reimbursement of these costs for approximately 100 of the largest defense contractors.

Second. A strengthening of the Department's technical review and evaluation procedures in this area.

Third. Establishment of a data bank to provide a centralized body of I.R. & D. project cost and technical information.

Fourth. The use of a standard formula in determining the reimbursable costs of the large number of smaller contractors whose volume of sales to the Department does not justify the negotiation of advance agreements. There are actually several thousand of these smaller contractors.

Fifth. An increase in the resources of

the military departments such as is necessary to permit implementation of the first four points.

The committee supports the Department in its efforts to improve its administration in this complex area, and it urges strongly that immediate steps be taken to implement the above plan. The committee believes also, however, that the importance of contractor independent technical effort programs to our security and the amount of money used annually to fund them, both justify broad legislative controls by Congress in this area.

THE COMMITTEE-PROPOSED AMENDMENT

In formulating its legislative recommendations, the committee has been mindful of the limited scope of its legislative authority. While S. 3003, as introduced by Senator PROXMIRE, would regulate the independent technical effort programs of both the DOD and NASA, the committee's proposals are applicable to the DOD alone.

For the same reason, the committee rejected the suggestion in the February 16, 1970, report to Congress by the Comptroller General of the United States, a report entitled "Allowances for Independent Research & Development Costs in Negotiated Contracts—Issues and Alternatives," for a uniform policy encompassing all agencies with independent technical effort programs.

Apart from jurisdictional considerations, the committee questions the wisdom of a uniform policy for a number of agencies with many different programs and customers. It believes, for example, that the policy for the AEC, while suitable for an agency with expertise in and responsibility for a very narrow scientific field, may be improper for the very different and more divergent needs of an entity such as the Defense Department. It notes also, as a practical matter, that companies selling to the AEC generally do only a small fraction of their current business with that agency and have an incentive, in the form of the very large future potential of atomic energy, to maintain all possible contracts with that agency. Companies selling to DOD, on the other hand, are far more dependent on that agency for their immediate economic health and could less easily withstand the effects of a restrictive policy.

The committee's proposed amendment has four main features:

First. It would require the Defense Department to negotiate advance agreements with all contractors who, during their preceding fiscal year, received I.R. & D., B. & P., and O.T.E. payments in excess of \$2,000,000.

The number of contractors covered by this provision would be approximately 50, the same rough number with whom advance agreements are presently signed. Accordingly, there would be no major immediate expansion of the number of individual negotiations in which the Department would have to engage.

These agreements, however, would have to cover not only the I.R. & D. programs of these contractors, but their B. & P. and O.T.E. programs as well. The Defense Department itself has acknowledged that an expanded ceiling of this

kind is needed if a solution is to be found to the present practice whereby companies subvert their I.R. & D. ceilings by classifying certain expenditures in the B. & P. and O.T.E. accounts.

While only 50 or so companies will be covered by this \$2 million threshold, these companies account for the great bulk of all auditable independent technical effort funds disbursed by the Department, 93.1 percent in 1968 and 95.6 percent in 1969.

Second. It would require that the I.R. & D. portions of these advance agreements be accompanied by technical evaluations of contractors' proposed I.R. & D. programs. These evaluations must be improved if the Department is to be assured that the work done is of great potential value to its future needs.

Third. It would require that no payments be made for I.R. & D., B. & P., and O.T.E. work not relevant to the functions and operations of the Department of Defense. This provision should serve as a directive to the Department to avoid a recurrence of those isolated past instances in which Department funds have been used to fund the research of contractors on commercial products.

Fourth. It would establish a ceiling of \$625 million on the payments to be made pursuant to the advance agreements required to be negotiated during fiscal year 1971.

The Department of Defense opposes the establishment of such a ceiling. The committee is convinced, however, that a ceiling is essential if Congress is to be assured that costs in this area do not continue to rise at an unacceptable rate, and to provide the basis for an annual review of this program.

Considerable attention has been given by the committee to the alternative types of ceilings it could establish. It has rejected both line item control and a ceiling based on a given year's funds as administratively unworkable. The approach actually chosen will require the Department to do nothing more than to divide the \$625,000,000 available to it among the 50-odd companies with which agreements are required.

The military departments have provided the committee with estimates indicating projected total payments for contractor independent technical effort programs of \$656 million for the year 1970 and \$645 million for the year 1971, compared with the \$759 million reported for 1969. Although these amounts are recognized as estimates, their downward trend is consistent with the ceiling of \$625 million recommended by the committee. Indeed, since the \$625 million ceiling covers only those large companies who may be expected to receive about 95 percent of the total payments made, the ceiling actually affords the Department leeway to exceed its present estimates.

In conclusion, Mr. President, I would like to voice my conviction that the action taken by the committee will provide Congress with the type of control over these sizable expenditures, which is so urgently required at the present time.

I would also like to add a word of thanks, on behalf of the committee, to the Senator from Wisconsin (Mr. Prox-

MIRE) for bringing this matter to the committee's attention. While the committee's proposed action differs from his own, and while he may well disagree with the adequacy of our action, he deserves a large part of the credit for bringing this program under improved congressional control.

Mr. President, I want also to extend my thanks to Ross Hamachek, of my staff, for his long hours of grappling with what has been an intricate, complex problem. His work and suggestions to the subcommittee have been of great assistance to me and to the committee.

At this point, Mr. President, I ask unanimous consent to have printed in the RECORD the text of the amendment.

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

SEC. 203 (a) Funds authorized for appropriation to the Department of Defense under the provisions of this Act or any other Act shall not be available for payment of independent research and development, bid and proposal, or other technical effort costs unless the work for which payment is made is relevant to the functions or operations of the Department of Defense and unless the following conditions are met—

(1) the Secretary of Defense, prior to or during each fiscal year, negotiates advance agreements establishing a dollar ceiling on such costs with all companies which during their last preceding fiscal year received more than \$2,000,000 of independent research and development, bid and proposal, or other technical effort payments from the Department of Defense, the advance agreements thus negotiated (A) to cover the first fiscal year of each such company beginning on or after the beginning of each fiscal year of the Federal Government and (B) to be concluded either directly with each such company or with those product divisions of each such company which contract directly with the Department of Defense and themselves received more than \$250,000 of such payments during their company's last preceding fiscal year;

(2) the independent research and development portions of the advance agreements thus negotiated are based on company submitted plans on each of which a technical evaluation is performed by the Department of Defense prior to or during the fiscal year covered by such advance agreement;

(3) no payments for independent research and development, bid and proposal, and other technical effort costs are made by the Department of Defense to any company or product division with which an advance agreement is required by subsection (a) (1) of this section, except pursuant to the terms of that agreement; and

(4) the total dollar value of the advance agreements negotiated prior to or during a given fiscal year as required under subsection (a) (1) of this section does not exceed a ceiling to be established annually by the Congress.

(b) In the event negotiations are held with any company or product division with which they are required under subsection (a) (1) of this section, but no agreement is reached with any such company or product division—

(1) no payments for independent research and development, bid and proposal, and other technical effort costs shall be made to any such company or product division during the fiscal year for which an agreement was not reached, except in an amount substantially less than the amount which, in the opinion of the Department of Defense, such company or product division would otherwise have been entitled to receive; and

(2) the amount of money received by that company for independent research and development, bid and proposal, and other technical effort costs during its last preceding fiscal year shall be included in determining compliance by the Department of Defense with the ceiling established by Congress, pursuant to subsection (a) (4) of this section, for the fiscal year in question.

(c) The Secretary of Defense shall submit an annual report to the Congress on or before January 31, 1972, and on or before January 31 of each succeeding year, setting forth—

(1) those companies with which negotiations were held pursuant to subsection (a) (1) of this section prior to or during the preceding fiscal year, together with the result of those negotiations;

(2) the manner of his compliance with the ceiling established by Congress for the preceding fiscal year pursuant to subsection (a) (4) of this section; and

(3) the latest available Defense Contract Audit Agency statistics on the independent research and development, bid and proposal, and other technical effort payments made to major defense contractors whether or not covered by subsection (a) (1) of this section.

(d) The provisions of this section shall apply only to contracts for which the submission and certification of cost or pricing data are required in accordance with section 2306(f) of title 10, United States Code.

(e) The ceiling to be established pursuant to subsection (a) (4) of this section for fiscal year ending June 30, 1971, shall be \$625,000,000.

(f) Section 403 of Public Law 91-121 (80 Stat. 204) is hereby repealed.

Mr. PROXIMIRE, Mr. President, will the Senator from New Hampshire yield?

Mr. MCINTYRE. I am happy to yield to the Senator from Wisconsin.

Mr. PROXIMIRE. I congratulate the Senator from New Hampshire on an excellent speech and for the excellent job he has done in respect to the complex subject. I have talked to a number of Senators who have told me that Senator McIntyre has done remarkable work in this area for several reasons. For one thing, it is complicated. Few people are aware of it. It was brought up last year and a number of the members of the committee said that they knew nothing or very little about it. So that the Senator from New Hampshire has gotten into a field that has been so complicated there has been little knowledge, discussion, debate, or very little understanding about it.

In the second place, as I understand the thrust of the recommendations of the Senator which he has listed to the purpose of the recommendations, they are not to discourage military research. Quite the contrary. The purpose of the recommendations is to encourage research and make it relevant and more effective, and to permit the Department of Defense and those who have the responsibility in Congress and elsewhere to know what is going on and what is being done, so that we will be in a position to appropriate money with critical understanding and knowledge.

I should like to ask the Senator from New Hampshire if that is not his principal objective?

Mr. MCINTYRE. I would say to my good friend from Wisconsin that the subcommittee's recommendations to the full committee, and the committee's adoption of them, constitute a genuine at-

tempt to improve rather than curtail our defense research programs.

Last year, when the Senator from Wisconsin offered his amendment, it was a big surprise to me. Even though I had been chairman of the Subcommittee on Research and Development and was, presumably, somewhat knowledgeable in the whole field, I had never heard of independent research and development. As the Senator knows, it does not exist within the R.D.T. & E. section of the budget. It is actually found scattered all through the procurement items.

For this reason, we regarded the amendment of the Senator from Wisconsin as an open invitation to examine into this field, to see what we could do about bringing a quiet hand of control over an area of defense expenditures which no one in Congress knew very much about. We feel that our amendment will serve to keep the feet of the Department of Defense to the fire in its pledge to improve its administration of this program.

Mr. PROXMIRE. Let me see if I understand how the distinguished Senator from New Hampshire would go about this.

In the first place, the committee recommends that the Department of Defense will work with the big contractors, those who receive \$2 million or more. This would cover not only what is technically called independent research and development but also bids and proposals and other technical efforts. Those two categories have been vague and ill defined. As a matter of fact, as I recall, even at the hearings, there was some disagreement as to what that meant. But this \$2 million would be required in advance to cover those two categories; is that not correct?

Mr. MCINTYRE. That is right.

Mr. PROXMIRE. In the second place, as I understand it, it requires that there be a technical evaluation by Defense—the committee recommends that there be—that the agreement be accompanied by a technical evaluation, so that there will be some clear understanding of the negotiations, how it relates to the defense effort, what it would contribute to, and whether it would be worth the amounts required.

Mr. MCINTYRE. The Department of Defense does give a certain amount of time already to evaluation of brochures submitted by companies on this S.R. & D. programs.

Mr. PROXMIRE. That is about it. That has been the trouble. They look in the brochures and evaluate them, but this would go farther than just evaluating a brochure put out by a company. Those companies are skillful in making their brochures look attractive, but we must go behind the brochures to determine what the money is actually going to buy, and try to determine not only what the costs will be for each item but whether the items are technically feasible.

Mr. MCINTYRE. I agree wholeheartedly. I would also point out to my good friend from Wisconsin that when we speak of brochures, we are speaking of very sizable items.

They are often two or three times the size of a phone book of a large metropolitan area.

The word "brochure," as such, is really a misnomer. These brochures are vast and complicated.

Mr. PROXMIRE. I did not mean to impugn them just because we called them brochures. What I meant was, to be somewhat skeptical about what the DOD is doing, whether it is doing a reasonably good job now in evaluating independent research and development.

The General Accounting Office had a very difficult time getting examples from them, and those we did get indicated very often that substantial expenditures were made in areas that did not have the remotest connection with defense. It would take a great imagination to conceive of ways in which they could have been related to defense. They were connected with urban renewal. One case I recall was devoted completely to domestic efforts, which might have been commendable but should have been specifically authorized and should not have been paid for under the guise of being for defense.

As I understand it, this evaluation will determine not only costs but also the feasibility and its relevance to defense work.

Mr. MCINTYRE. That is right.

Mr. PROXMIRE. That is underlined by the third amendment—the third recommendation to which the Senator from New Hampshire referred, that no payment would be made for either I.R. & D. bids and proposals or other technical efforts which are not relevant to the purposes of the Department of Defense.

Mr. MCINTYRE. That is our hard-nosed position at this time.

Mr. PROXMIRE. Finally, I think the proposal made by the Senator from New Hampshire, that the ceiling of \$625 million be opposed, is realistic and sensible. It is very important to get that ceiling, not only from the standpoint of saving the taxpayers' money in areas where we have not really known what it has gone for, but much more important, to provide an incentive for the Department of Defense to make sure that the limited amounts of money for the projects will be for projects to help give this country its strongest military force.

Mr. MCINTYRE. I hope that my good friend from Wisconsin understands that our ceiling is directed to the 50 companies doing \$2 million or more work, which, we have found, account for 95 percent of all auditable I.R. & D. payments, but that there is a leeway over and above the ceiling of \$625 million that could encompass another \$20 to \$40 million for the thousands of smaller companies which do some of this I.R. & D. work.

Mr. PROXMIRE. I think that is a practical accommodation, especially for a first effort. I hope that the committee, when giving its attention to this, will watch how it operates, and will consider the possibility of, perhaps, extending the ceiling further, especially if the area of I.R. & D. expenditures, which is exempt, should turn out to be greater than the \$25 million or the \$30 million which is anticipated.

I once again thank the distinguished Senator from New Hampshire. I do have some remarks to make, but I will wait

until the Senator from California proceeds. This is related to I.R. & D.

I understand that the Senator from Arizona (Mr. GOLDWATER) now occupying the chair has an order to be recognized after the Senator from New Hampshire is through.

My remarks will only take 7 or 8 minutes. They are related to the same subject. I would like to make them after the Senator has finished.

Mr. CRANSTON. Mr. President, if the Senator from Wisconsin would like to proceed at this time, it is agreeable.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

MAJOR IMPROVEMENTS MADE IN ADMINISTRATION OF I.R. & D.

Mr. PROXMIRE. Mr. President, last fall I introduced a bill to place major new controls on the funding and administration of the independent research and development program. Independent research and development funds are used by contractors to improve their technical capability to meet the demands of the Department of Defense for new weapons systems. As such, they are separate from the regular research and development program. Projects funded under the I.R. & D. program are undertaken largely at the contractor's own initiative. Unlike the regular research and development program, the contractor, and not the Government, chooses the projects he would like to work on.

MAJOR ABUSES

In recent years expenditures for independent research and development have risen very sharply and administration of the program has been very lax. Expenditures have been authorized for independent research projects which have little or no value to Defense contract work. In some cases, money was being spent for the development of commercial products. Little or no effort was being made to control costs. Advance agreements, whereby the contractor agrees in advance with the Department of Defense as to how much money will be spent on a particular project, were rarely negotiated on time, if at all. Technical evaluations to determine the potential benefit of the project to the Department of Defense were conducted on only the most limited scale. In many cases, these "evaluations" amounted to a brief review of a contractor's brochure in which he described the proposed projects to be funded under the I.R. & D. program. Subsequent changes in the projects were rarely reviewed, much less approved.

While very little control was being exercised over the I.R. & D. program, even less was being exerted over two related expense items known as bid and proposal expenses and other technical effort. Bid and proposal expenses are those costs incurred in the submission of unsolicited proposals by contractors. Other technical effort was never clearly defined and included expenses very closely related to regular I.R. & D. costs. Advance agreements were not required for expenses incurred in either of these categories and, as a result, substantial I.R. & D. expenditures which exceeded

negotiated ceilings were charged off to these two expense categories.

SHARP RISE IN COSTS

This virtual breakdown in the administration of I.R. & D. programs was reflected in the sharp increases in costs reimbursed under the program. Between 1963 and 1969, overall I.R. & D. expenditures rose from \$459 million to \$759 million, an increase of over 65 percent in 7 years.

Mr. President, if we were spending \$750 million in almost any other area, there would be a great deal of discussion if there was an increase of this kind. There would certainly be an insistence that we know what we are getting.

During this period, I.R. & D. costs reimbursed by the Government rose almost twice as fast as the increase in sales by the same contractors to the Department of Defense.

It was clear to me that the program was out of control and that legislation was needed to place adequate controls on the administration and funding of the program.

ARMED SERVICES COMMITTEE RECOMMENDS NEW CONTROLS

At this time, I am very pleased to report that as a result of hearings conducted by the Senate Armed Services Committee last winter, substantial new controls have been recommended for congressional action. I would like to commend the efforts of the Senator from New Hampshire (Mr. McINTYRE) and the work of his subcommittee on research and development in their review of this very complicated program. While not all of the provisions of my bill S. 3003 were included in the committee's report, I am very pleased at the recommendations which have been made to insure adequate control over the independent research and development program. I believe the committee came to grips with the most pressing problems and that its recommendations are sound. A quick review of the committee's proposed amendment will bear this judgment out.

ADVANCE AGREEMENTS REQUIRED

As I have already pointed out, one of the worst abuses was the failure of the Department of Defense to negotiate so-called advance agreements with contractors which limit the amount the Department will pay in I.R. & D. costs for any particular project. Thanks to the Senator from New Hampshire, the committee's recommendation requires that the Department of Defense negotiate advance agreements with all contractors who, during their preceding fiscal year, received I.R. & D., B. & P., and O.T.E. payments in excess of \$2,000,000. Because this requirement covers all three types of expenditures, it effectively prevents contractors from exceeding ceilings on I.R. & D. expenditures by reclassifying certain additional expenditures as B. & P. or O.T.E.

TECHNICAL REVIEWS

Second, the committee recommends that the I.R. & D. portions of these advance agreements be accompanied by technical evaluations of contractor's proposed I.R. & D. programs. This will in-

sure that no project is funded which has not been carefully reviewed by the Defense Department before work is started on it. This will guarantee not only that costs are reasonable, but that the project is technically feasible.

I.R. & D. WORK MUST BE RELATED TO DEFENSE CONTRACTS

Third, the committee would require that no payments be made for I.R. & D., B. & P. or O.T.E. work which is not relevant to the functions and operations of the Department of Defense. This is extremely important if we are to avoid situations in the past where contractors have used I.R. & D. funds to develop projects related to commercial business or to domestic needs. It will guarantee that all work done is of some direct benefit to our defense efforts.

COST CEILING RECOMMENDED

Finally, and perhaps most important, the committee recommends that a ceiling of \$625 million be placed on payments made for I.R. & D. This ceiling represents a \$134 million cut from what was spent on the program in 1969. Although I would like to have seen a lower ceiling imposed, this figure represents a substantial reduction from what was spent last year. What is more important, by establishing a ceiling on total expenditures, the committee has provided the Department of Defense with the strongest possible incentive to see that the program is carefully controlled and administered. Without the ceiling, it is doubtful whether costs could be controlled in view of the open-ended nature of research expenditures. The ceiling will force the Department to review carefully all proposed projects and select only those projects which will be of direct benefit to its contract work.

SENATE SHOULD ACCEPT COMMITTEE AMENDMENT

Mr. President, I feel that these recommendations will provide the needed controls over the independent research and development program. While they do not include all of the provisions of S. 3003, I urge the Senate to accept the committee's amendment. Once again I want to commend the fine work of the distinguished Senator from New Hampshire (Mr. McINTYRE) and the other members of the Research and Development Subcommittee for the excellent job they did in looking into this extremely complicated and difficult program. I believe their recommendations will solve many of the problems which have plagued the independent research and development program. They will strengthen not only the administration of the program, but also guarantee that all work done will be of value to the Department of Defense. I am delighted that the committee has accepted the major part of my proposal and that the committee's recommendations have been largely accepted by the Department of Defense. I urge that the Senate approve the committee amendment.

INDEPENDENT RESEARCH AND DEVELOPMENT

Mr. CRANSTON. Mr. President, I am pleased that the present occupant of the chair is the Senator from Arizona (Mr.

GOLDWATER). The matter I am going to talk about is, I think, a matter that would be of particular interest to him. I would like to enlist his support at some point on the matter I will present to the Senate.

DEPENDENCY ON DEFENSE CONTRACTS

Mr. President, I am concerned that if the recommendations of the Subcommittee on Research and Development are adopted, defense firms will become even more dependent than they are now on defense contracts for their existence. Past Government policy has encouraged some large contractors to depend almost exclusively upon the Department of Defense for business. The workers employed by these contractors and the communities in which they are located are similarly dependent on defense contracting. In California, for example, 15 percent of all manufacturing jobs are directly related to defense spending. This is not a healthy situation.

CONGRESSIONAL RESPONSIBILITY

As we cut unnecessary items from the Defense budget, as the administration and the Congress, particularly the Senate, have done in the past 2 years, Congress has a responsibility to insure that the workers and the communities who depend on defense work for their livelihood are not abandoned abruptly, thoughtlessly, without concern for them or for our Nation.

In part, this means we must allow and encourage defense firms to diversify. So far we have not lived up to this responsibility.

DEFENSE UNEMPLOYMENT

Mr. President, I ask unanimous consent that I may have printed in the RECORD at the conclusion of my remarks several articles dealing with the plight of workers who are and who will be unemployed as a result of defense cutbacks.

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

(See exhibit 1.)

Mr. CRANSTON. Mr. President, many of these workers are highly trained scientists and engineers who must either live on unemployment compensation or work at jobs that are considerably beneath their abilities or totally unrelated to their skills. Unemployment rates among technical personnel, assembly line workers and clerical staff are higher in communities dependent on defense contracting than in other parts of the Nation.

NEED FOR UTILIZATION OF DEFENSE RESOURCES

It is ironic that the skills that these unemployed people possess are desperately needed in other sectors of the society. To give only one example—in the housing field, a Presidential Commission estimated that we need to construct 2.6 million housing units per year.

Last year we constructed 1.3 million units and this year it is estimated that we will only produce 1 million new units. Not only are we failing to produce a sufficient number of houses to meet the needs of our expanding population, but we have not begun to replace the substandard housing units that create slums in our urban areas.

In testimony before the Senate Committee on Labor and Public Welfare, Walter Reuther contrasted the production methods in housing and space vehicles. He said:

UAW members in the North American Rockwell plant in the suburbs of Los Angeles built the major vehicles for the Apollo program, both the 11 and the 12. That happens to be the vehicle in which they are lifted off the launching pad and put into orbit.

That happens to be the most sophisticated vehicle ever put together by man. It has everything, its own water system, air system, electronic system, communications system, its own computers. That very complicated, sophisticated vehicle was put together with a work force that is 15% skilled and 85% unskilled.

Yet we build a thing as primitive as a house which is a box with some holes punched in it, and the labor mix there is 90% skilled and 10% unskilled.

Now why is that? Well, it is the technology. So here is an industry that has the highest technological and scientific capability in the world. And our job is to get that capability committed to the solution of these urgent domestic problems.

Domestic problems that cry out for the application of technology and skills developed in defense work include pollution abatement, mass transit, air control and safety, law enforcement and many other fields.

AMENDMENTS IMPEDE DIVERSIFICATION

But the Subcommittee on Research and Development proposes that the disbursement of funds for I. R. & D., B. & P., and O.T.E. be limited to work that is relevant to the functions and operations of the Department of Defense—prohibiting its use for the application of defense technology to other pressing social needs. A much more enlightened approach would be to permit a defense firm to spend such funds for work that is relevant to the functions and operations of other agencies, such as the Department of Housing and Urban Development or the Department of Transportation.

AID TO DIVERSIFICATION

Senator BROOKE suggested a very valuable program to aid diversification which is now incorporated into section 205 of the appropriations bill. That section recognizes the need for the application of defense technology to civilian uses by creating an Interagency Advisory Council to seek out such applications.

This will aid defense firms in diversifying, by highlighting uses to which existing capabilities can be put. But I believe that there is a need to develop additional capabilities for the transfer of defense technology to civilian uses. I.R. & D. can accomplish this goal.

Such a policy would not authorize unlimited expenditure of Department of Defense funds for nondefense purposes. Contingent on Department of Defense approval, it would allow firms to prepare to diversify into nondefense business, and to proceed to do so, as they carry on defense work, and particularly as their defense contracts are curtailed, run out or are terminated. The only alternative to such a policy is to utterly neglect workers, countless firms, and communities that have labored so long to maintain national security. There is no sound moral or economic reason to forsake

those who have contributed to national needs—especially when their skills are needed in other areas.

If we allow defense firms to use I.R. & D. to diversify into nondefense lines, it will not be at the expense of the Department of Defense. I.R. & D. and related costs are overhead costs—that is, they are expenses that a firm must incur if it is to survive in a competitive economy, but which are not allocable to a particular customer. Since many defense contractors are almost entirely dependent on defense contracts for their existence, it is only fair that the Government pay its share of these overhead expenses.

If the Department of Defense does not allow these contractors to use defense funds to diversify, they will be permanently locked into defense contracting. As defense spending decreases, so will the business of these firms. Along with a decline in business will come high rates of unemployment and depressed communities.

LIMITATION ON I.R. & D. FUNDS IMPEDES DIVERSIFICATION

I am also opposed to placing a limitation on the amount of defense funds that can be spent on I.R. & D. and related expenses. Such a limitation may impair the ability of firms both to diversify and to be as constructive and creative in defense work itself as the national interest demands.

Dr. Arthur Obermayer, president of Moleculon Research Corp. in Cambridge, Mass., testified before the Senate Committee on Labor and Public Welfare that last year's reduction of 7 percent in I.R. & D. funds would hamper diversification.

Defense contractors who want to convert must spend more than a normal amount of time and money seeking out business in these new areas. This means learning new technologies through independent research and development activities and submitting more proposals to new government agencies—just the kinds of expenses this new legislation discourages. This new restriction on allowable overhead expenses for independent research and development, bid and proposal expenses and other technical effort goes in the wrong direction—this type of expenses which is necessary for conversion should be encouraged, not curtailed.

I.R. & D. VITAL TO NATIONAL SECURITY

I am also opposed to placing a limit on the expenditure for I.R. & D. because I view I.R. & D. as an insurance policy for national security. It is the source of up-to-date technological knowledge that is a vital ingredient of our very survival and will be not only as long as we are in an arms race but as long as we live in a lawless world.

We should encourage innovative thinking, and then allow those who under our Constitution make national policy to decide whether further research, and perhaps production, is needed.

I.R. & D. MORE ECONOMICAL THAN PRODUCTION

I.R. & D. enables us to refrain from needlessly producing expensive weapon systems because it cuts the leadtime in deployment of such systems. We would not be forced to deploy weapons out of speculative fear because we would have the capacity to produce weapons on short notice if actual need were to arise.

This ability to refrain from producing needless weapon systems is especially important now that the United States and the Soviet Union have embarked upon the tortuous path toward some form of arms limitation agreement. Production of weapons is provocative, and if such production can be halted, where not essential to our national security, the prospect for success in the SALT negotiations will be improved.

The premium for independent technical effort insurance protection is modest compared with the \$6.74 billion spent last year on aircraft procurement, and the \$3.6 billion spent on missile procurement. Independent technical effort cost the Government \$685 million in 1968. We actually received \$1.39 billion worth of research in return. Thus, the taxpayer got two dollars worth of research in return for every dollar invested.

Besides its low cost, the independent technical effort program has been a remarkable success. It speeded, by at least 5 years, development of integrated circuitry, the nerves of intercontinental ballistic missiles. It cut in half the development time of the flying crane, the world's largest helicopter. It helped land a man on the moon less than a decade after that goal was announced by President Kennedy.

Knowing that we have independent technical effort as insurance would also free us from deploying weapon systems which are already obsolete. The administration spent 891.5 million dollars in fiscal year 1970 on producing and deploying the ABM. Now they want to increase this expenditure by \$334 million. Eventually the ABM can cost many billions of dollars.

Ironically, our I.R. & D. made the ABM obsolete even before it went into production. The waste of money on the ABM is not a technological failure. It is a political failure.

In a recent colloquy between Senators McIntyre and Proxmire, Senator McIntyre pointed out that the Soviet Union is spending more on defense R. & D. than the United States. In reply Senator Proxmire stated:

If our level of research is lower than that of the Soviet Union, then it seems to me it is a matter of misplaced priorities by the Defense Department, because, in absolute dollars, there is \$72 billion in the overall budget—and military construction. AEC and military aid spending brings overall defense expenditures up to \$75 billion. The London Office of Strategic Studies has stated that Russia is spending \$40 billion military total, if we adjust both for the lower cost of living and lower salaries paid in the Soviet Union and for the difference between dollars and rubles. So all together we spend almost twice as much as the Soviet Union does on our defense. Yet the Senator from New Hampshire says we spend less in absolute dollars for military research.

Military research is the name of the game. After all, if we are going to have an effective military force, we have to have military research that bears a very large share of all military expenditures.

I would think we would want to reconsider our overall military priorities, perhaps moving some of the resources we have devoted to other military areas into research.

I agree with Senator Proxmire that military research is the name of the

game. I agree that we should consider reallocating some defense resources from production to research. However, the wisest form of reallocation is prevented by subcommittee's amendment to place a limit on the amount of I.R. & D.

EXISTING LIMITATION ON I.R. & D. EXPENDITURES

In the absence of a congressional limitation on I.R. & D. expenditures, such costs would not spiral out of control. Congress places an absolute limit on total defense spending each year. Whether that amount is spent on production or research, it is all allocated and ultimately spent. I believe that the Department of Defense should be given the flexibility to pursue important technical ideas through I.R. & D. if it feels that the need is great enough to curtail some production expenses. The need for the Department of Defense to make that trade-off insures that it will not authorize frivolous projects.

There is another aspect of this matter that I would like to touch upon. I am pleased that the chairman of the Armed Services Committee (Mr. STENNIS) is on the floor at this time, and I invite his attention to this particular aspect of the problem. This aspect relates directly, I believe, to our defense posture and hence, I am sure, to our security, and perhaps to our survival.

DIVERSIFICATION IS A FUNCTION OF DOD

If we assist firms engaged in defense to diversify into nondefense work, we will enable them to hold together teams of experts in defense technology that will otherwise be broken up—disintegrating and dispersing as so many companies find their defense contracts declining or ending totally. The absence of the best of these teams could be a fatal flaw in our security in the sort of emergency that can, unhappily, arise so suddenly and so dangerously in today's unstable, volatile, violence-prone world.

If we would find a way for those companies to diversify and to hold together those teams, I believe we would be serving a vitally important aspect of our national security.

Since it is evident that the Senate will now approve the committee recommendations on I.R. & D., I do not intend to acquiesce in this decision on any permanent basis, but I am not proposing any effort at this time, by the amendment process, to change the committee's decision. I do want to say that I shall renew the fight in the future. I shall also continue to work to maintain sufficient high levels of defense R. & D. through direct contracts so that our national security is not impaired.

Finally, I shall propose, in the near future, legislation of a new sort to aid defense firms in diversifying defense technology to civilian needs. The legislation will be designed to insure that those whose skills and talents have done so much in defense work shall have an opportunity to apply those skills and talents to domestic problems that so gravely concern all Americans.

At this time I would like to address one question to the very able Senator from New Hampshire, who has mastered an incredibly intricate and involved subject

on the whole matter of I.R. & D. The present language on page 8, lines 8 and 9 of the bill, refers to "other technical effort costs unless the work for which payment is made is relevant to the functions or operations of the Department of Defense."

The committee report, on page 97, at the bottom of the page, explaining what would happen under the new language, reads:

It would require that no payments be made for IR&D, BP, and OTE work not relevant to the functions and operations of the Department of Defense. This provision should serve as a directive to the Department to avoid a recurrence of the isolated past instances in which Department funds have been used to fund the research of contractors on commercial products.

I fully understand the desire to prevent private firms from using Government money to expand into commercial production for profit. However, a strong case can be made that firms should be allowed to use I.R. & D. funds to expand into fields where the society has a desperate need for technological innovation, but where the profit incentive is insufficient to lead firms to undertake such innovation because the markets for the products are uncertain. For example, I refer specifically to adapting the technology of communications devices and night-seeing devices, now used in aerospace and defense work and in Vietnam, for use by police in law enforcement in the cities. We have the technology but not the hardware, to make such devices available for use in our hard-pressed cities in their wars on crime. Use of I.R. & D. funds for that purpose would permit a great step forward in law enforcement in our cities.

The PRESIDING OFFICER (Mr. MILLER). The time of the Senator has expired.

Mr. MCINTYRE. Mr. President, I ask unanimous consent that I may be allowed to continue for 5 minutes.

Mr. GOLDWATER. Mr. President, reserving the right to object, I have been allowed 30 minutes following the Senator. If my time can be readjusted so that I can have 30 minutes, I will not object.

The PRESIDING OFFICER. The Senator received unanimous consent to proceed for 30 minutes following the Senator from New Hampshire.

Mr. MCINTYRE. I have asked to continue for 5 additional minutes.

Mr. GOLDWATER. I do not object.

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

Mr. CRANSTON. Mr. President, another example I am referring to relates to the crisis of safety around our airports, a subject in which the Senator from Arizona (Mr. GOLDWATER) is particularly interested. We face a crisis there. We need improved radar for air safety around the airports of America. The talents and technical skills needed for the ABM and other defense programs could be used to develop radar and other devices that we need for greater safety around our airports. Again, I.R. & D. could adopt defense technology to civilian use.

Thus, I.R. & D. funds can be used to achieve important domestic goals while

at the same time contributing to an important function of the Department of Defense—the preservation of defense company teams and talent which may be needed in future emergencies. These teams and the talent will disintegrate and be lost to the Nation if we do not find a way to hold them together.

I want to ask if, in the opinion of the chairman of the subcommittee, who has great knowledge of this incredibly intricate problem, if this sort of work, which does not relate to commercial enterprise which this language was designed to foreclose, if this work does not possibly relate to the function of the Department of Defense and therefore might not be prohibited under the committee's language.

Mr. MCINTYRE. Mr. President, the Senator's critiques of the work of the committee on the I.R. & D. are noted. I think they bear some thinking on our part. It may be that some of the examples the Senator is talking about on a gray area as far as applications of a relevancy test is concerned. What we were trying to do as a subcommittee was to state the basic principle of relevancy, first recognized last year in section 203. There may well be gray areas.

I am aware of the transitional stage that defense industries are going through, with the breakup of these teams, and I have noted very carefully what the Senator has said here today. I think there may well be some types of work which both meet the test of relevancy and which might facilitate a company's conversion.

Mr. CRANSTON. I thank the chairman. I think this is a very fair answer, and all I could expect under the circumstances of give and take at this point in our consideration of the issue.

EXHIBIT 1

[From the Washington (D.C.) Post, July 22, 1970]

CUT OF 592,000 DEFENSE JOBS SEEN IN 13 MONTHS

(By Michael Getler)

Military budget cutbacks have cost workers in the defense industry some 367,000 jobs in the past eleven months, according to latest Pentagon estimates, and the rate at which workers are being displaced is quickening.

Another 592,000 industry employees face lay-off notices within the next 13 months.

(George P. Shultz, newly appointed director of the Office of Management and Budget, told the Joint Economic Committee of Congress on Monday that two million individuals, including military personnel, would be "affected" by the cutbacks between July 1969 and July 1971.)

Because of the general six to eight month backlog of military equipment orders, cuts made last fall in the Pentagon's fiscal 1970 budget are only now beginning to be reflected in higher unemployment rates. In May of last year, unfilled defense orders with manufacturers stood at \$22.4 billion. The current backlog is now down to \$19.4 billion.

According to Assistant Secretary of Defense Robert C. Moot, the Pentagon's Comptroller, a Bureau of Labor Statistics study has calculated defense-related employment in the private sector of the economy at 3.4 million jobs in fiscal 1969.

Speaking in Washington yesterday to members of the President's commission of Personnel Interchange, Moot said "we are anticipating that this will fall to 2.4 million

by the end of fiscal 1971," on June 30 of next year.

Moot also estimated that the loss of industrial jobs will have a greater impact on the national unemployment picture than an equally sized cutback in military personnel since so many of the younger ex-servicemen go on to school.

Between June, 1969, and May, 1970, some 471,000 military and civilian personnel working within the Defense Department also have been released, with all but 95,000 of these coming from the uniformed services.

Precisely how many of the displaced defense workers, civil servants and military personnel remain on the unemployment roles is impossible to determine accurately. Moot did point out that last June the national unemployment rate was 3.4 per cent and that since then the ranks of those out of work has swelled by 1,137,000 and boosted the rate to 4.7 per cent.

"We do know," Moot said, "that the 838,000 total reduction in defense has been an influencing factor, just as the 803,000 yet to be reduced will have an influence."

In addition to the projected industry cutbacks, the Pentagon plans to scale down the armed forces by another 175,000 men and the civilian defense establishment by some 36,000 by June, 1971.

[From Business Week, Feb. 7, 1960]

Defense related employment will be reduced by 1,322,000 men by mid-1971 under the new budget. Military personnel will be cut by 551,300 to about 3-million, and the military's civilian force will be trimmed by 130,400 to about 1-million. Roughly 640,000 defense plant workers will be dropped from the present 2-million-man payroll. Reductions began last June, but the main impact is yet to be felt. Only about 40,000 of the contractor work force have lost jobs so far. By late spring, layoffs will rise markedly.

[From the New York Times, June 15, 1970]
SKILLED WHITES AFFECTED MOST BY JOBLESS RISE—AIRCRAFT, AEROSPACE, ARMS, AND AUTO INDUSTRIES ARE FOUND CHIEF VICTIMS—LABOR AGENCY REPORTS UNEMPLOYMENT IS CENTERED AMONG WORKERS IN MIDDLE WEST AND ON THE COAST

WASHINGTON, June 14.—The Labor Department said today that the nation's sharp rise in unemployment this year had been felt most by skilled white workers in the aircraft, aerospace, weapons and automobile industries in the Middle West and on the West Coast.

"This suggests that cutbacks in the defense and aerospace fields, the impacts of which are also being felt in many other industries, have been primary factors in halting the growth of factory employment since mid-1969," an analysis by the Bureau of Labor Statistics said.

The housing slump and slower automobile sales also added to joblessness, it said.

Unemployment has climbed by 1.3 million to a total of 4.1 million persons so far this year, increasing the national jobless rate from 3.5 per cent to 5 percent of the civilian labor force.

LESS IMPACT ON BLACKS

Unemployment among Negroes has been less severe, primarily because they have never been largely represented in the industries showing substantial job losses since mid-1969, the report said.

It said that employment in the last 10 months had dropped 21.1 per cent in ordnance and accessories; 9.1 per cent in aircraft and parts production, and 13.2 per cent in motor vehicles and equipment.

Joblessness has been less severe in other industries, but shows signs of spreading, the report said.

"In the other goods-producing sectors of the economy—mining, construction and

agriculture—employment has remained at a virtual standstill since last fall," it said.

And while service jobs grew throughout 1969, there has been virtually no further growth since February, it said.

"Although unemployment has been rising across the nation," the Labor Department said, "some areas have been hit much harder than others. Since industries bearing the brunt of the slowdown are concentrated in the Midwest and the Pacific Coast, it is these areas which have experienced the sharpest rise in unemployment."

"The Pacific Coast area, which contains only one-eighth of the nation's labor force, has accounted for about one-fifth of the national increase in state-insured unemployment during the April, 1969-April, 1970 period," the report said. "The principal factor accounting for the sharp rise in joblessness in this area is the reduction in aerospace and defense-related production."

"The unemployment rise in the Midwest is attributable primarily to cutbacks in automobile production and to a general weakness in durable goods production, which is heavily concentrated in this area."

MEN AFFECTED MOST

The pattern of industry slowdowns has mostly affected men, although joblessness has also climbed for women and teen-agers, the report said. Since December, 600,000 men have joined jobless rolls along with 400,000 women and 200,000 teen-agers.

"One of the surprising facts about the recent rise in unemployment has been the extent to which it has affected workers in high-skill jobs," the bureau said.

"The jobless rate for the professional and technical group has now returned to a level last attained—and then for only a very brief period—in 1963," it said. The rate was slightly more than 2 percent.

Unemployment among blue-collar workers climbed from 4.3 per cent in December to 6.2 per cent in May, with the sharpest rise also among skilled men, it said.

[From the Wall Street Journal,
 June 24, 1970]

COMPANIES' JOBLESS PAY FUNDS RUN OUT FOR AEROSPACE WORKERS ON WEST COAST

LOS ANGELES.—Many laid-off aerospace workers are finding the situation is getting even worse.

McDonnell Douglas Corp., the St. Louis-based aerospace concern, confirmed that it had ended payments of special unemployment benefits to any more workers who are laid off. The move affects union workers only at its facilities in the Long Beach, Calif., area, a spokesman said.

In March unemployment increases forced North American Rockwell Corp. to halt its layoff fund. In both cases there wasn't enough money coming into the funds to make up for the sums going to laid-off workers.

A spokesman for McDonnell Douglas confirmed that last week the company's supplemental unemployment benefits program fund went below a reserve of \$18 a worker, and this automatically canceled all payments. The company had paid out over \$20 million since the program began.

COUPLED WITH UNEMPLOYMENT INSURANCE

Douglas had negotiated the program with the United Auto Workers union in 1965, under which the company put five cents an hour a worker into a special fund. A worker would receive as much as 75% of his gross earnings in case of a layoff for up to 52 weeks, when the special payment is combined with state unemployment insurance, which provides a maximum of \$65 a week.

Until the first of this year laid-off workers at Douglas were getting the full amount, which union sources confirm was almost the same as the net they received after taxes and other deductions.

Less than two years ago, membership in UAW Local 148, the bargaining unit for Douglas in Long Beach—stood at about 36,000. Today the number of workers in the unit is under 13,000.

Tony Hatcher, vice president of the local, said, "We negotiated a fine program, but we never believed unemployment would go down this far." Those laid off, he said, are taking money out many times faster than it can be put back in.

MONEY USED FOR INSURANCE

While the UAW and Douglas representatives are holding meetings to discuss the situation, Mr. Hatcher says he "can't see any more money going in regardless of the meetings." A Douglas spokesman declined comment at this stage in the discussions.

North American ended jobless payments—which were in lump sums instead of weekly benefits—when layoffs during the past few years depleted the company's fund and "continued payments would exceed the company's maximum liability." Shortly before the cut-off date at the end of February, union members ratified a proposal whereby the company would use the unspent money in the fund to provide group insurance benefits for laid-off employees. The program, which is still in force, includes hospital, medical and surgical benefits for employees and their dependents. Money still coming into the layoff fund will go toward the insurance program, a North American spokesman said.

Henry Lacayo, head of UAW Local 887 at North American, said that while North American recently won the huge Air Force contract for the B1 bomber, the expected employment surge won't come fast enough to build the fund back up by fall.

Lockheed Aircraft Co., which recently announced its total employment would drop about 13% by year-end, said it didn't expect its jobless plan to meet a similar fate. A spokesman said Lockheed changed its severance pay program in 1965 from a general fund to the coverage of workers with individual accounts. Not only is there still money in the general fund, he said, but even if those reserves run out they're backed by the individual fund.

[From American Survey, Mar. 28, 1970]

AEROSPACE ON A SHOESTRING

Drive the dreary miles from Los Angeles south to Redondo Beach and north to North Hollywood, or go 60 miles south of San Francisco to Palo Alto and San Jose in Santa Clara county, and you soon see that official figures for employment in aerospace are only the tip of California's aerospace iceberg. As a jovial British machine tools salesman puts it: "the place is stiff with tinbenders," subcontractors supplying bits and pieces to the big firms which have won prime contracts from the government. It is rather worrying, therefore, that the iceberg's tip has been melting of late; the chart shows how visibly. California will get one-fifth, maybe slightly less, of a declining absolute level of prime contracts placed during 1970 by the Department of Defense and the National Aeronautics and Space Administration. In the mid-1960s its share was 28 per cent of a rising total.

One culprit is the government's disenchantment with space as a national priority. A bigger culprit is the Vietnam war, the cost of which has bitten into the Defense Department's budget for sophisticated hardware. On balance California has done reasonably well out of the war, notably because San Francisco and Oakland are the handiest American ports from which to ship men and supplies to Vietnam. But this has not helped the aerospace industries. Since the end of 1967 employment in them has fallen from 38 per cent of all manufacturing employment in California to about 34 per cent today. In numbers it has fallen from a quarterly aver-

age of 615,000 to an estimated 570,000. But in the seven southern counties grouped round Los Angeles, shown in the chart, the chief dynamo since the war of California's entire economy, the dependence on aerospace is particularly high. Ventura and Santa Barbara are dormitory areas relying heavily at one remove on the aerospace factories. Santa Barbara and Riverside are university towns, with research workers largely dependent on government contracts.

Were their other industries simply outstripping a thriving group of aerospace companies, California's southern counties might derive comfort from the fact that each of them depends less each year than the year before on the aerospace industry; at the start of 1968, for example, more than two-thirds of San Diego's manufacturing labour was in the aerospace industry compared with under 60 per cent today. But it is not easy to take comfort from the fact that several of the major companies in these areas are in desperate straits. The problems, like the industry, are massive in scale and they arise because all the big aerospace companies are under-capitalised and dependent on big one-shot contracts; traditionally they need huge progress payments from the Department of Defense, or commitment fees from the civil airlines, several years in advance of coming up with a salable product. When the product then proves unsalable, as has happened in a number of spectacular cases recently, the companies are in the position of the author living off a stiff advance who then writes a useless book.

The Convair division of the General Dynamics Corporation in San Diego spent the 1960s recovering from its fiasco with the Convair passenger aircraft. Now it is in almost as much trouble as a subcontractor for the Lockheed Aircraft Corporation's big military transport, the C5A, on which the government first cut back its initial order by over one-quarter and then rocked both companies by hinting that there might be no follow-up orders.

Lockheed has other problems. Its revolutionary fixed rotor Cheyenne helicopter has had its \$875 million Army contract cancelled. The firm is losing the intermediate range airbus race to the McDonnell Douglas Company of St. Louis and lacks the money to start building the long-range version for which it has no orders. As a result of all this, Lockheed, the country's largest defense contractor, has had to appeal to the government for rescue from financial disaster.

Unlike the motor industry, reductions in employment in the aerospace industry are not easy to quantify company by company. All that the communities of Burbank, north of Los Angeles, and Santa Clara county, south of San Francisco, know is that Lockheed is getting rid of professional men every week and will have to lay off about 5,000 workers this year. The aerospace division of North American Rockwell Corporation, hard by Los Angeles airport, had to lay off over 2,000 men after losing the Air Force's F-15 fighter contract to McDonnell Douglas and altogether 13,000 workers, mostly in southern California, will go during the year. At the time of its merger with Rockwell-Standard of Pittsburgh in 1967, North American Aviation was the larger of the companies. Today the predominance of stolid midwesterners in heavy tweed suits at the group's sunny Californian headquarters tells a new story; the high technology company is being bled out by its once junior partner, the maker of steel springs and textile machinery.

Underlying these individual disasters is the fact that the aerospace industry finds itself in a hiatus in all three of its major markets. Trouble with the Air Force and Congress over the C5A, worry over whether the new B1 strategic bomber will ever be funded,

indicate general uncertainty over the future shape of American defence strategy, over the cost of hardware, over the tactics of foreign policy itself. How big, for instance, will the anti-ballistic missile system eventually be, or what is the future value of submarine missile defence? Similarly, there is doubt about space, although this will soon be over now that Washington has decided on the shape, although not on the detailed contracts, for the next stage of the programme; it is a much reduced one. In civil aviation, subcontracts in California (notably Northrop's fuselages) for the Boeing 747 are in full swing. But production of the Douglas DC10 airbus and the Lockheed 1011 is in suspense because their prototypes have yet to fly, while work on the DC8 and DC9 and subcontracts for the Boeing 707 are all tailing off. And what will eventually happen to supersonic airliners?

On all these fronts both the government and the civil airlines, each strapped for money, are tending to favour more research and development but less actual production. This is true of space, of the ABM, of spy aeroplanes, of the SST, of the Cheyenne helicopter and will quite possibly be true of the BI. This may be good for the country; it is not so good for the aerospace and electronics manufacturing reservoirs in California.

Mr. MCINTYRE. Mr. President, the Senator from California (Mr. CRANSTON) has focused in his remarks on an issue considered by the subcommittee but not addressed in my earlier comments this afternoon—the conversion of our great defense industry to increasingly commercial uses.

I share the Senator's concern about this conversion process. Conversion is essential, as our defense expenditures decline, if large-scale regional unemployment is to be averted and if we are to make maximum use of the Nation's productive resources. I recognize also that a larger supply of I.R. & D. dollars can facilitate a company's conversion process.

For several reasons, however, our subcommittee rejected the option of letting this consideration influence the legislation we proposed.

To begin with, the I.R. & D. program was initiated and has always been administered with other aims in mind. As I see it, the program has had essentially two aims.

First, it has been designed to enable defense contractors to recover research and development costs which all manufacturers and contractors—commercial or Government in nature—must recover if they are to keep up with technological progress without going bankrupt.

Second, however, the I.R. & D. program has been a device whereby the Defense Department has sought, for its own purposes, to sponsor or fund research projects which it has felt could better be undertaken other than through direct contracting. It has been a conscious part of the Department's research and development program.

It is because of this second aspect of the I.R. & D. program that it has grown as rapidly as it has in recent years. And it is for the same reason that the Director of Defense Research and Engineering, Dr. John S. Foster, Jr., argued before the subcommittee that there should be no necessary relationship between the volume of defense contractors' sales

to the Government and the I.R. & D. dollars they receive.

The use of I.R. & D. dollars to enable firms to convert their facilities to commercial activities would wreak havoc with the second of these aims. Dollars going to the firms to conduct research relevant to the needs of the Department would be diverted to other uses.

Moreover, there would be no equity as between firms. Some would use the dollars they received essentially for defense purposes, making no progress in the conversion process, while others—given the choice—would use them almost exclusively for conversion.

It was for reasons such as these that the subcommittee did not believe that I.R. & D. dollars should be used to facilitate the conversion of defense industry. This problem, it felt, should be addressed separately and carefully considered on its own merits. Only in this manner can a solution be proposed which treats all contractors equitably and does not interfere with our legitimate defense needs.

One final point: The committee's recommendation recognizes the value of our I.R. & D. programs and effects only a small reduction in them, a reduction consistent with the Department's own estimates of its projected fiscal 1970 and fiscal 1971 expenditures. Our ceiling does not preclude a rise in these expenditures in future years. It serves only to give them a visibility which they have lacked too long, a visibility essential for meaningful debate as to what their level should properly be.

Mr. STENNIS. Mr. President, before the Senator from New Hampshire yields the floor, I wish to thank him and his subcommittee not only for their further contribution to this part of the bill on research and development for this fiscal year, but for the work he and his subcommittee have done to further lay the groundwork and foundation for guidelines that I think we sorely need, which will serve us over future years.

Mr. MCINTYRE. I thank the Senator.

Mr. STENNIS. I say to the Senator from California that I am impressed with his point also. He knows where the problem lies, and, as always, is constructive in his suggestions.

The Senator from New Hampshire has impressed me as having proceeded very carefully in going into this matter. You could not push him around, or push him off the cliff, either. He has mastered the subject matter enough to know how serious it is. He, too, points with great caution, and at the same time in a very constructive way, toward finding the ultimate solution.

I believe that, with this bill and one more, we will have evolved a fine policy.

Mr. MCINTYRE. I thank the distinguished chairman of the committee.

Several Senators addressed the Chair.

Mr. MCINTYRE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER (Mr. MILLER). The Senator's time has expired. Under the previous order, the Senator from Arizona is now recognized for 30 minutes.

AIRCRAFT AND MISSILES

Mr. GOLDWATER. Mr. President, there can be no doubt that we are again embarked upon a prolonged discussion of Government spending as it affects the Nation's Military Establishment and the defense of the Nation's 204 million people.

I suspect that we are perhaps letting ourselves in for yearly bouts of exhaustive discussions of all aspects of the military authorization bill.

Many times in the past 18 months I have reminded my colleagues that there is an organized effort to downgrade and weaken the defense posture of this Nation by many persons associated with the left-wing political elements in this country.

So, Mr. President, I believe we have to come to grips once and for all—or at least once every year—with the fundamentals involved in this tug-of-war over defense expenditures. If I may, I should like this afternoon to cut across all of the individual arguments and contentions for and against specific items in the authorization and deal primarily with the overall aspect of a proper ordering of our national priorities.

Mr. President, to listen to some of the more vocal and extreme critics of our Defense Establishment, you would be inclined to suspect that the whole idea of setting up a list of priorities for the expenditure of public funds was invented by them last year and unveiled for the first time when the Nixon administration took over the Pentagon.

Some of us as far back as the early 1960's pleaded in vain for some kind of an ordering of the national crises which were reported to the Congress from President Kennedy. As Senators may recall, everything that came from downtown in those years was an emergency of immediate and dire nature. Everyone of them called for large expenditures of the taxpayers' money on the theory that the answers to all of our national problems rested in the expenditure of more and more public money.

But we got no list of priorities from the New Frontier. If Senators will recall the only item of drastic concern during the campaign seemed to be a missile gap which was forgotten the day after election. Nor did we get any priority list of what was most important, what was second most important, what was third most important or what was least important in the long list of items submitted for funding under the Great Society program of President Johnson.

No, Mr. President, the loud outcry for a system of priorities had to await the advent of a Republican administration. By the same token, the great concern over waste and inefficiency and cost overruns and similar problems in the Department of Defense were never mentioned by the critics of the so-called military-industrial complex when former Secretary Robert McNamara was in charge of the Pentagon.

What is more, the critics of our defense spending and the most prominent advocates of the process of reordering our national priorities do not appear to be greatly interested in learning the former Secretary's views. It is true that

at my request the Senator from Wisconsin (Mr. PROXMIRE) issued a couple of invitations for Mr. McNamara to appear before his subcommittee on waste and inefficiency. As I recall, the former Secretary declined because of the press of business attendant to his new post as President of the World Bank. To my knowledge, no effort was made to obtain from the busy Bank president his written observations on the huge expenditures and the vast waste which were permitted to grow up in the Defense Establishment during his regime as Secretary.

One of the things which bothers me most about the argument for a reordering of national priorities is the fact that it is a handy tool which can be and is used by any and all critics of the Military Establishment. Any time any liberal in the Nation wants to solve a new problem, he argues that it could be wiped out if the Government were not spending so much on defense. As the President of the United States said on July 18, 1970, it has become "almost a cliché" to say that all we need do to resolve any dilemma arising on the domestic front is to cut our space and defense outlays and change our national priority.

The President was pointing out that his administration has changed our national priority for the first time in 20 years. He pointed out that in the budget he proposed for 1971 spending for defense is exceeded by the amount earmarked for human resources. He explained:

In all of the last three administrations, military spending ran far above the spending for other purposes. In 1962 under President Kennedy, the Federal Government spent 48 percent of its budget for defense and only 29 percent for human resources. By 1968, the comparison was 45 percent to 32 percent. My budget for 1971 sharply reversed these priorities. It calls for spending 37 percent for defense and 41 percent for human resource programs. To accomplish this massive change in emphasis, military and space expenditures were cut by some \$6 billion.

That was the President speaking.

Even so, the Senate is again ringing with demands for huge reductions in the Defense budget by persons who appear to want to ignore the reordering of priorities which has been achieved by the Nixon administration. For example, on Friday, July 24, the Senator from Wisconsin (Mr. PROXMIRE) asked for a cut of \$10 billion in the \$72 billion Defense budget, asserting:

We must reorder our priorities and reduce the excessive claim of the military in order to redress our glaring social need here at home.

Mr. President, there can be no doubt that this administration has acted courageously and forthrightly to change the order of our expenditure priorities. This is nondebatable. It is an accomplished fact, but it is completely unacknowledged by people who are bent on unilateral disarmament of the United States.

I suggest that the critics of our military system—or at least some of the loudest and most persistent—have only a casual side interest in the whole subject of economy and the saving of the

taxpayers' hard-earned dollars. If priorities were really their major concern, they would be heaping congratulations upon President Nixon and Defense Secretary Laird and urging them on to greater effort. However, I fear that too many of these critics of the military prefer to ignore the reordering of our national priorities by a Republican administration. I believe in all honesty these people would much rather use the myth of needed priorities to buttress their continuing arguments for drastic and harmful reduction of our defense expenditures. It almost seems to me that these people are far more interested in isolating this Nation and making it a second- or third-class world power than in saving money and in solving domestic problems such as unemployment, urban renewal, and pollution.

The critics of our Military Establishment would like us to forget two fundamental points in this whole argument. One, they would like us to forget that our national priorities got all loused up and our defense expenditures ran out of control as a direct result of policies foisted on the American people by liberal Democrats who not only controlled the White House but the Congress of the United States while these things were taking place. No. 2, these critics would like us to overlook and ignore the tremendous job performed against mountainous odds by the Nixon administration in coming to grips with a public heritage left to it by the Democrats.

If we accept these arguments, if we overlook the two points mentioned above, we move ahead to a new wave of irresponsible criticism and reckless demands for unrealistic cuts in the Nation's defense expenditures.

Mr. President, mark me well, we will hear this word "priorities" used over and over and over again during the debate on the military authorization bill. It will be put forth as a reason for slowing or crippling the Safeguard anti-ballistic-missile system. It will be used as an argument against the development of many offensive weapons systems which we desperately need in the face of growing challenges to our national strength from both the Soviet Union and Communist China. We will hear the argument of priorities used to justify proposals for canceling new weapons and for phasing out old ones. It will underline contentions that we need to phase out the Safe early warning system of defense. It will be used to underscore argument for the elimination of 14 attack carrier task forces and the cancellation of funds for a 15th nuclear carrier. It will crop up in arguments for elimination of programs for the C-5A and for manned aircraft generally, for expenditures on antimissile submarine warfare, new antiaircraft artillery. And it will be used to promote a fast, unrealistic reduction on the personnel of our Armed Forces.

I think, Mr. President, that the whole idea of cutting down or wiping out weapons systems and military equipment items should be viewed more pragmatically and with a greater sense of present day developments and recent history.

Much of the justification for the more radical proposals aimed at reducing our

defense forces below an adequate permissible minimum rests on some highly questionable assumptions. We do not have to look far for this list of items I would describe as wishful thinking at best and out-and-out fantasy at worst.

They presume that an accommodation will be reached with the Soviet Union on a significant reduction in both nuclear and conventional armament. It is pointed out, perhaps a trifle euphemistically, that such an accommodation is a requirement imposed on both Russia and the United States by provisions of article VI of the Nuclear Nonproliferation Treaty which was promulgated simultaneously in Moscow, London, and Washington.

I treat this lightly for a definite reason. Long experience has taught us that the Soviet Union almost never abides by the basic requirements of any treaty or agreement which at some time in the future might work against its own strategic national interests. We may rest assured that if the United States and Britain are naive enough to go ahead with armament reduction, the Russians will gladly stand by and applaud. However, the Nonproliferation Treaty has been in existence for some period of time, during which the Nixon administration has drastically cut our defense expenditures. But do we detect any reciprocal action on the part of the Soviets? I think not.

All we have seen in the months since the Nonproliferation Treaty was approved has been an accelerated proliferation of all kinds of Soviet armaments, both nuclear and conventional. In fact, Mr. President, I suspect that a careful study would show that never in its history has the Soviet Union moved more quickly, more decisively, and more deliberately to establish itself as the world's No. 1 military power as it has since the Senate of the United States puts its stamp of approval on the Nonproliferation Treaty. We can no longer ignore the facts of international life. We now definitely know that the Russians are extending their military reach into many vital and strategic areas beyond the borders of the U.S.S.R. In the Mediterranean they are becoming so dominant that that strategic body of water may soon qualify for the description of Russia's mare nostrum—our lake. Every day we learn more details about Russian military might in the tinderbox area of the Middle East. Not only Russian equipment but also Russian technicians and pilots are now arrayed on the side of Arabs in the Israeli crisis. More and more often Soviet warships make surprise appearances in the strategic waterways of the world.

Just in the past few days, our newspapers have bristled with news stories and pictures showing the extent of the Soviet armaments buildup.

According to a report by the Joint Atomic Energy Committee, the Soviet Union now has ballistic missiles submarines patrolling off both coasts of the United States. In fact, a picture in the July 27 edition of the Washington Post actually shows a Russian submarine maneuvering 30 miles south of Key West,

Fla. It was accompanied by a Soviet cruiser, a missile carrier, a tanker, and a second submarine.

Two days earlier the commander of the Soviet Navy boasted in Moscow that his missile-carrying nuclear submarines have—and I use his own words—"bound the hands of the imperialists" and are ready to give a "crushing rebuff to any aggressor."

The Soviet boast came from Adm. Sergei Gershtkov on the occasion of Soviet Navy Day. He said the submarines are the basis of the "striking might" of the navy, while up-to-date surface ships "with perfect weapons" are assigned another major role. At the same time, Soviet Defense Minister Andrei Grechko indicated that the unprecedented Soviet naval buildup will continue at its present pace.

So it would seem, Mr. President, that we had better find much better reason for further cuts in our defense budget than the possibility that Russia will join in an accommodation to produce a significant reduction in nuclear and conventional arms.

At the same time, it would be well to forget another much quoted reason why we must rechannel billions of defense dollars into other projects. This reason urges the American people to develop "an understanding of the present and probably continuing weakness of mainland China." This interesting suggestion was put forth in a report by an organization called the Coalition on National Priorities and Military Policy. This organization, which I shall mention more fully from time to time, is headed by our former colleague from Pennsylvania, the Honorable Joseph S. Clark. We have this organization to thank for a panel of inquiry on the subject of "An Alternate Defense Budget for the United States." The report of that inquiry holds that Red China is so weak economically, politically, and socially that it is incapable of serious offensive action of a military nature outside its own borders. The panel, which includes Dr. Adrian Fisher, former Deputy Director of the U.S. Arms Control and Disarmament Agency and W. Willard Wirtz, former Secretary of Labor, would also like the American people to extend this assumption of Chinese weakness into the indefinite future.

A third reason which the coalition cites for a proposed reduction in the size of the Defense budget is that it would not seem wise to embark now on new and untried weapons systems which might put a heavy strain on the Defense budget in future years.

The coalition's panel report is studded with claims that millions of Americans go to bed hungry every night, that the entire educational system is inadequate, that pollution cannot be remedied nor living conditions improved nor drug addiction reduced unless money is made available from Federal sources. The contention, of course, is that the only place to find this money is in funds budgeted for defense and space needs.

The coalition, like most other critics of the defense system and Military Establishment, pay very little attention to the whole question of our national security,

the defense of 204 million Americans, and our responsibility for maintaining the forces of freedom throughout the world. The casual American is supposed to assume that it is entirely possible to completely withdraw American forces from Vietnam, erect a barrier against any future involvement of the Vietnam type, and cut billions of dollars from the cost of maintaining an adequate defense.

This is wishful thinking at its worst. In fact, it is so untenable that for reasonable men to set forth such arguments is to presume the universal stupidity of the American people.

But the kind of priorities that the Clark coalition and other liberal politicians are working toward, seem to take for granted the continued defense of our shores and security of our people. For example, there is one approach which suggests that the President regulate spending priorities along the following lines: First, irreducible claims such as interest on the national debt; second, all the various requirements of the domestic economy; and, third, the basic needs of the military for national security.

The idea here, of course, is to have the Government determine the requirements of the domestic economy first and provide for the military and national security out of what is left over. And I believe we have seen enough grandiose and extravagant spending schemes hatched by the liberals to understand that if they ever got charge of determining requirements on the domestic fronts, there would be little or nothing left over for the military.

When you listen, Mr. President, to the more extreme intemperate claims about waste and inefficiency and cost overruns in the Department of Defense, a system of priorities ordered along these lines would appear to make some sense. However, we do not live in a peaceful and perfect world where all nations and all powerseekers are moved primarily with warmhearted concern for the unemployed, the poorly housed and the undereducated. Because we live in a real world ruled by men whose natures include ambition and greed and power-hunger, along with unselfishness and loving kindness, it is necessary for an important nation to think first of its own protection and the security of its population. Heavens knows, I certainly yearn for the day—should it ever come—when we can give primary concern to human needs and final consideration to military preparedness. But I see nothing in the actions of other nations, especially those who are arrayed ideologically against us, to warrant any such comfortable assurance.

When I read a report such as the "Report on the Panel of Inquiry," put out by the Coalition on National Priorities and Military Policy, I wonder whether some of these alleged experts which the liberals keep summoning actually live in the same world with the rest of us. For example, the March 25 coalition report, which our former colleague, Senator Clark, of Pennsylvania, was kind enough to send me included a summary of testimony by one Dr. Seymour Melman, professor of industrial en-

gineering at Columbia University. Dr. Melman was important enough to be one of only five witnesses called to testify on an alternate defense budget. He is the author of a book entitled "Pentagon Capitalism: The Political Economy of War," which was published just last month. Consequently, one would expect Dr. Melman to be qualified to estimate the financial needs of our Defense Establishment better than most laymen. Yet, a synopsis of his testimony shows that he recommended a cut in President Nixon's current budget for fiscal 1970 of \$54.794 billion. He suggested that a budget for 1971 of approximately \$23 billion would be adequate to, first, operate a strategic deterrent force; second, guard the shores of the United States; and, third, participate in international peacekeeping operations.

Mr. President, I suggest that this kind of irresponsible and ridiculous recommendation by a supposedly qualified expert is indicative of how dangerous a game we are playing with the Nation's defense.

I would remind you that Dr. Melman's figure is nearly $5\frac{1}{2}$ times the amount suggested by the Senator from Wisconsin (Mr. PROXMIRE). I believe very sincerely that a cut of even \$10 billion is dangerous, and dangerous in the extreme, when you consider the powerful offensive buildup taking place in the Soviet Union. Dr. Melman's figures takes us into Alice's "wonderland." It is the stuff that dreams are made of and demagogues use for headline-seeking purposes.

I repeat again here today a statement I have made many times before and shall undoubtedly make many times again—that the security of 204 million Americans is nonnegotiable. I am saying, Mr. President, that we cannot tamper with our national security like it was a classroom debate project at Columbia University. We cannot do anything but provide adequate funds for the defense of this Nation regardless of how pressing are the requirements which crop up on the domestic front. Strangely enough, it seems that we—like many complacent nations of the past—need constant reminding that without freedom we have nothing. Without adequate protection and security, we cannot even spend the time to identify, much less correct, the problems that plague our economy and society.

Every time we get into one of these debates, Mr. President, I feel like rubbing my eyes to see if I am awake because some of the arguments set forth show absolutely no appreciation for the realities that confront us. For example, on my desk right now is a request that I sign with a group of other Senators another appeal to President Nixon that the United States provide Israel with the aircraft needed for its defense. Earlier this year, Mr. President, I signed such a letter because I firmly believe that the United States as well as all other freedom-loving nations has a large stake in the maintenance of Israel's liberty from Communist aggression. My feeling about Israel is just as strong and equally as clear as my feeling in support of freedom's battle against Communist aggression in Indochina. I am not one of those who change hats or philosophy on the basis of geography.

But the reason I draw attention to this communication at this time, Mr. President, is that the petition to the President carries the signatures of some of my colleagues who vote consistently against the authorization of additional funds for up-to-date military equipment, including aircraft. I believe it might be time for everyone in the Senate who seriously believes that we should give aircraft for Israel's defense to understand that if they had had their way on past military authorization bills, we might be in the position of asking Israel to defend itself with obsolete aircraft. If the Israelis obtain from us aircraft adequate to their defense, they will have to obtain equipment that can match the latest and fastest aircraft put out in Soviet Russia. I wonder if these colleagues who feel so strongly for the defense of Israel would like that country to defend itself with one arm tied behind it. It stands to reason that, if we turn down Defense Department requests for new research and development, new aircraft prototypes, and new military equipment to match the Soviet weapons, we certainly cannot expect to provide nations like Israel with the sinews of military protection.

The situation in the Middle East is more than a threat to Israel. It is also a warning to us that all the talk we hear on the left about reaching an armaments accommodation with the Soviet Union is meaningless. There are some military critics who ask us to believe that a new era is about to dawn in United States-Soviet relations on military matters. Yet they seem to think that Indochina and the Middle East—by some strange alchemy of liberal reasoning—do not involve the strategic interests of the United States and its allies. Regardless of what the proponents of détente believe, the rest of the world knows that the Communists in Indochina are being supplied and advised and encouraged by the Soviet Union just as are the Arab militants in the Middle East. The view from beyond our shores can be nothing but one of amazement. Other foreign capitals, I know, cannot understand a nation, which is meeting new and serious challenges from a principal adversary, rushing to cut down on its military expenditures and cancel weapons programs.

The whole question of our credibility abroad is another subject upon which I will perhaps speak on at greater length on another occasion. But I can assure you that our credibility throughout Europe and especially in the Middle East gains nothing from the attacks in this country on the President of the United States and the Government's policies in Southeast Asia.

Mr. President, from all I can learn from my friends who have traveled in Europe this summer our credibility as a world leader is coming into very definite question. Foreign observers talk more and more about symptoms that they see in this country which they regard as something like a failure of our national will. I do not see how anyone reading

the sensational accounts of minority sentiment in this country could come to any other conclusion. So much publicity and attention has been given to this minority viewpoint that many foreigners and overseas observers regard this as the American norm. Thus, our Nation to them, would seem to be seething with antimilitary sentiment, student revolt against the draft, congressional revolt against American foreign policy, and a rejection of all foreign commitments old as well as new.

Mr. President, a national news magazine summed up the entire situation well with the claim that Europeans are beginning to believe that they see in this country "the symptoms of a great power losing its nerve."

Mr. President, in closing I would like to repeat in part something I said this morning. I would hope that those who are bound to cut the military structure to the bone give second thought to the matter. They will not win. We will prevail. They will go down to humiliating defeat as they did last year. We are taking the time of the Senate at a time when we are months behind in our work, listening to arguments from people who may be extremely well qualified in the fields of law and humanity and government, but who know nothing about weapons or strategy.

I hope that the committee bill which has been reported by the Committee on Armed Services under the chairmanship of the distinguished Senator from Mississippi (Mr. STENNIS) is approved and approved rapidly without attempting to cut it in the days ahead.

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

Mr. GOLDWATER. I yield.

Mr. STENNIS. Mr. President, we are all indebted to the Senator from Arizona for a very timely and forceful statement in which he not only champions the security and military preparedness provisions in the bill, but also points out the fallacy—as I see it and as the Senator from Arizona sees it—of any serious threat to reduce the amount beyond the minimum which we believe we have already included in the bill for these items.

I hope that the Senator does continue in the debate. He is very capable, not only in this field but also in other fields.

I commend the Senator from Arizona very highly for the challenging statement he has made today and for those that he promises to make in the future.

I commend the reading and studying of his statement to the entire membership of the Senate.

Mr. GOLDWATER. Mr. President, I thank the distinguished chairman of our committee. I have enjoyed working with him throughout the years.

I assure the chairman that I intend to continue speaking. As he knows, I have spent most of my weekends at the different defense bases around the country inspecting the C-5A, the F-111—which I think I will be able to fly again next week—and the A-7, the F-4, and the F-15.

I am prepared to speak, not at great length, but in some detail so that my colleagues may gain a better understanding

of the problems that we face, the problems that we have overcome, and the achievements we have made in this field.

Mr. STENNIS. Mr. President, I am glad for the committee to share with the entire Senate the valuable information that we have received through the experience of the Senator from Arizona, and it is up-to-the-minute experience.

When we get a problem before the committee, many times the Senator from Arizona will go out and ride the plane and fly it himself. He has not gone up in any missiles as yet, but he knows a lot about those, too.

It means so much to have his practical commonsense and experience on our side at all times. It is valuable to the full committee and will also be to the Senate.

Mr. GOLDWATER. Mr. President, I thank the chairman of the committee. Mr. President, I yield the floor.

Mr. STENNIS. Mr. President, I shall not detain the Senate long. I understand that the Senator from Massachusetts

(Mr. BROOKE) has an amendment that he wants to present and speak on.

Mr. President, in keeping with the purpose of the Armed Services Committee to bring to the Senate and to the public a very complete and documented and supported analysis and report on the bill—which, by the way, is backed up by 2,572 pages of printed hearings—I now refer specifically to page 32 of the report filed on the bill, which is report No. 91-1016.

Mr. President, from time to time the issue has arisen as to why the committee does not attempt to report the military authorization bill on what might be termed a fully and strictly line item basis. There is the implication that as a result of the present method there is insufficient information on these various weapons systems for the members to make a judgment and also to offer amendments if they desire.

I am inserting in the RECORD at this point certain pages from the committee report on the pending bill—H.R.

17123, report 91-1016—setting forth on a line item basis the full details of each system which is subject to committee action in this bill. The Senate will note that the total being recommended for each major activity is of course identical to the total figure in the bill itself. For instance, the total new obligational authority being recommended for the procurement of Army aircraft is \$292,100,000. This sum is the amount which the bill itself would authorize for appropriation and is contained on page 6 of the bill. As a result of long legislative history, these charts in the committee report are treated for the same effect in law as if they were in the bill itself.

Both the procurement and the research and development charts showing page numbers in the report are set forth below and I ask that they be printed as a part of the RECORD.

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

PROCUREMENT

ARMY AIRCRAFT PROCUREMENT REQUEST—FISCAL YEAR 1971

[Page 32]

[Dollar amounts in millions]

	Fiscal year 1970 program (appropriated)		Fiscal year 1971 request		House				Senate Armed Services Committee			
					Change from request		Authorized		Change from House		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
CH-47 cargo transport helicopter	36	\$56.3	24	\$41.6			24	\$41.6			24	\$41.6
UH-1 utility transport helicopter	160	49.2	120	37.9			120	37.9			120	37.9
AH-1 armed helicopter	170	86.0	70	37.0			70	37.0			70	37.0
OH-6/58 observation helicopter	600	68.4	600	64.2			600	64.2			600	64.2
Items less than \$500,000		3.0		2.8				2.8				2.8
Modification of aircraft		65.1		38.6				38.6				38.6
Common ground equipment		4.1		2.0				2.0				2.0
Component improvement		11.5		6.3				6.3				6.3
Other production charges		5.2		4.3				4.3				4.3
Ground support avionics		11.6		9.2				9.2				9.2
Aircraft spares and repair parts		160.7		50.6				50.6				50.6
All other	35	33.3										
Subtotal	1,001	554.4	814	294.5			814	294.5			814	294.5
Prior year financing available												
Prior programs to be justified				12.4		-\$2.4				-\$2.4		
Appropriation requiring authorization		554.4	814	296.9		-\$2.4	814	294.5		-\$2.4		292.1

NAVY AND MARINE CORPS AIRCRAFT PROCUREMENT REQUEST—FISCAL YEAR 1971

[Dollar amounts in millions]

	Fiscal year 1970 program (appropriated)		Fiscal year 1971 request		House				Senate Armed Services Committee			
					Change from request		Authorized		Change from House		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
A-4M light attack Skyhawk	49	\$68.6	24	\$46.8			24	\$46.8			24	\$46.8
A-6A/E all weather attack Intruder	12	62.5	12	112.5			12	112.5			12	112.5
A-6A/E advance procurement, current year		2.3		3.6				3.6				3.6
EA-6B electronic warfare Intruder	12	180.6	8	144.5			8	144.5			8	144.5
EA-6B advance procurement, current year		4.2		4.4				4.4				4.4
AV-6B V/STOL Harrier	12	42.3	18	96.2			18	96.2			18	96.2
AV-6B advance procurement, current year				6.9				6.9				6.9
A-7 medium attack Corsair II	27	99.6	30	105.2			30	105.2			30	105.2
A-7E advance procurement, current year		4.4										
F-14A fighter/interceptor			26	517.0			26	517.0			26	517.0
F-14A advance procurement, current year				60.1				60.1				60.1
UH-1N utility helicopter Iroquois	62	34.1	15	16.3			15	16.3			15	16.3
UH-1N advance procurement, current year				1.0				1.0				1.0
P-3C ASW aircraft Orion	23	198.5	12	136.6			12	136.6			12	136.6
P-3C advance procurement, current year		23.6		6.7				6.7				6.7
S-3A ASW aircraft carrier based			2	79.0			2	79.0	-2	-\$79.0		
S-3A advance procurement, current year				22.7				22.7				22.7
E-2C early warning aircraft			3	92.3			3	92.3			3	92.3
E-2C advance procurement, current year				20.0				20.0				20.0
T-2C trainer aircraft	24	16.0	36	26.7			36	26.7			36	26.7
TA-4J trainer aircraft	75	86.9	75	101.0			75	101.0			75	101.0
TA-4J advance procurement, current year		2.9		3.3				3.3				3.3
Modification of aircraft		327.6		255.9				255.9				255.9
Aircraft spares and repair parts		495.6		447.4				447.4				447.4
Aircraft component improvement		43.9		43.1				43.1				43.1
Aircraft industrial facilities		16.9		27.9				27.9				27.9

NAVY AND MARINE CORPS AIRCRAFT PROCUREMENT REQUEST—FISCAL YEAR 1971—Continued

[Dollar amounts in millions]

	Fiscal year 1970 program (appropriated)		Fiscal year 1971 request		House				Senate Armed Services Committee			
					Change from request		Authorized		Change from House		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Other aircraft production charges		\$38.3		\$45.0				\$45.0				\$45.0
Common ground equipment				96.3				96.3				96.3
All other	50	247.4										
Subtotal	356	1,996.2	261	2,518.4			261	2,518.4	-2	-79.0	259	2,439.4
Prior financing available		-170.0		-66.2				-66.2		-35.5		-101.7
NOA requested for authorization		1,826.2		2,452.2				2,452.2		-114.5		2,337.7
Prior programs to be justified				+35.5		-35.5						
Appropriation requiring authorization		1,826.2		2,487.7		-35.5		2,452.2		-114.5		2,337.7

AIR FORCE AIRCRAFT PROCUREMENT REQUEST—FISCAL YEAR 1971

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[Dollar amounts in millions]

	Fiscal year 1970 program (appropriated)		Fiscal year 1971 request		House				Senate Armed Services Committee			
					Change from request		Authorized		Change from House		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
A-7D tactical attack fighter	128	\$348.2	88	\$216.7			88	\$216.7			88	\$216.7
A-7D advance procurement current year		26.5		26.0				26.0				26.0
F-4E tactical fighter			24	71.3			24	71.3			24	71.3
F-4E advance procurement current year		25.7		6.0				6.0				6.0
F/RF-5A/B tactical fighter	10	11.2	8	10.3			8	10.3			8	10.3
F-111 D/F advanced tactical fighter	68	566.0		283.0				283.0			25	283.0
F-111 D/F advance procurement current year		60.9										
F-111 A/E/D fiscal year 1969 and prior over target		71.4		200.5				200.5				200.5
Advanced MAS (Freedom) fighter		(1)		30.0				30.0		-\$30.0		
RF-4C tactical reconnaissance fighter			12	38.2			12	38.2			12	38.2
RF-4C advance procurement current year		5.9		4.5				4.5				4.5
C-5A prior-year unfunded deficiencies and contingency provisions		225.0		544.4				544.4				544.4
C-9A aeromedical transport			9	39.5			9	39.5			9	39.5
T-37C primary trainer			5	1.1			5	1.1			5	1.1
T-41 A/C/D basic trainer	20	.3	8	.2			8	.2			8	.2
T-X navigational trainer		6.6	4	39.3			4	39.3			4	39.3
UH-1H/N utility helicopter	175	53.7	180	46.6			180	46.6			180	46.6
U-17B utility aircraft			12	.4			12	.4			12	.4
Modification of aircraft		506.7		537.4				537.4				537.4
Aircraft spares and repair parts		881.8		599.0				599.0				599.0
Common ground equipment		84.5		93.9				93.9				93.9
Component improvement		40.0		32.0				32.0				32.0
Industrial facilities		35.5		27.5				27.5				27.5
War consumables		17.8		12.9				12.9				12.9
Other production charges		91.3		92.1				92.1				92.1
Miscellaneous		371.4		561.5				561.5				561.5
All other	187	620.8										
Subtotal	588	4,051.2	350	3,514.3			350	3,514.3		-30.0	375	3,484.3
Prior-year financing available		-320.4		-199.4				-199.4		-59.4		-258.8
NOA requested for authorization		3,730.8		3,314.9				3,314.9		-89.4		3,225.5
Prior programs to be justified				-59.4		-59.4						
Appropriation requiring authorization		3,730.8		3,374.3				3,316.9		-89.4		3,225.5

1 Approved by Congress to be financed within AF appropriation.

ARMY MISSILE PROCUREMENT REQUEST, FISCAL YEAR 1971

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[Dollar amounts in millions]

	Fiscal year 1970 program (appropriated)		Fiscal year 1971 request		House				Senate Armed Services Committee			
					Change from request		Authorized		Change from House		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Sprint missiles.....		\$26.3		\$72.5				\$72.5		-\$0.3		\$72.2
Sprint advance procurement.....		.2		.8				.8				.8
Spartan missiles.....		76.2		138.1				138.1		-.8		137.3
Spartan advance procurement.....		.4										
Safeguard ground equipment.....		242.6		445.5				445.5		-3.0		442.5
Less advance procurement, prior year.....		-13.3		-31.3				-31.3				-31.3
Subtotal.....		229.3		414.2				414.2		-3.0		411.2
Ground equipment, advance procurement.....		20.0		15.6				15.6		-5.9		9.7
Safeguard production base support.....		.8		3.9				3.9				3.9
Safeguard repair parts and support material.....		4.0		15.3				15.3				15.3
Subtotal, Safeguard.....		357.2		660.4				660.4		-10.0		650.4
Redeye missiles.....		22.9		1.2				1.2				1.2
Chaparral missiles.....		86.0		76.4				76.4				76.4
Hawk missiles.....		75.3		90.3				90.3		-37.0		53.3
Hawk modifications.....				2.0				2.0				2.0
Nike-Hercules modifications.....		19.6		11.0				11.0				11.0
Air defense control and coordination systems.....		3.6		2.6				2.6				2.6

[Dollar amounts in millions]

	Fiscal year 1970 program (appropriated)		Fiscal year 1971 request		House				Senate Armed Services Committee			
					Change from request		Authorized		Change from House		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Shilleagh missiles.....		\$50.5		\$3.7				\$3.7				\$3.7
Two missiles.....		100.0		106.3				106.3				106.3
Pershing missiles.....		2.9		6.9				6.9				6.9
Pershing modifications.....		10.0		12.8				12.8				12.8
Air defense targets.....		20.2		5.5				5.5				5.5
Land combat support systems.....		30.9		28.8				28.8				28.8
Land combat support systems modifications.....				1.7				1.7				1.7
Lance missiles.....				30.8				30.8				30.8
Lance modifications.....				3.0				3.0				3.0
Production base support.....		18.5		2.5				2.5				2.5
1st destination transportation.....		2.0		1.5				1.5				1.5
Items less than \$500,000.....		1.6		.7				.7				.7
Repair parts and support material.....		43.0		38.5				38.5				38.5
All other.....		2.7										
Subtotal.....		846.9		1,086.6				1,086.6		-47.0		1,039.6
Prior-year financing available.....										-8.0		-8.0
Prior programs to be justified.....		-15.0		8.0		-8.0						
Appropriation requiring authorization.....		831.9		1,094.6		-8.0		1,086.6		-55.0		1,031.6

NAVY MISSILE PROCUREMENT REQUEST—FISCAL YEAR 1971

[Dollar amounts in millions]

	Fiscal year 1970 program (appropriated)		Fiscal year 1971 request		House				Senate Armed Services Committee			
					Change from request		Authorized		Change from House		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Ballistic missiles:												
Polaris.....		\$26.4		\$18.5				\$18.5				\$18.5
Poseidon.....		491.5		540.5				540.5				540.5
Subtotal.....		517.9		559.0				559.0				559.0
Air-to-air missiles:												
AIM-7E/F Sparrow.....		31.6		52.7				52.7		-6.7		46.0
AIM-9G/H Sidewinder.....		32.0		31.5				31.5				31.5
AIM-54A Phoenix.....				87.6				87.6				87.6
Subtotal.....		63.6		171.8				171.8				165.1
Air-to-ground missiles:												
AGM-45S Shrike.....		9.5		10.9				10.9				10.9
AGM-53A Condor.....				28.5		-28.5						
Subtotal.....		9.5		39.4		-28.5		10.9				10.9
Surface-to-air missiles:												
RIM-24B Tartar.....		2.8		2.7				2.7				2.7
RIM-66A Standard MR.....		25.6		25.4				25.4				25.4
RIM-2E Terrier.....		5.2		4.9				4.9				4.9
RIM-67A Standard ER.....		32.1		33.2				33.2				33.2
RIM-9G Talos.....		4.8		5.1				5.1				5.1
Subtotal.....		70.5		71.3				71.3				71.3
Other:												
UUM-44A Subroc.....		25.6		15.4				15.4				15.4
UUM-44A Advance procurement, current year.....				1.6				1.6				1.6
Subtotal.....		25.6		17.0				17.0				17.0
Aerial targets.....		53.8		57.8				57.8				57.8
Modification of missiles.....		20.8		18.2				18.2				18.2
Missile spares and repair parts.....		33.8		28.5		-4		28.1				28.1
Missile industrial facilities.....		9.9		10.5				10.5				10.5
Astronautics.....		13.4		2.0				2.0				2.0
Subtotal.....		818.8		975.5		-28.9		946.6		-6.7		939.9
Prior-year financing available.....				97.55						-7.5		-7.5
NOA requested for authorization.....				+7.5		-7.5						
Prior programs to be justified.....												
Total.....		818.8		983.0		-36.4		946.6		-14.2		932.4

MARINE CORPS MISSILE PROCUREMENT REQUEST—FISCAL YEAR 1971

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[In millions of dollars]

	Fiscal year 1970 program (appropriation)		Fiscal year 1971 request		House				Senate Armed Services Committee			
					Change from request		Authorized		Change from House		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Hawk missiles.....				25.6				25.6		-14.8		10.8
Other supporting costs.....		3.2		.9				.9				.9
Spares and repair parts.....		.2		1.1				1.1				1.1
Subtotal.....		3.4		27.6				27.6		-14.8		12.8
Appropriation requiring authorization.....				27.6				27.6		-14.8		12.8

AIR FORCE MISSILE PROCUREMENT REQUEST—FISCAL YEAR 1971
[Dollar amounts in millions]

	Fiscal year 1970 program (appropriated)		Fiscal year 1971 request		House		Senate Armed Services Committee					
					Change from request		Authorized		Change from House		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
LGM-30G Minuteman II & III.....		\$447.0		\$475.7				\$475.7				\$475.7
AGM-45A Shrike.....		7.1		9.7				9.7				9.7
AGM-69A Sram.....		10.0		99.5				99.5				99.5
AGM-65A Maverick.....				25.0		-\$25.0				+\$3.1		3.1
AIM-7E/F Sparrow.....		43.8		14.4				14.4				14.4
Target drones.....		18.7		13.7				13.7				13.7
Modifications.....		176.6		206.0				206.0		-\$15.0		191.0
Spares and repair parts.....		87.1		64.6		-\$0.3		64.3				64.3
Other support.....		790.2		671.5				671.5				671.5
Subtotal.....		1,580.5		1,580.1		-\$25.3		1,554.8		-\$11.9		1,542.9
Prior-year financing available.....				49.5				49.5		-\$14.0		63.5
NOA requested for authorization.....		1,448.1		1,530.6				1,505.3				1,479.4
Prior programs to be justified.....				14.0		-\$14.0						
Appropriation requiring authorization.....		1,448.1		1,544.6		-\$39.3		1,505.3		-\$25.9		1,479.4

NAVY SHIPBUILDING AND CONVERSION PROCUREMENT REQUEST—FISCAL YEAR 1971
[Dollar amounts in millions]

	Fiscal year 1970 program (appropriated)		Fiscal year 1971 request		House		Senate Armed Services Committee					
					Change from request		Authorized		Change from House		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
NEW CONSTRUCTION												
CVAN attack aircraft carrier (nuclear).....	1	\$510.0										
Less advance procurement.....		132.9										
Net.....	1	377.1										
Advance procurement current year.....				\$152.0				\$152.0		-\$152.0		
SSN submarine (nuclear).....	3	536.0	3	498.0	+1	+\$166.0	4	664.0	-1	-\$166.0	3	\$498.0
Less advance procurement.....		31.5		67.5				67.5				67.5
Net.....	3	504.5	3	430.5	+1	+\$166.0	4	596.5	-1	-\$166.0	3	430.5
Advance procurement current year.....	(5)	110.0		45.0		+\$22.5		67.5		-\$22.5		45.0
DLGN new guided missile frigate (nuclear).....	1	222.0	1	213.8			1	213.8			1	213.8
Less advance procurements.....		26.0		31.0				31.0				31.0
Net.....	1	196.0	1	182.8			1	182.8			1	182.8
Advance procurement current year.....	(4)	77.9		38.5				38.5				38.5
DD new destroyer (DD-963).....	5	342.7	6	506.8			6	506.8			6	506.8
Less advance procurement.....		25.0		47.3				47.3				47.3
Net.....	5	317.7	6	459.5			6	459.5			6	459.5
Advance procurement current year.....	(8)	17.6										
LHA general-purpose assault ship.....	2	287.7	2	302.0			2	302.0			2	302.0
Less advance procurement.....		17.0		16.0				16.0				16.0
Net.....	2	270.7	2	286.0			2	286.0			2	286.0
Advance procurement current year.....	(2)	17.0		27.5				27.5				27.5
AS submarine tender.....					+1	+\$102.0	1	102.0	-1	-\$102.0		
AD destroyer tender.....					+1	+\$103.0	1	103.0	-1	-\$103.0		
AGOR research ship.....			2	7.3	+2	+\$7.5	4	14.8	-2	-\$7.5	2	7.3
PGM motor gun boat.....	2	1.1										
Landing craft.....		7.6				+\$10.0		10.0		-\$10.0		
Service craft.....		13.2		15.6		+\$24.0		39.6		-\$24.0		15.6
Total new construction.....	14	1,910.4	14	1,644.7	+5	+\$435.0	19	2,079.7	-5	-\$587.0	14	1,492.7
CONVERSION												
SSBN fleet ballistic missile submarine.....	4	298.3	6	436.0			6	436.0			6	436.0
Less advance procurement.....		102.8		143.6				143.6				143.6
Net.....		195.5		292.4				292.4				292.4
Advance procurement current year.....	(13)	154.0		78.8				78.8				78.8
DLG Guided missile frigate.....	1	39.0	4	150.0			4	150.0			4	150.0
Less advance procurement.....		15.0		34.2				34.2				34.2
Net.....		24.0		115.8				115.8				115.8
Advance procurement current year.....	(4)	19.0		34.2				34.2				34.2
MSO ocean minesweeper.....	10	47.9	5	26.0			5	26.0			5	26.0
Less advance procurement.....		7.2		3.6				3.6				3.6
Net.....		40.7		22.4				22.4				22.4
Advance procurement current year.....												
Other conversions.....												
Total conversion.....	15	433.2	15	543.6			15	543.6			15	543.6
OTHER												
CVAN Nuclear spares.....		48.0		20.7				20.7				20.7
Outfitting material.....		56.4		76.6				76.6				76.6
Postdelivery.....		23.6		83.3				83.3				83.3
Claims and other cost increases.....		167.0		210.0				210.0				210.0
Advanced contract design.....												
PC patrol craft (cost sharing).....		1.9										
Total other.....		296.9		390.6				390.6				390.6
Subtotal.....		2,640.5		2,578.9		+\$435.0		3,013.9		-\$587.0		2,426.9
Prior program to be justified.....				150.0		-\$150.0						
Prior-year financing available.....										150.0		150.0
Appropriation requiring authorization.....		2,640.5		2,728.9		+\$285.0		3,013.9		-\$737.0		2,276.9

Note: Figures in parentheses () non add, — indicates number of ships supported in future programs.

ARMY TRACKED COMBAT VEHICLES REQUEST—FISCAL YEAR 1971

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[Dollar amounts in millions]

	Fiscal year 1970 program (appropriated)		Fiscal year 1971 request		House				Senate Armed Services Committee			
					Change from request		Authorized		Change from House		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
M113 vehicle family:												
M113A1 personnel carrier	645	\$23.5	1,125	\$33.7			1,125	\$33.7			1,125	\$33.7
M106A1 107 mm. mortar carrier	302	12.4										
M577A1 command post carrier	334	15.6	315	12.0			315	12.0			315	12.0
M125A1 81 mm. mortar carrier	202	8.7										
XM741 carrier FT (Vulcan)												
XM carrier FT (Chaparral)	116	7.3	135	6.4			135	6.4			135	6.4
Subtotal M113 family	1,599	67.5	1,575	52.1			1,575	52.1			1,575	52.1
M551 ARAV (General Sheridan)	183	44.2		4.4				4.4				4.4
Less advanced procurement		-20.0										
Net	183	24.2		4.4				4.4				4.4
Medium tank family:												
Chassis, transporter, bridge launcher	18	2.5	20	4.0			30	4.0			30	4.0
M728 combat engineer vehicle	42	10.2	30	7.5			30	7.5			30	7.5
M60A1E2 Tank combat 152 mm. gun		3.8		12.1				12.1				
Retrofit kits f/tank, FT, 105 mm. gun		6.5		5				5				5
M60A1 tank combat, FT, 105mm. gun	300	44.9	300	67.6			300	67.6			300	56.7
Less advance procurement												
Net	300	44.9	300	67.8			300	67.6			300	56.7
Miscellaneous:												
Howitzer, medium 155 mm. SPM 109 (MOD)				3.8				3.8				3.8
Shop set DS/GS (Vulcan)	12	3.9	4	1.3			4	1.3			4	1.3
Item less than \$500,000		1.2		.8				.8				.8
First destination transportation		3.6		3.6				3.6				3.6
Repair parts and support material		9.2		5.9				5.9				5.9
Production base support		18.0		42.6				42.6				42.6
All other		5.6										
Subtotal		201.1		206.2				206.2				183.2
Prior year financing available												-1.0
Prior programs to be justified				+1.0				-1.0				
Appropriation requiring authorization				207.2				206.2				182.2

MARINE CORPS TRACKED COMBAT VEHICLE REQUEST—FISCAL YEAR 1971

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[Dollar amounts in millions]

	Fiscal year 1970 program (appropriated)		Fiscal year 1971 request		House				Senate Armed Services Committee			
					Change from request		Authorized		Change from House		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Amphibious vehicle family:												
LVT-7	38	\$10.4	262	\$33.5			262	\$33.5			262	\$33.5
LVT-7A2 (LVT-7)			21	3.3			21	3.3			21	3.3
LVT-7A3 (LVT-7)			15	2.4			15	2.4			15	2.4
Miscellaneous:												
LVT-7 training device			1	1.3			1	1.3				
Collateral equipment		5.6		.7				.7				.7
First destination transportation		.3		.5				.5				.5
Spares and repair parts		.9		5.0				5.0				5.0
Items less than \$500,000		1.2		2.0				2.0				2.0
All other		19.3										
Subtotal		37.7		48.7				48.7				47.4
Appropriation requiring authorization				48.7				48.7				47.4

ARMY OTHER WEAPONS PROCUREMENT REQUEST—FISCAL YEAR 1971

[Dollar amounts in millions]

	Fiscal year 1970 program (appropriated)		Fiscal year 1971 request		House				Senate Armed Services Committee			
					Change from request		Authorized		Change from House		Recommendation	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Components for special tests		\$1.0		\$0.7				\$0.7				\$0.7
Machinegun, 7.62 mm., M60	12,056	6.6	6,000	4.0			6,000	4.0			6,000	4.0
Machinegun, 7.62 mm., M73	882	3.0	486	1.7			486	1.7			486	1.7
Machinegun, cal. .50, M83	360	1.8	360	1.8			360	1.8			360	1.8
Rifle, 5.56 mm., M16A1	599,552	64.5	253,738	27.1			253,738	27.1			253,738	27.1
Launcher, grenade 40 mm., f/M16A1 rifle												
M203			17,500	5.3			17,500	5.3			17,500	5.3
Laser rangefinder AN/GVS-3			200	2.2			200	2.2			200	2.2
Items less than \$500,000		2.9		.9				.9				.9
First destination transportation		.5		.3				.3				.3
Repair parts and support material		16.6		10.6				10.6				10.6
Production base support		(*)		13.6				13.6				13.6
All other		9.9										
Subtotal		106.8		68.2				68.2				68.2
Prior-year financing available												-1.0
Prior programs to be justified				+1.0				-1.0				
Appropriation requiring authorization				69.2				68.2				67.2

* \$20,100,000 appropriated in PEMA activity 11—Production base support.

NAVY AND MARINE CORPS OTHER WEAPONS PROCUREMENT REQUEST—FISCAL YEAR 1971

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[Dollar amounts in millions]

	Fiscal year 1970 program (appropriated)		Fiscal year 1971 request		House		Senate Armed Services Committee	
					Change from request		Change from House	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Navy:								
5"/54 lt. wt. gun mount MK45 (train- ing).....	1	\$1.3	1	\$1.3			1	\$1.5
Rifle 5.56 mm. M-16.....	9,790	1.4	1,290	.2		1,290		.3
Mini gun/mount.....			25	.5		25		.2
Items less than \$500,000.....		1.7		.8				.8
All other.....		2.8						
Subtotal.....		7.2		2.8				2.8
Appropriation requiring authorization.....				2.8				2.8
Marine Corps:								
Launcher, multishot XM202.....	1,115	.9	284	.1		284		.1
Mortar, 60 mm.....	1,112	.7	382	1.2		382		1.2
First destination transportation.....		.1		.1				.1
Spares and repair parts.....		.9		1.5				1.5
Items less than \$500,000.....		2.8		1.5				1.5
All other.....		4.9						
Subtotal.....		10.3		4.4				4.4
Appropriation requiring authorization.....				4.4				4.4

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RESEARCH AND DEVELOPMENT

The tabulations below show a comparison of the amounts authorized and appropriated

for research, development, test, and evaluation in fiscal year 1970 with the amounts requested in the President's budget for fiscal year 1971, as adjusted by the actions of the

House (H.R. 17123), and as recommended by the Committee.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION COMPARATIVE SUMMARY OF ACTIONS ON AUTHORIZATION REQUEST

[In millions of dollars]

	Fiscal year 1970		Fiscal year 1971		
	Authorized	Appropriated	Request	H.R. 17123	As reported by the Committee
Army.....	\$1,646.0	\$1,596.8	\$1,717.9	\$1,647.9	\$1,627.2
Navy (including Marine Corps).....	1,968.2	2,186.4	2,197.3	2,197.3	2,209.3
Air Force.....	3,156.6	3,060.6	2,909.7	2,909.7	2,736.0
Defense agencies.....	450.2	450.0	470.7	460.7	450.0
Emergency fund.....	75.0	75.0	50.0	50.0	50.0
Total R.D.T. & E. program.....	7,296.0	7,368.8	7,345.6	7,265.6	7,072.5

	Fiscal year 1970		Fiscal year 1971		
	Authorized	Appropriated	Request	H.R. 17123	As reported by the Committee
Request for authorization of prior year funds.....			\$56.0		
Prior year funds available.....					—\$56.0
Total R.D.T. & E. authorization.....	\$7,296.0	\$7,368.8	7,401.6	\$7,265.6	7,016.5

ADJUSTMENTS TO FISCAL YEAR 1971 AUTHORIZATION REQUEST RECOMMENDED BY SENATE ARMED SERVICES COMMITTEE

R.D.T. & E.

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[Dollars in millions]

	Fiscal year 1971 request	H.R. 17123		Senate Armed Services Committee	
		Change	Authorized	Change	Recom- mended
Army.....	\$1,717.9	—\$70.0	\$1,647.9	—\$20.7	\$1,627.2
Navy (including Marine Corps).....	2,197.3		2,197.3	+12.0	2,209.3
Air Force.....	2,909.7		2,909.7	—173.7	2,736.0
Defense agencies.....	470.7	—10.0	460.7	—10.7	450.0
Emergency fund.....	50.0		50.0		50.0
Total R.D.T. & E. program.....	7,345.6	—80.0	7,265.6	—193.1	7,072.5

	Fiscal year 1971 request	H.R. 17123		Senate Armed Services Committee	
		Change	Authorized	Change	Recom- mended
Request for authorization of prior year funds.....	\$56.0	—\$56.0			
Prior year funds available.....				—\$56.0	—\$56.0
Total R.D.T. & E. authorization.....	7,401.6	—136.0	\$7,265.6	—249.1	7,016.5

ADJUSTMENTS TO FISCAL YEAR 1971 AUTHORIZATION REQUEST RECOMMENDED BY SENATE ARMED SERVICES COMMITTEE BY SERVICE

R.D.T. & E., ARMY

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[In millions of dollars]

	Senate Armed Services Committee				Senate Armed Services Committee			
	Fiscal year 1971 request	H.R. 17123 Change	Authorized	Recommendation	Fiscal year 1971 request	H.R. 17123 Change	Authorized	Recommendation
Military sciences:								
Defense research sciences	69.4		69.4	-3.8	65.6			
Military personnel performance	2.8		2.8	-.3	2.5			
Military training leadership	3.2		3.2	-.5	2.7			
Army operations, foreign environment	2.1		2.1	-1.0	1.1			
General biological investigations	8.0		8.0	-2.1	5.9			
General chemical investigations	8.3		8.3	-.9	7.4			
Studies and analysis	9.2		9.2	-1.0	8.2			
Other	73.2		73.2		73.2			
Total, military sciences	176.2		176.2	-9.6	166.6			
Aircraft and related equipment:								
Advanced helicopter development	21.0		21.0	-4.0	17.0			
AH-56A Cheyenne helicopter	17.6		17.6	-17.6				
Other	71.6		71.6		71.6			
Total, aircraft	110.2		110.2	-21.6	88.6			
Missiles and related equipment:								
Surface-to-air missile (SAM-D)	89.3		89.3	-15.0	74.3			
Advanced ballistic missile defense	158.0		158.0	-20.0	138.0			
Other	649.1		649.1		649.1			
Total, missiles	896.4		896.4	-35.0	861.4			
Military astronautics and related equipment:								
Strategic Army communications	7.6		7.6	-2.2	5.4			
Other	3.1		3.1		3.1			
Total, astronautics	10.7		10.7	-2.2	8.5			
Ships, small craft and related equipment:								
	1.1		1.1		1.1			
Ordnance, combat vehicles, and related equipment:								
Lethal chemical investigations	2.2		2.2	-.5	1.7			
Lethal chemical munitions concepts	1.0		1.0	-.3	.7			
Tracked and special vehicles	9.8		9.8	-7.5	2.3			
Other	140.2		140.2		140.2			
Total, ordnance	153.2		153.2	-8.3	144.9			
Other equipment:								
Project MALLARD	14.0		14.0	-14.0				
Other	303.8		303.8		303.8			
Total, other equipment	317.8		317.8	-14.0	303.8			
Programwide management and support	52.3		52.3		52.3			
Total Army R.D.T. & E. program	1,717.9	-70.0	1,647.9	-20.7	1,627.2			
Request for authorization of prior-year funds	18.0	-18.0						
Prior-year financing available								
Total Army R.D.T. & E. authorization	1,735.9	-88.0	1,647.9	-38.7	1,609.2			

R.D.T. & E., NAVY

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[In billions of dollars]

	Senate Armed Services Committee				Senate Armed Services Committee			
	Fiscal year 1971 request	H.R. 17123 Change	Authorized	Recommendation	Fiscal year 1971 request	H.R. 17123 Change	Authorized	Recommendation
Military sciences:								
Defense research sciences	106.6		106.6	-2.3	104.3			
Education and training development	3.0		3.0	-.5	2.5			
Studies and analyses, Navy	9.2		9.2	-.2	9.0			
Other	23.4		23.4		23.4			
Total, military sciences	142.2		142.2	-3.0	139.2			
Aircraft and related equipment:								
Destroyer helicopter system	13.5		13.5	-8.0	5.5			
F14B/C	50.2		50.2	-5.2	45.0			
S-3A	208.0		208.0	+79.0	287.0			
Other	422.3		422.3		422.3			
Total, aircraft	694.0		694.0	+65.8	759.8			
Missiles and related equipment:								
Air launched/surface launched antiship missile (Harpoon)	21.0		21.0	-14.0	7.0			
Point defense system development	24.5		24.5	-13.5	11.0			
Other	448.8		448.8		448.8			
Total, missiles	494.3		494.3	-27.5	466.8			
Military astronautics and related equipment:								
	29.1		29.1		29.1			
Ships, small craft and related equipment:								
Advance surface ship sonar development	11.0		11.0	-8.0	3.0			
Surface effect ships	20.0		20.0	-10.0	10.0			
ASW acoustic warfare	8.4		8.4	-2.0	6.4			
Other	338.1		338.1		338.1			
Total, ships	377.5		377.5	-20.0	357.5			
Ordnance, combat vehicles, and related equipment:								
	89.0		89.0		89.0			
Other equipment:								
Laboratory independent exploratory development	13.1		13.1	-3.1	10.0			
Manpower effectiveness	1.9		1.9	-.2	1.7			
Other	211.7		211.7		211.7			
Total, other equipment	226.7		226.7	-3.3	223.4			
Programwide management and support	144.5		144.5		144.5			
Total, Navy R.D.T. & E. program	2,197.3		2,197.3	+12.0	2,209.3			
Request for authorization of prior year funds	15.0	-\$15.0						
Prior year financing available								
Total, Navy R.D.T. & E. authorization	2,212.3	-15.0	2,197.3	-3.0	2,194.3			

ADJUSTMENTS TO FISCAL YEAR 1971 AUTHORIZATION REQUEST RECOMMENDED BY SENATE ARMED SERVICES COMMITTEE BY SERVICE—Continued

R.D.T. & E., AIR FORCE

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[In millions of dollars]

	Fiscal year 1971 request	H.R. 17123		Senate Armed Services Committee	
		Change	Authorized	Change	Recommendation
Military sciences:					
Innovations in education and training	3.5		3.5	-0.2	3.3
Studies and analyses	.3		.3	—	
Other	130.8		130.8		130.8
Total, military sciences	134.6		134.6	-.5	134.1
Aircraft and related equipment:					
Light intratheater transport	2.0		2.0	-2.0	
Advanced fire control/missile technology	2.8		2.8	-2.8	
Subsonic cruise armed decoy	33.6		33.6	-33.6	
CONUS air defense interceptor	2.5		2.5	-2.5	
Advanced tanker	.5		.5	-.5	
B-1	100.0		100.0	-50.0	50.0
F-111 squadrons	48.2		48.2	-6.4	41.8
Other	641.7		641.7		641.7
Total, aircraft	831.3		831.3	-97.8	733.5
Missiles and related equipment:					
Advanced ballistic reentry system	105.0		105.0	-5.0	100.0
Short range air-to-air missile	37.2		37.2	-29.2	8.0
Minuteman rebasing	77.0		77.0	-27.0	50.0
Other	543.6		543.6		543.6
Total, missiles	762.8		762.8	-61.2	701.6
Military astronautics and related equipment	437.7		437.7		437.7
Ordnance, combat vehicles and related equipment:					
Armament/ordnance development	11.0		11.0	-7.0	4.0
Truck interdiction	10.0		10.0	-5.0	5.0
Other	57.3		57.3		57.3
Total, ordnance	78.3		78.3	-12.0	66.3
Other equipment:					
Human resources	4.7		4.7	-.5	4.2
Project MALLARD	1.7		1.7	-1.7	
Other	353.2		353.2		353.2
Total, other equipment	359.6		359.6	-2.2	357.4
Programwide management and support	305.4		305.4		305.4
Total Air Force R.D.T. & E. program	2,909.7		2,909.7	-173.7	2,736.0
Request for authorization of prior year funds	18.0	-18.0			
Prior year financing available				-18.0	-18.0
Total Air Force R.D.T. & E. authorization	2,927.7	-18.0	2,909.7	-191.7	2,718.0

R.D.T. & E., DEFENSE AGENCIES

[page 75]

[Dollars in millions]

	Fiscal year 1971 request	H.R. 17123		Senate Armed Services Committee	
		Change	Authorized	Change	Recommendation
ARPA PROGRAM					
Military sciences:					
Defense research sciences (ARPA)	\$42.7		\$42.7	-\$6.0	\$36.7
Advanced engineering (ARPA)	17.2		17.2	-10.2	7.0
Other	18.0		18.0		18.0
Total, military sciences	77.9		77.9	-16.2	61.7
Missiles and related equipment	66.0		66.0		66.0
Other equipment:					
Overseas defense research	21.3		21.3	-.5	20.8
Other	57.5		57.5		57.5
Total, other equipment	78.8		78.8	-.5	78.3
ARPA R.D.T. & E., total	222.7	1-\$6.6	216.1	1-\$10.1	206.0
DCA PROGRAM					
Military astronautics and related equipment	3.0		3.0		3.0
Other equipment	26.9		26.9	-2.4	24.5
DCA R.D.T. & E., total	29.9	1-\$2.4	27.5		27.5
DASA PROGRAM					
Military sciences	44.6		44.6		44.6
Other equipment	67.1		67.1		67.1
DASA R.D.T. & E., total	111.7		111.7		111.7
DIA/NSA PROGRAMS					
Other equipment	\$85.9		\$85.9		\$85.9
DIA/NSA R.D.T. & E., total	85.9		85.9		85.9
DSA PROGRAM					
Programwide management and support	11.5	-\$1.0	10.5		10.5
DSA R.D.T. & E., total	11.5	-1.0	10.5		10.5
SADA PROGRAM					
Military sciences: Studies and analyses	9.0		9.0	-0.6	8.4
SADA R.D.T. & E., total	9.0		9.0	-.6	8.4
Total Defense Agencies R.D.T. & E. program	470.7	1-\$10.0	460.7	1-\$10.7	450.0
Request for authorization of prior year funds	5.0	-5.0			
Prior year financing available				-5.0	-5.0
Total Defense Agencies R.D.T. & E. authorization	475.7	1-\$15.0	460.7	1-\$15.7	445.0
Emergency fund, defense	50.0		50.0		50.0
Department of Defense R.D.T. & E. total authorization	7,401.6	1-\$136.0	7,265.6	1-\$249.1	7,016.5

¹ In the preceding four charts the House did not identify the specific programs to which these reductions will be applied. However, the adjustments recommended by the Senate Armed Services Committee, with the exception of \$2,400,000 for DCA, are identified to individual programs, and

include the application of the total reductions made by the House. Therefore the total reductions made by the House and recommended by the Senate Armed Services Committee should be combined to arrive at the total reduction from the amount requested.

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Research and development programs with excess funds

The Committee recommends reductions totalling \$50.2 million in the programs listed below because these amounts are not needed to finance the work planned in fiscal year 1971. Witnesses have testified that these programs all have been delayed so that fiscal year 1970 funds, provided for these programs, will not be needed during that year, and will be carried over and available to pay for work to be performed during fiscal year 1971. This permits funds to be deleted from the fiscal year 1971 request without affecting requirements for such programs. A number of other major programs, which fall into this same category, are discussed elsewhere in this report.

[In millions of dollars]

	Re- quested	Change	Recom- mended
Army:			
Strategic army communica- tions.....	7.6	-2.2	5.4
Tracked and special vehicles.....	9.8	-7.5	2.3
Navy:			
Air launched/sea launched antiship missile.....	21.0	-14.0	7.0
NATO SEA SPARROW.....	13.0	-2.5	10.5
Target acquisition system.....	11.0	-11.0	0.0
Advanced surface ship sonar.....	11.0	-8.0	3.0
Air Force: Truck interdiction.....	10.0	-5.0	5.0

	Fiscal year 1970				Fiscal year 1971		
	Fiscal year 1969	Budget request	Approved by Congress	Current program	Re- quested	Change	Recom- mended
Human performance.....	\$6.9	\$6.3	\$6.3	\$4.5	\$4.9	-\$0.5	\$4.4
Manpower selection and training.....	21.5	25.3	25.3	21.4	27.2	-2.1	25.1
Human factors engineering.....	3.3	3.7	3.7	2.6	3.2	.....	3.2
Foreign military security environments.....	7.2	6.9	4.8	4.7	5.7	-1.8	3.9
Policy planning studies.....	6.4	6.4	4.0	4.3	4.2	-1.3	2.9
Total.....	45.3	48.6	44.1	37.5	45.2	-5.7	39.5

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Defense research sciences

Section 203 of the fiscal year 1970 Military Procurement Authorization Act limited the use of funds authorized for research to effort which "has a direct and apparent relationship to a specific function or operation." Discussion of the continuation of this limitation as a section in the fiscal year 1971 act is being treated separately in this report.

The fiscal year 1971 request for Defense Research Sciences totals \$297.0 million which compares with \$293.8 million in fiscal year 1970. This increase is not consistent with the concern expressed last year by the Congress that the high level of research sponsored by the Department of Defense should be reduced with compensating increases in research sponsored by other federal agencies. The Bureau of the Budget, partially in recognition of the sense of Section 203, added \$10 million to the fiscal year 1971 budget for the National Science Foundation.

The Committee wishes to emphasize its continued concern that research should be supported to a greater degree by other federal government agencies and, recognizing the action of the Bureau of the Budget in increasing the National Science Foundation budget, recommends a reduction of the Army and Navy programs to the same amounts approved for fiscal year 1970. The Air Force fiscal year 1971 request which is below their fiscal year 1970 program is recommended for approval. The Defense Agencies request is recommended to be reduced by \$6.0 million

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Behavioral and social sciences

The Behavioral and Social Sciences program has been a subject of Congressional criticism in the past and was specifically reduced by the Congress in fiscal year 1970 primarily because certain elements were considered to be appropriate to the State Department rather than the Department of Defense. These are foreign area research efforts involving the categories of "Foreign Military Security Environments" and "Policy Planning Studies."

The Committee has screened the fiscal year 1971 proposed program in the behavioral and social sciences in critical detail. The Committee is pleased that the Department of Defense recognizes the importance of its personnel force and chooses to focus research attention on those programs which can contribute to the welfare, safety, efficiency and combat effectiveness of our military personnel.

While the Committee believes the department has submitted an austere program, it is evident from a careful review of the proposed fiscal year 1971 projects that they represent a substantial range in terms of their near-term utility and other efficiencies to be derived. However, it is the view of the Committee that certain portions of the program can be carried on at reduced levels of support or deferred entirely to future years.

The details of this program are presented below and indicate the amounts involved in the fiscal year 1969 and fiscal year 1970 programs, the request for fiscal year 1971, and the Committee recommendations (in millions of dollars):

	Fiscal year 1970				Fiscal year 1971		
	Fiscal year 1969	Budget request	Approved by Congress	Current program	Re- quested	Change	Recom- mended
Human performance.....	\$6.9	\$6.3	\$6.3	\$4.5	\$4.9	-\$0.5	\$4.4
Manpower selection and training.....	21.5	25.3	25.3	21.4	27.2	-2.1	25.1
Human factors engineering.....	3.3	3.7	3.7	2.6	3.2	.....	3.2
Foreign military security environments.....	7.2	6.9	4.8	4.7	5.7	-1.8	3.9
Policy planning studies.....	6.4	6.4	4.0	4.3	4.2	-1.3	2.9
Total.....	45.3	48.6	44.1	37.5	45.2	-5.7	39.5

because of their transfer of a major segment of a single project, which was carried under Defense Research Sciences in fiscal year 1970, to the Exploratory Development Program in fiscal year 1971. This permitted the addition of research projects in fiscal year 1971 to make up the reduction, but in fact constitutes an increase of \$6 million over the fiscal year 1970 program.

The effect of these recommendations, which is detailed below, is to reduce the \$297 million requested for fiscal year 1971 by \$12.1 million to \$284.9 million. This is a four percent reduction from the amount requested and \$8.9 million less than in fiscal year 1970.

[In millions of dollars]

	Fiscal year 1970	Fiscal year 1971	Change	Com- mittee recom- mendation
Army.....	65.6	69.4	-3.8	65.6
Navy.....	104.3	106.6	-2.3	104.3
Air Force.....	80.7	78.3	78.3
Defense Agencies: ARPA.....	43.2	42.7	-0.5	36.7
Total.....	293.8	297.0	-12.1	284.9

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Chemical and biological warfare (CBW)

The Committee has devoted considerable attention to the fiscal year 1971 chemical and biological warfare program because of its continuing interest in this area. As a

result of its review, the Committee recommends a reduction of \$3.8 million in the R&D portion of this budget, together with the enactment of three regulatory provisions.

A comparison of the final fiscal year 1970 and the requested fiscal year 1971 CBW R&D programs, together with an identification of the \$3.8 million reduction (Army only) recommended for fiscal year 1971 by the Committee follows:

CBW RESEARCH AND DEVELOPMENT PROGRAM

[In millions of dollars]

	Fiscal year 1970	Re- quested	Change	Recom- mended
Chemical program:				
Chemical research.....	8.6	9.5	-0.9	8.6
Lethal chemicals.....	4.3	5.2	-0.8	4.4
Incapacitating chemi- cals.....	2.1	2.8	.....	2.8
Defensive equipment.....	16.6	21.2	.....	21.2
Simulant test sup- port.....	1.9	2.0	.....	2.0
Total chemical program.....	33.5	40.7	-1.7	39.0
Biological program:				
Biological research.....	7.6	9.7	-2.1	7.6
Lethal biologicals.....	1.0	.....	.....	.....
Incapacitating biol- ogicals.....	1.9	.....	.....	.....
Vegetative control biologicals.....	0.6	.....	.....	.....
Defensive equipment.....	9.2	11.9	.....	11.9
Simulant test support.....	1.6	1.6	.....	1.6
Total biological program.....	21.9	23.2	-2.1	21.1
Other systems:				
Flame and incendiary.....	2.8	3.1	.....	3.1
Smoke.....	.....	.....	.....	.....
Riot control.....	5.0	4.6	.....	4.6
Herbicides.....	1.2	0.5	.....	0.5
Support equipment.....	0.7	0.9	.....	0.9
Test support.....	6.5	5.7	.....	5.7
Total other systems.....	16.2	14.8	.....	14.8
Total program.....	71.6	78.7	-3.8	74.9

SUMMARY OF RESEARCH AND DEVELOPMENT AUTHORIZATION BY BUDGET ACTIVITY

MILITARY SCIENCES

[In millions of dollars]

	Committee report			
	Requested	H.R. 17123	Change	Recom- mended
Army.....	176.2	176.2	-9.6	166.6
Navy.....	142.2	142.2	-3.0	139.2
Air Force.....	134.6	134.6	.....	134.1
Defense agencies.....	131.5	131.5	-16.8	114.7
Total.....	584.5	584.5	-29.9	554.6

This budget activity consists largely of research and exploratory development. Within the research program each military department has budgeted amounts for in-house laboratory independent research and for Defense research sciences. The in-house independent laboratory research programs permit the chiefs of laboratories operated by the military departments and the Defense Agencies to use funds on projects suggested by persons in these laboratories.

The program element entitled "Defense Research Sciences" consists of basic research in the fields of physics, chemistry, mathematical sciences, electronics, materials, biology, and astronomy. The work in this program element is conducted by laboratories of the military departments, by colleges and universities, and by industry.

The Committee recommends a reduction of \$29.9 million in this budget activity, which consists of \$12.1 million for Defense Research Sciences, \$4.3 million for programs

included under Behavioral and Social Sciences, and \$3 million for Biological and Chemical Warfare programs. All of these are discussed in detail elsewhere in the report. In addition, it includes a reduction of \$3 million for the Army Studies and Analysis program and \$10.2 million for the ARPA Advanced Engineering program relating to Surface Effects Vehicles. There is doubt regarding the operational need for such a vehicle, and the \$5 million of fiscal year 1970 funds which are unobligated will be used to complete the work planned for fiscal year 1970 but not to initiate new work.

AIRCRAFT AND RELATED EQUIPMENT

(In millions of dollars)

	Requested	H.R. 17123	Committee report	
			Change	Recommended
Army.....	110.2	110.2	-21.6	88.6
Navy.....	694.0	694.0	+65.8	759.8
Air Force.....	831.3	831.3	-97.8	733.5
Total.....	1,635.5	1,635.5	-53.6	1,581.9

This activity funds research, development, test, and evaluation related to airframes, engines, avionics, and other installed aircraft equipment. Applied research in a wide variety of supporting technologies, including flight dynamics, advanced aircraft propulsion systems, avionics, and biotechnology is included.

The Committee recommends a reduction of \$53.6 million in this activity.

For the Army, the Committee recommends a reduction of \$21.6 million of which \$17.6 million is applied against the Cheyenne helicopter proposed for termination and \$4 million on the Advanced Helicopter Development program. These are discussed in detail elsewhere in this report.

The net increase of \$65.8 million recommended for the Navy includes a transfer of \$79 million from the Procurement Appropriation for two test S-3A anti-submarine warfare aircraft which are properly to be included under research and development as explained elsewhere in this report. This increase is offset partially by a reduction of \$5.2 million for the F-14 air superiority fighter which is discussed earlier in the report, and a reduction of \$8 million from the \$13.5 million requested for the Destroyer Helicopter system. The amount recommended for reduction was requested for initiation of contract definition and engine qualification for this helicopter. This program has been delayed because the Navy has not completed and submitted the technical development plan to the Secretary of Defense for his approval. The remaining \$5.5 million may be used for development of avionics equipment and continuation of investigations at sea.

The Committee recommends a reduction of \$97.8 million in the Air Force program. This includes the B-1 Advanced bomber, \$50 million; Subsonic Cruise Armed Decoy (SCAD), \$33.6 million; the F-111 aircraft, \$6.4 million; Light Intratheater Transport, \$2 million; CONUS Air Defense Interceptor, \$2.5 million; Advanced Fire Control/Missile Technology, \$2.8 million; and the Advanced Tanker, \$5 million. Each of these is discussed at length elsewhere in this report.

The Army programs supported under this activity also include development of aircraft weapons, avionics and propulsion subsystems. The Navy program includes \$47.7 million for continued development of the E-2C Early Warning Aircraft and \$10 million for the Crane Helicopter Lift. Programs being continued by the Air Force include the AX Close Air Support Aircraft for \$27.9 million, the F-15A Advanced Fighter for \$370 million and the C-5A for \$11.6 million.

MISSILES AND RELATED EQUIPMENT

(In millions of dollars)

	Requested	Committee report		
		H.R. 17123	Change	Recommended
Army.....	896.4	896.4	-35.0	861.4
Navy.....	494.3	494.3	-27.5	466.8
Air Force.....	762.8	762.8	-61.2	701.6
Defense agencies.....	66.0	66.0		66.0
Total.....	2,219.5	2,219.5	-123.7	2,095.8

This activity provides for research, development, test, and evaluation of missile systems of all types. In addition to funding contracts with industry, this activity supports the operation of certain test and evaluation facilities of the Department of Defense such as the Eastern and Western Test Ranges, the White Sands Missile Range, the Naval Weapons Center at China Lake, and the Research and Development programs at the Army's Redstone Arsenal.

The Committee recommends a reduction of \$123.7 million in this activity. The Army portion is \$35 million and includes a \$15 million reduction for SAM-D Surface-to-Air missile and \$20 million in the Advanced Ballistic Missile Defense program, both of which are discussed elsewhere in the report. The continued development of the SAFEGUARD ABM system is included for \$365 million.

The reduction of \$27.5 million for the Navy, recommended by the Committee covers two items, \$14 million for the Air Launched/Surface Launched Antiship missile (HARPOON), and \$13.5 million for the Point Defense System development. These items are discussed elsewhere in this report. The Navy request includes \$122.7 million for continued development of the Fleet Ballistic Missile System (POSEIDON), \$75 million for the Advanced Surface Missile System (AEGIS) development which is needed for fleet defense against aircraft and antiship missile attack, and \$44 million for the advanced development program Undersea Long Range Missile System (ULMS).

A reduction of \$61.2 million is recommended in the Air Force request, comprised of \$5 million for the Advanced Ballistic Reentry System (ABRES), \$29.2 million for the Short Range Air-to-Air missile for the F-15 aircraft, and \$27 million in the MINUTEMAN Rebasement program. These are discussed elsewhere in this report. The program of \$701.6 million recommended by the Committee will provide \$224.2 million for continued development of the MINUTEMAN III ballistic missile system, and \$46 million for continuation of the Short Range Attack Missile (SRAM) to be used with the B-52 strategic force and later the B-1 Advanced Bomber.

MILITARY ASTRONAUTICS AND RELATED EQUIPMENT

(In millions of dollars)

	Requested	H.R. 17123	Committee report	
			Change	Recom- mended
Army.....	10.7	10.7	-2.2	8.5
Navy.....	29.1	29.1		29.1
Air Force.....	437.7	437.7		437.7
Defense agencies.....	3.0	3.0		3.0
Total.....	480.5	480.5	-2.2	478.3

This activity provides for programs directed toward the improvement of space technology for military purposes and investigations and development of specific military applications of space vehicles. Major programs include military communications satellite systems and ballistic missile early warning systems. Support is also included for flight experimental programs, and ground

base research and technology development programs in such areas as secondary power sources and navigation, guidance, sensor, reentry, and propulsion systems. Both contractual and in-house efforts relating to space technology are funded from this activity.

The Committee recommends a reduction of \$2.2 million which relates to the Strategic Army Communications program (STARCOM), and is discussed elsewhere in this report.

The relatively small amount of Army and Navy funds under this budget activity is for ground and shipboard elements of the worldwide Defense Satellite Communications System and for tactical application of satellite communications.

The Air Force request, which is the lowest amount for this activity in nine years, following the cancellation of the Manned Orbiting Laboratory (MOL) last year, will provide for advanced development of a wide range of space technology programs. It also provides for development and improvements to the Titan III space booster and support of the Satellite Control Facility at Sunnyvale, California.

The amount budgeted for defense agencies is for work by the Defense Communications Agency on the defense communications satellite.

SHIPS, SMALL CRAFT, AND RELATED EQUIPMENT

(In millions of dollars)

	Requested	H.R. 17123	Committee report	
			Change	Recommended
Army.....	1.1	1.1		1.1
Navy.....	377.5	377.5	—20	357.5
Total.....	378.6	378.6	—20	358.6

This activity provides for design of new types of ships and for development of mine warfare weapons, shipboard equipment including command and control systems, and nuclear and nonnuclear propulsion plants. Antisubmarine warfare continues to be emphasized with development of ships and submarine sensors and countermeasures systems. A significant portion of the effort at the Naval Ships Research and Development Center is funded under this activity.

The Committee recommends a reduction of \$20 million in this activity which applies to the Navy Advanced Surface Ship Sonar Development program, \$8 million, and the Surface Effect Ship program, \$10 million, both of which are discussed elsewhere in this report. The remaining \$2 million reduction involves the Antisubmarine Warfare Acoustic Warfare program for which \$8.5 million was requested. This is a new engineering development program and the \$6.5 million remaining should be adequate for this purpose. The Navy program will support a wide range of advanced and engineering development programs relating to ship and small craft development.

The Army program provides for design of marine craft and amphibious lighters needed to support Army operations.

ORDNANCE, COMBAT VEHICLES, AND RELATED EQUIPMENT

(In millions of dollars)

	Requested	H.R. 17123	Committee report	
			Change	Recommended
Army.....	153.2	153.2	-8.3	144.9
Navy.....	89.0	89.0		89.0
Air Force.....	78.3	78.3	-12.0	66.3
Total.....	320.5	320.5	-20.3	300.2

This activity provides for the development, test, and the evaluation of improved artillery, guns, rocket launchers, mortars, small arms, mines, grenades, torpedoes, nuclear and chemical munitions, and conventional air launched weapons, as well as exploration and evaluation of new fuses, propellants, explosives, detonators, dispensers, and armor. This activity also provides principal support for research and development activities at several Army arsenals and the Naval Ordnance Laboratory at White Oak, Maryland.

The Committee recommends a reduction of \$20.3 million in this activity, the details of which are discussed elsewhere in this report. This includes \$8.3 million for the Army involving \$7.5 million for Tracked and Special Vehicles development, \$.5 million for Lethal Chemical Investigations and \$.3 million for Lethal Chemical Munitions Concepts. The Air Force is reduced by \$12 million, of which \$7 million relates to Armament/Ordnance Development and \$5 million to Truck Interdiction.

The major items included for the Army are the main battle tank for \$36 million and a wide range of munitions and ordnance. For the Navy, major items included are \$17 million for Undersea Warfare Weaponry and \$36.3 million for continued development of the MK-48 torpedo. The Air Force request provides \$20.9 million for continued development of an Improved Aircraft Gun System, and for work in conventional munitions and weapons.

OTHER EQUIPMENT

(In millions of dollars)

	Requested	H.R. 17123	Committee report	
			Change	Recommended
Army.....	317.8	317.8	-14.0	303.8
Navy.....	226.7	226.7	-3.3	223.4
Air Force.....	359.6	359.6	-2.2	357.4
Defense agencies.....	258.7	258.7	-2.9	255.8
Total.....	1,162.8	1,162.8	-22.4	1,140.4

This activity provides for research, development, test, and evaluation of equipment

not separately provided for under other activities. Examples of the types of programs included are ocean engineering systems and technology development, chemical and biological agent detection and protective devices, combat clothing, tactical data processing systems, communications and electronic warfare equipment, improved logistics and material handling, mapping and geodetic systems, and biomedical projects. This activity also supports research and development effort at the Army Electronic Research and Development Laboratories.

The Committee recommends a reduction of \$22.4 million in this activity including \$14 million for the Army Project Mallard which should be terminated, as discussed elsewhere in this report, \$3.1 million for the Navy Laboratory Independent Exploratory Development program which is reduced to the fiscal year 1970 level, \$.2 million in the Navy Manpower effectiveness program, \$1.7 million in the Air Force Project Mallard, \$.5 million in the Air Force Human Resources program, and \$.5 million in the Defense Agencies (ARPA) Overseas Defense Research program. The reductions in Manpower Effectiveness, Human Resources, and Overseas Defense Research also are discussed elsewhere in this report.

Major Army development programs included under this activity are Surveillance, Target Acquisition and Night Operations Systems (STANO), General Combat Support, and Testing. For the Navy, it includes such programs as Undersea Target Surveillance exploratory and advanced development, and Command and Control exploratory development. The Air Force program emphasizes Ground Electronics exploratory development, Penetration Aids for aircraft, Electronic Warfare Systems, the Airborne Warning and Control System (AWACS), and technical support provided by Lincoln Laboratories and Mitre Corporation.

Defense Agency programs supported under this activity include the Advanced Research Projects Agency Nuclear Monitoring Research program (VELA), and Defense Atomic Support Agency program for Nuclear Weapons Effects test.

PROGRAMWIDE MANAGEMENT AND SUPPORT

(In millions of dollars)

	Requested	H.R. 17123	Committee report	
			Change	Recommended
Army.....	52.3	52.3	-----	52.3
Navy.....	144.5	144.5	-----	144.5
Air Force.....	305.4	305.4	-----	305.4
Defense agencies.....	11.5	10.5	-----	10.5
Total.....	513.7	512.7	-----	512.7

For the Army and the Navy, this activity provides for those costs of operation, management, and maintenance of research, development, and test facilities which are not distributed directly to the other budget activities. For the Air Force it provides for certain costs of central administration such as the Air Force Systems Command Headquarters and divisions, as well as several large research, development, test, and evaluation centers.

The Committee recommends approval of the amounts requested under this budget activity except for the defense agencies program. The Committee concurs with the House reduction of \$1 million relating to the Defense Documentation Center under the defense agencies program. Costs covered under this budget activity include civilian salaries and benefits, travel, communications, real property maintenance, and supplies and equipment.

The overall program presented by Defense is below the level of fiscal year 1970 and reflects a continuing decline in number of employees engaged in the operation and maintenance of the Department of Defense research and development activities supported under this activity. The austere level of this program can be better appreciated if it is recognized that average salaries for civilian personnel have been rising year after year without a corresponding increase in appropriated funds for that purpose.

COMPARATIVE COST TOTALS OF MAJOR ELEMENTS OF BILL—DEPARTMENT OF DEFENSE, FISCAL YEAR 1971

(Page 7)

(In thousands of dollars)

	Major components					House		Senate Armed Services Committee	
	Total amount of fiscal year 1971 program	Less available financing	NOA requested authorization	Prior programs to be justified	Total authorization request	Change from request	Authorized	Change from House	Recommended amount
Aircraft.....	6,327,200	-265,600	6,061,600	97,300	6,158,900	-97,300	6,061,600	-206,300	5,855,300
Missiles.....	3,669,800	-49,500	3,620,300	29,500	3,649,800	-83,700	3,566,100	-109,900	3,456,200
Naval vessels.....	2,578,900	-----	2,578,900	150,000	2,728,900	-285,000	3,013,900	-737,000	2,276,900
Tracked combat vehicles.....	254,900	-----	254,900	1,000	255,900	-1,000	254,900	-25,300	229,600
Other weapons.....	75,389	-----	75,389	1,000	76,389	-1,000	75,389	-1,000	74,389
Procurement total.....	12,906,189	-315,100	12,591,089	278,800	12,869,889	-102,000	12,971,889	-1,079,500	11,892,389
R.D.T. & E.....	7,345,600	-----	7,345,600	56,000	7,401,600	-136,000	7,265,600	-249,100	7,016,500
DOD total Procurement and R.D.T. & E.....	20,251,789	-315,100	19,936,689	334,800	20,271,489	-34,000	20,237,489	-1,328,600	18,908,889
Military construction, Safeguard.....	325,200	-----	325,200	-----	325,200	-----	325,200	-----	325,200
Family housing, Safeguard.....	8,800	-----	8,800	-----	8,800	-----	8,800	-----	8,800
Grand total.....	20,585,789	-315,100	20,270,689	334,800	20,605,489	-34,000	20,571,489	-1,328,600	19,242,88

SUMMARY BY MAJOR CATEGORY—ARMY, NAVY, AIR FORCE, AND DEFENSE AGENCIES

(In thousands of dollars)

	Authorized 1970	Appropriated 1970	Prior year programs to be reauthorized (included in total requested 1971)	Total requested 1971	House		Senate Armed Services Committee	
					Change from request	Authorized	Change from House	Recommended amount
Procurement	-----	-----	-----	-----	-----	-----	-----	-----
Aircraft:	-----	-----	-----	-----	-----	-----	-----	-----
Army.....	570,400	554,400	(2,400)	296,900	-2,400	294,500	-2,400	292,100
Navy and Marine Corps.....	2,391,200	1,826,200	(35,500)	2,487,700	-35,500	2,452,200	-114,500	2,337,700
Air Force.....	3,965,700	3,730,800	(59,400)	3,374,300	-59,400	3,314,900	-89,400	3,225,500
Subtotal.....	6,927,300	6,111,400	(97,300)	6,158,900	-97,300	6,061,600	-206,300	5,855,300

SUMMARY BY MAJOR CATEGORY—ARMY, NAVY, AIR FORCE, AND DEFENSE AGENCIES—Continued

[In thousands of dollars]

Procurement	Authorized 1970	Appropriated 1970	Prior year programs to be reauthor- ized (included in total re- quested 1971)	Total re- quested 1971	House		Senate Armed Services Committee	
					Change from request	Authorized	Change from House	Recommended amount
Missiles:								
Army.....	880,460	831,900	(8,000)	1,094,600	-8,000	1,086,600	-55,000	1,031,600
Navy.....	851,300	818,800	(7,500)	983,000	-36,400	946,600	-14,200	932,400
Marine Corps.....	20,100	3,400	-----	27,600	-----	27,600	-14,800	12,800
Air Force.....	1,486,400	1,448,100	(14,000)	1,544,600	-39,300	1,505,300	-25,900	1,479,400
Subtotal.....	3,238,260	3,102,200	(29,500)	3,649,800	-83,700	3,566,100	-109,900	3,456,200
Naval vessels: Navy	2,983,200	2,490,300	(150,000)	2,728,900	+285,000	3,013,900	-737,000	2,276,900
Tracked combat vehicles:								
Army.....	228,000	201,100	(1,000)	207,200	-1,000	206,200	-24,000	182,200
Marine Corps.....	37,700	37,000	-----	48,700	-----	48,700	-1,300	47,400
Subtotal.....	265,700	238,800	(1,000)	255,900	-1,000	254,900	-25,300	229,600
Other weapons:								
Army.....	-----	-----	(1,000)	69,200	-1,000	68,200	-1,000	67,200
Navy.....	-----	-----	-----	2,789	-----	2,789	-----	2,789
Marine Corps.....	-----	-----	-----	4,400	-----	4,400	-----	4,400
Subtotal.....	(1)	(1)	(1,000)	76,389	-1,000	75,389	-1,000	74,389
Total procurement	13,414,460	11,942,700	(278,800)	12,869,889	+102,000	12,971,889	-1,079,500	11,892,389
Research, development, test, and evaluation:								
Army.....	1,646,055	1,596,820	(18,000)	1,735,900	-88,000	1,647,900	-38,700	1,609,200
Navy (including Marine Corps).....	1,968,235	2,186,400	(15,000)	2,212,300	-15,000	2,197,300	-3,000	2,194,300
Air Force.....	3,156,552	3,060,600	(18,000)	2,927,700	-18,000	2,909,700	-191,700	2,718,000
Defense agencies.....	450,200	450,000	(5,000)	475,700	-15,000	460,700	-15,700	445,000
Emergency fund.....	75,000	75,000	-----	50,000	-----	50,000	-----	50,000
Total, R.D.T. & E.....	7,296,042	7,368,820	(56,000)	7,401,600	-136,000	7,265,600	-249,100	7,016,500
Total Procurement and R.D.T. & E.	20,710,502	19,311,520	(334,800)	20,271,489	-34,000	20,237,489	-1,328,600	18,908,889
Military construction, SAFEGUARD	12,700	12,700	-----	325,200	-----	325,200	-----	325,200
Family housing, SAFEGUARD	-----	-----	-----	8,800	-----	8,800	-----	8,800
Grand total	20,723,202	19,324,220	(334,800)	20,605,489	-34,000	20,571,489	-1,328,600	19,242,889

¹ Authorization for other weapons not required prior to fiscal year 1971.² Of this amount, \$350,000,000 to be derived by transfer from stock funds.

Mr. STENNIS. Mr. President, I think that in the broadest way speeches have been made on behalf of the bill by several members of the committee. There may be others who want to speak on behalf of the committee. The chairman of the committee and the ranking minority member have now spoken on the bill in a major way.

The chairman of the Special Subcommittee on Tactical Airpower, the Senator from Nevada (Mr. CANNON), has presented a speech at length on provisions of the bill. That is also true as to the chairman of the Subcommittee on Research and Development, the Senator from New Hampshire (Mr. MCINTYRE), who had two different speeches on the major parts of the research and development portion of the bill. We have had the Senator from Arizona (Mr. GOLDWATER), who has just concluded a very fine exposition regarding the bill, and there have been other speeches.

In an affirmative way I think that covers the bill in a fairly full scope for the committee. We present the bill to the Senate on that basis. We are ready to answer such proposals in addition thereto as may be filed. I would hope we could move along on these amendments sometime reasonably soon.

I was about to ask for the adoption of the Senate amendment, but I see the Senator from Massachusetts (Mr. BROOKE) in the Chamber and I understand he has an amendment he wishes to introduce.

I yield the floor.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 17548) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, offices, and the Department of Housing and Urban Development for the fiscal year ending June 30, 1971, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 8, 9, 12, 14, 19, and 25 to the bill and concurred therein; and that the House receded from its disagreement to the amendments of the Senate numbered 7, 30, 39, and 55 to the bill and concurred therein, severally with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 16916) making appropriations for the Office of Education for the fiscal year ending June 30, 1971, and for other purposes.

THE PLIGHT OF JACKSON, KY.

Mr. COOK. Mr. President, I wish to speak on a subject that is not germane to

the bill presently, but I must state that I strongly protest the action announced yesterday by officials of the Department of Health, Education, and Welfare, pledging a matching grant of \$100,000 to buy furniture for welfare recipients in the District of Columbia.

I do this as one who has experienced the ultimate in frustration in attempting to secure Federal money to aid a depressed area in my own State of Kentucky. Even though the difficulties I have been experiencing are with another agency, the Economic Development Administration, I believe the HEW action illustrates quite well an important point. The bureaucratic maze in this town responds more to threats than to orderly procedures to secure assistance. The HEW "handout" seems to be superseding the EDA "hand up."

I speak today for the people of the city of Jackson, Ky., who have been put through the bureaucratic wringer during the past 6 months. This city is located in the Appalachian area. Senators who are familiar with Appalachia know that a proliferation of Government programs have continually failed to solve the problems of these depressed areas of our Nation.

But the people of Jackson, Ky., have never given up. Officials of that city have secured an industry for their town—the first major industry ever to locate in Breathitt County—which is currently suffering from over 20-percent unemployment. This firm will employ around 400 persons and when the plant reaches

full production, in less than a year's time, a massive weekly payroll will be added to the community. This will make productive citizens and taxpayers out of hundreds of welfare recipients.

Nearly \$2 million of private money will go into this plant. Local money from the city of Jackson has already purchased the site for this operation at a cost of \$49,000. A local bank has pledged \$80,000 of development money. The State of Kentucky has constructed \$165,000 in access roads to the site. And the company, U.S. Shoe Corp., will eventually spend between \$1,400,000 and \$1,500,000 to build and equip a factory, and has already invested \$180,000 in preliminary development.

In order to break ground for this factory, the city of Jackson must obtain approval of a pending Economic Development Administration application for \$385,000. Since January of this year, one of my staff members has worked with officials of Jackson in trying to obtain this approval, and the application has been continually held up by one technicality after another. It took 2½ months to clear the area office in Huntington, W. Va., and it has been in the Washington office of EDA since June of this year.

Jackson, Ky., is asking an agency of the Federal Government—EDA—to help a community supply jobs for people who want to work. We all know economic development is the only real solution to the poverty of this Nation. Yet those charged with assisting such growth allow the people of my State who seek to build a new life to languish while they wallow in the hopeless maze of bureaucratic red-tape.

In summary, the right hand knows not of the activities of the left and it appears the handout continues to take precedence over the hand up. I denounce the decision by HEW to dole out \$100,000 while productive EDA projects such as that of Jackson, Ky., remain unfunded.

AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PROCUREMENT AND OTHER PURPOSES

The Senate continued with the consideration of the bill (H.R. 17123) to authorize appropriations during the fiscal year 1971 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and other weapons, and 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.

MIRV, SALT, AND STRATEGIC STABILITY: A DUAL APPROACH

Mr. BROOKE. Mr. President, Senate consideration of the defense procurement authorization comes at a moment of extreme delicacy in many realms of national security policy—the Strategic Arms Limitation Talks are in a crucial phase, the strategic balance is poised at the edge of far-reaching changes, de-

fense spending is tottering under the challenge of competing domestic demands. Among the many issues we must consider in this debate, none is more critical than that of MIRV, the multiple independently targetable reentry vehicles whose incipient deployment is drastically changing the composition and capabilities of American strategic forces.

As Members of the Senate will recall, I have long argued that our security and that of the Soviet Union would be best served by a mutual suspension of MIRV testing and deployment. If such weapons were deployed in large numbers and were developed to levels of very high accuracy, they could seriously threaten hardened missile silos and could undermine the stable deterrence on which both countries depend.

It is, of course, reassuring to know that any such "hard-target MIRV" systems are years away from being perfected and that the initial systems now being deployed do not in fact pose a threat to the Soviet Union's retaliatory forces. Yet, as has often been pointed out in this Chamber, unless clear safeguards are established, technical improvements could eventually transform the first-generation MIRV systems which are capable only of a retaliatory mission into more dangerous weapons which might seem capable of a first strike. This could only induce a larger arms race, as the Soviets would be obliged to increase the number of offensive weapons or take other countermeasures to insure their ability to deter us, just as we are determined to do whatever is necessary to guarantee that we can deter them.

Under these circumstances, how we resolve the dilemmas posed by the development of MIRV technology will do much to shape the stability of the strategic balance. I remain convinced that a mutual ban on MIRV testing and deployment is the wisest course, and I am still hopeful that the SALT negotiations will eventually produce such an understanding. However, we do not know when, how, or if SALT will address the complicated problems of MIRV, and we must seek to shape a sound policy which will deal with two contingencies: either mutual limitation on MIRV in the SALT negotiations, or a continued deployment of MIRV in the absence of such a limitation.

In line with the sentiments voiced by the Senate in Senate Resolution 211, which urged a limitation on both offensive and defensive strategic weapons, particularly MIRV, we should do everything possible to facilitate a reasonable agreement on this difficult issue.

Toward this end I am today proposing an amendment which could make a major contribution to this objective. This amendment will direct the Department of Defense to initiate development of single reentry vehicle systems for both the Minuteman III and the Poseidon missiles, which are presently designed specifically as MIRV launchers.

So long as the United States has only MIRV systems for deployment on these

two missiles, a proposed MIRV limitation would be tantamount to a de facto reduction in U.S. strategic forces. This is an especially critical factor with regard to the Poseidon system, since a number of submarines are being converted to carry this missile and a MIRV ban would mean that those subs could not be on station for a number of months, that is, until the Poseidon missile was altered or boats refitted to Polaris missiles.

Thus, as a matter of simple prudence, the United States needs to prepare for the contingency of a MIRV limitation by developing single reentry systems which could be mounted on these weapons. Dr. John Foster and other Defense Department spokesmen have alluded to precisely this possibility in remarking that Minuteman III and Poseidon could be fitted for single warheads. It is important to delay no longer in undertaking the work to make this a live option. This amendment would authorize and mandate such work, and I believe it will meet with the Department's approval.

I should perhaps mention that there are several advantages to pursuing such a development. Mounting a single reentry vehicle on the Poseidon could permit the submarines to operate at greater ranges from their targets. By increasing the maneuvering room for the boats, this option would contribute substantially to their invulnerability to attack by antisubmarine warfare forces. This is a significant advantage in its own right, but it could become even more so if the United States were gradually to evolve toward heavier reliance on the so-called blue-water option, that is, concentrating the largest fraction of its deterrent forces at sea and reducing or phasing out fixed-site land-based missiles. I consider it premature to elect this option at this time, since I believe it could best be pursued in the context of a larger strategic arms agreement which limited ASW forces as well as other weapons. If ASW forces were not so limited, the invulnerability of sea-based forces might erode over the longer term. Nevertheless, the blue-water option is a serious candidate for coming decades and there could be a special value in the added operating space which a single RV Poseidon would give our boats.

A further consideration is also worth noting. It is quite possible that, even in the absence of a MIRV ban, other agreements in SALT might make it desirable to substitute a single-reentry vehicle for the MIRV systems presently planned for Minuteman III and Poseidon. For example, since our MIRV is designed to assure U.S. ability to penetrate any Soviet ABM deployment, a very low limit on ABM coupled with a freeze on the number of offensive launchers might make it desirable to elect the single-warhead option. Under that contingency, MIRV would not be required to penetrate an ABM and a single-warhead system would contribute more to nuclear stability than a multiple RV deployment.

This is a question we will need to reassess in coming months as, hopefully,

the results of SALT become visible. The MIRV-capable missiles authorized in the fiscal year 1971 bill will not be deployed for many months. As we approach that date we can then determine whether they should be MIRVed or fitted with single warheads. But we can only do so, if the single-reentry vehicle systems are ready. It is for that reason that this amendment is essential. The Department has long studied this option and I believe it will welcome congressional guidance in initiating such a development.

A second and even graver contingency also confronts us and it is imperative that the Congress prepare to meet it. That is the possibility—one might say the probability—that the initial MIRV deployments will continue and that these weapons will be in the arsenals of the United States and probably the Soviet Union for the indefinite future. If that trend continues, our fundamental concern must be to insure that the MIRVs that are deployment reinforce strategic stability. They can do so only if they are exclusively, explicitly, and credibly designed for the retaliatory, second strike mission. In short, we must erect standards which make clear that the United States will not deploy MIRV systems capable of threatening the Soviet strategic forces.

The United States has, of course, been committed to a second strike posture for many years. The task here is to see that MIRV systems are compatible with that posture. President Nixon has consistently stressed this principle in his decisions and declarations on strategic weapons. For example, in proposing the Safeguard anti-ballistic-missile system, the President wisely underscored his concern to avoid actions which appeared to threaten the Soviet retaliatory forces. In his remarks of March 14, 1969—surely one of the most important and enlightened strategic statements by any statesman—Mr. Nixon repeatedly applied the American doctrine of deterrence. He rejected the possibility of a heavy ABM defense because "it might look to an opponent like the prelude to an offensive strategy threatening the Soviet deterrent." He also decided against meeting the Soviet build-up by increasing U.S. offensive capabilities, since such an increase "could be misinterpreted by the Soviets as an attempt to threaten their deterrent. It would therefore stimulate an arms race." And the President partially justified the reorientation of the U.S. ABM system to defense of the Minuteman force by stating:

The program is not provocative. The Soviet retaliatory capability is not affected by our decision.

President Nixon applied the same standard in his redirection of the U.S. MIRV program. As the Senate will recall, Mr. Nixon informed us some months ago that a proposed development of a hard-target MIRV system had not been approved and that the United States has no such program.

In testimony before the Armed Services Committee, Secretary of Defense Laird further commented on this important decision by pointing out:

The President has made it perfectly clear that we do not intend to develop counterforce capabilities which the Soviets could construe as having a first-strike potential.

I believe the Secretary, who has been so deeply concerned by the deployment of Soviet weapons with an evident potential for attacking U.S. ICBM's, must have a special appreciation of the hazards of such destabilizing weapons. It is clear to every careful analyst that weapons capable of counterforce attacks only make the existing strategic balance more dangerous and the ensuing arms race more costly.

There is, obviously, no disagreement that, if MIRV is required to penetrate a Soviet ABM system and to maintain a credible second strike capability, then this country will continue deploying such systems. However, the retaliatory mission can be performed with relatively modest yields and limited accuracies that would be unsuitable for any first strike against enemy missile forces. The truth of this simple axiom is apparent when one recalls that Hiroshima was almost obliterated by a 20-kiloton atomic bomb—much smaller than today's missile-borne payloads—delivered with an accuracy which has long since been surpassed.

The Armed Services Committee has expressed its concern about the implications of MIRV for the credibility of America's commitment to a second strike or mutual deterrence doctrine. In reducing the funds for the so-called ABRES—advanced ballistic reentry systems—program, the Committee has stressed in its report that the reduction is related to "any future hard-target kill capability." The report points out that the strictly retaliatory objective "can be met with substantially less accuracy and more modest yields than needed for the counterforce mission." Thus, the committee has thoughtfully discouraged even preliminary development work which might be viewed as pointed toward a destabilizing counterforce capacity—a capacity that is unnecessary and indeed highly detrimental to deterrence.

In pursuit of this same objective, so clearly enunciated by the President, the Secretary of Defense, and the Armed Services Committee, I am proposing a second amendment setting the standards for deployment of a retaliatory MIRV capability. This amendment would prohibit the use of funds for operation development, testing or procurement of a hard-target MIRV system and would specifically define what a hard-target MIRV system capability is.

Much discussion of this issue has been impeded by the absence of an agreed definition of hard-target capability. Obviously it is meaningless to declare that the United States will forgo a capability to attack Soviet strategic forces unless that capability is defined in believable and understandable terms. Both in the interest of our own understanding, and even more, of Soviet perceptions of our intentions, this amendment would limit U.S. MIRV systems to yields and accuracies no greater than one-

third the level considered necessary to enable a single warhead to neutralize a hardened missile silo.

I have have developed this definition in extensive discussions with the Department of Defense and with colleagues in and out of Congress. As I am sure the Department of Defense agrees, it provides more than ample latitude for MIRV systems to meet the requirements of a second strike, while it establishes a threshold well below that which could jeopardize Soviet missile forces. I believe it to be an even more urgent provision than the first amendment I have presented. On the real likelihood that MIRV deployment may continue, we must have firm guidelines for our subsequent action in this field.

Because of their deep concern on this matter, more than half the members of the faculty of the Massachusetts Institute of Technology have individually joined in a petition to the President and the Senate to forgo any hard-target MIRV development. Growing numbers of responsible spokesmen in the technical community, including many proponents of MIRV, recognize that we do not need and in fact cannot afford to move toward hard-target MIRVs, since the result can only be a diminution of our own security. This amendment can be a decisive affirmation of our determination to avoid ambiguous or provocative improvements in MIRV systems.

The logic for this proposal is rooted in mutual deterrence itself, as President Nixon has so well indicated. Stable deterrence requires that neither side threaten the other side's capacity to retaliate. This is necessary not only to avoid endless cycles in the arms race, as one or the other side moves desperately to protect its retaliatory capacity. It is primarily important because, should a nation find its forces to be vulnerable, those weapons can only be used if they themselves are launched first. If they are withheld, they run the risk of destruction. This is the insight which years ago led Albert Wohlstetter and others to note that the "balance of terror" is delicate, and that security in the nuclear age demands that strategic weapons be invulnerable.

Thus, U.S. security is in no way served by an capability to threaten Soviet strategic forces. Such a capability would only raise the prospect that Soviet weapons might be launched in some moment of crisis out of fear that otherwise they would be disarmed in a first strike. The same is no less true of any Soviet deployment threatening our retaliatory forces.

We cannot tolerate hair triggers in an era of instant and total devastation. The only sane policy for both countries is to refrain from such destabilizing systems and to take those measures which create unambiguous and invulnerable second strike forces.

That is the purpose of this amendment. By setting this criterion for American MIRV systems, we can enhance our own security and set a model for the Soviet Union to match. Even if they fail to do so, we will have insured that any American MIRV systems are compatible with the

policy to which the United States is dedicated. We will also have struck a note of prudence which could respond very helpfully in the strategic arms limitations talks.

To sum up, the subject of MIRV is complex but the case for these two amendments is itself quite simple. In the event that the SALT negotiations produce an agreement limiting MIRV systems, we will need to have the option of installing single-reentry vehicles on the expensive Minuteman III and Poseidon missiles in which we are investing. In the event that such an agreement is not reached and MIRV deployment continues, we shall need to insure that the American MIRV systems remain strictly retaliatory weapons which do not undermine the stable deterrence on which our security rests.

The two amendments I offer will serve these vital objectives. I commend them to the Senate.

Mr. President, I ask unanimous consent that the two amendments I have submitted be printed in the *RECORD*.

The PRESIDING OFFICER. The amendments will be received and printed, and will lie on the table; and, without objection, the amendments will be printed in the *RECORD*, in accordance with the Senator's request.

Mr. BROOKE's amendments, ordered to be printed in the *RECORD*, are as follows:

On page 14, at the appropriate place, insert a new section as follows:

Sec. 206. The Secretary of Defense is authorized and directed to initiate a program of research to develop at the earliest possible date, a single re-entry vehicle system for the Minuteman III missile and a single re-entry vehicle system for the Poseidon missile. For purposes of this section "a single re-entry vehicle system" is a system capable only of deploying a single re-entry vehicle and its associated penetration aids. The funds to be expended in carrying out the provisions of this section shall be funds transferred from other projects by the Secretary pursuant to his authority under existing law to transfer funds from one project to another.

At the end of the bill add a new section as follows:

No funds authorized to be appropriated pursuant to this or any other Act may be used for operational development, testing or procurement of any Multiple Independently Targetable Re-entry Vehicle (MIRV) system in which an individual re-entry vehicle provides a capability to destroy a hardened target. For purposes of this section, "a capability to destroy a hardened target" means that combination of warhead yield and accuracy required to generate the equivalent of one third the level of blast overpressures and related effects considered necessary to enable a single warhead to neutralize a hardened missile silo.

Mr. PROXMIRE. Mr. President, will the Senator from Massachusetts yield?

Mr. BROOKE. I am very pleased to yield.

Mr. PROXMIRE. Mr. President, I commend the Senator from Massachusetts on a very important and significant speech. It is important that we hold down expenditures for the American taxpayer, to prevent inflation and to provide for an opportunity for securing other national

objectives in addition to the immediate military purposes involved in defense.

The Senator from Massachusetts goes much farther with this amendment and much farther in his speech. As I understand, the purpose of this amendment is primarily to increase the security of the American people, and of the world, for that matter.

Mr. BROOKE. That is correct.

Mr. PROXMIRE. By conforming our actions to the expression by President Nixon that he did not want to take any action, or want us to take any action, that would in turn provoke the Soviet Union to feel that we were going after a first strike; and what the Senator's amendment would do would be to provide that we act, with this terrific increase in firepower that we will have with the multiple independent reentry vehicle, in a way that would make clear that what we are trying to do is to strengthen our own forces so that we could continue to have a credible second strike capability, but make it obvious and clear that we are not trying to develop a capability that would destroy the Soviet Union's missiles. Is that correct?

Mr. BROOKE. The Senator is correct; yes.

Mr. PROXMIRE. I think that this is most significant, not only from the standpoint of actually, I presume, saving funds, although that is important—in this case it is certainly secondary—but also, it is very significant in terms of the security of our country.

As I understand it, the proposal of the Senator from Massachusetts has the great advantage, too, of being logical and appropriate, regardless of whatever position one might take on the SALT talks. Is that correct?

Mr. BROOKE. The Senator is correct.

Mr. PROXMIRE. The Strategic Arms Limitation Talks are viewed differently by various Senators. Some feel that because of them, we should provide everything that the administration and the Defense Department have requested in the way of military force. Others have argued that that might not be the wise course, for various reasons.

But, regardless of the position one takes with respect to the SALT talks, in view of the President's statement that we should not take any action that would convince the Soviet Union that we were trying to develop a first strike, the amendment of the Senator from Massachusetts is completely logical and consistent with that view of President Nixon, and the amendment is one which I can support enthusiastically.

Mr. BROOKE. I am very pleased to have the support of the distinguished Senator from Wisconsin.

The Senator is quite correct in his analysis of the amendment and what the amendment would do. As the MIRV technology has developed to date, we do not have the accuracy which would enable us to have a first strike against the Soviet Union. The Russians know this and the United States, of course, knows this. But if we were to continue improving and perfecting our MIRV technology,

the time would come when obviously we would have a first strike capability.

The President and the Secretary of Defense have said that we are not seeking a first strike capability. One of our military leaders at one time made a statement which was interpreted as meaning the United States was seeking a first strike capability. But the President denied this in a letter, which I made public to the Armed Services Committee and to the Senate, in which the President made clear that we are not seeking such a capability. As the distinguished Senator from Wisconsin has well pointed out, this would be most provocative, and we do not seek it.

All we are trying to do by this amendment is make explicit, write into law, the expressed policy of this administration that we will not perfect this MIRV technology to the point where it could become a first strike capability and be considered by the Soviet Union as having a first strike capability. Such a threat could easily provoke them into further development and deployment to the point where they would have a first strike capability, and the arms race could continue on indefinitely, out of balance.

So long as we are able to keep the mutual deterrents—and we can do this by limiting the MIRV technology, as would be done by this amendment—then, of course, there will be no fear of either side having a first strike capability.

This amendment would by no means stop our deployment of MIRV. I want to make that very clear. I think the Senate should understand that.

Senate Resolution 211, which I introduced in the Senate a year or so ago, and which was passed by the Senate by a vote of 72 to 6, never suggested a unilateral cessation of operational testing of MIRV. It was a mutual cessation of operational testing of MIRV. This, of course, would be something that would have to be done by the United States and the Soviet Union in the SALT talks. But we just do not know at this point what is going to come out of SALT. I think we are all hopeful and prayerful. In the interim, we are going ahead with MIRV, as the Senator well knows, so far as our Poseidon and Minuteman III are concerned. We know that. That is public information. That is not secret information at all.

The Senator was not in the Chamber when I discussed the other amendment in my prepared text. The other amendment would direct the Defense Department to develop a single warhead weapons system that could be used on Poseidon or on Minuteman III. In the event that we are able to reach an agreement with the Soviet Union at the SALT talks for a ban on MIRV, then we would have a single reentry vehicle system that could be put onto our Minuteman III missile and our Poseidon missile.

Mr. PROXMIRE. As I understand, the position of the Senator from Massachusetts is that in the event we did go ahead—if we did go ahead—with the multiple MIRVing, which the Senator's

amendment is designed to prevent, we would greatly increase the likelihood that the Soviet Union in turn would feel compelled to go ahead with multiple MIRVing.

Mr. BROOKE. The Senator is correct.

Mr. PROXMIRE. Furthermore, we would greatly increase the likelihood that they would consider a first strike, for fear that we might initiate a first strike before they did, because they would feel that we were developing a first strike capability.

On the other hand, if we do not go ahead, some will argue that we are not advancing our technology, that we are not advancing our capability, but how do we know, absent effective unilateral inspection, that the Soviet Union is not going ahead with theirs? I take it that this is the reason why the Senator's amendment would provide for a stronger second strike capability.

Mr. BROOKE. That is correct.

Mr. PROXMIRE. So that whatever technological advance they might have, it would be most unlikely to be preemptive. We not only would have the submarines, which seem to be pretty much invulnerable to a first strike—and nobody I know of has argued that they would not be—but also, we would have the bombers, which are mobile and highly invulnerable to a first strike, and the second strike weapons which the Senator's amendment is designed to improve.

Mr. BROOKE. Yes. Because the existing single reentry vehicle systems have not been improved—the old Polaris and the old Minuteman I. So we would have to improve our single reentry vehicle systems if we were to enter into an agreement with the Soviet Union on a limitation on MIRV's.

Mr. PROXMIRE. I thank the Senator.

I hope the Senator from Massachusetts—and I know the Senator from Mississippi would join me—will call up his amendment as soon as he can. I know that there are considerations he may have as to the exact timing of that. I am hopeful that we can get some amendments before the Senate, and I know that the Senator from Mississippi and other Senators would like to have action as soon as possible.

Mr. BROOKE. As I have said, I am very pleased to have the support of the distinguished Senator from Wisconsin. It is certainly my intention, as I have said to the distinguished chairman of the Committee on Armed Services, to call these amendments up very soon.

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

Mr. BROOKE. I yield.

Mr. STENNIS. Mr. President, I commend the Senator for the clarity and completeness of his speech. It is a subject matter in which he is well versed. He has worked on it this year and last year and perhaps before. The committee heard his presentation with great interest. I am sure the entire membership of the Senate will be interested in this question.

I want to get the quotations again of just what the President of the United States said about this. The Senator has this matter now before the Department of Defense, as I understand.

Mr. BROOKE. That is correct. I have asked the Secretary of Defense to give the department's position on both of these amendments, and I expect a reply momentarily.

Mr. STENNIS. I am really glad the Senator did ask that. I do not think we ought to take them up until the Senator has received a response.

This morning, in anticipation that this matter was coming up, because the Senator had told me so, I initiated inquiry over there, also, that the committee was interested in the subject. Can the Senator give any indication when he might offer them? I am thinking about the prospect of getting them up tomorrow, say, or this week?

Mr. BROOKE. I had thought the early part of next week.

Mr. STENNIS. Yes. We are really in a distressing situation here. I know that the Senator is always willing to cooperate—

Mr. BROOKE. I certainly am always glad to do so.

Mr. STENNIS. With the committee, even though we do not vote together.

Mr. BROOKE. In response to the inquiry of the Senator from Mississippi, a great deal will depend upon the response I receive from the Department of Defense.

Mr. STENNIS. Well, it is a very important matter. I was not suggesting any hasty consideration here, but if we could get it up this week, we could start debate. I do not know whether we could finish it or not, but the Senator makes a good suggestion that we should find out what the Secretary of Defense will say.

Mr. BROOKE. I am certainly sympathetic to the Senator's problems here and assure him that I will move as expeditiously as possible in calling up the amendments.

Mr. STENNIS. I thank the Senator very much. As of now, though, he merely submits his amendments for the information of the Senate?

Mr. BROOKE. That is correct.

Mr. STENNIS. The Senator does not propose to call them up until further notice?

Mr. BROOKE. That is correct.

Mr. STENNIS. I thank the Senator.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum. The PRESIDING OFFICER (Mr. BENNET). The clerk will call the roll.

The bill 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.

MERCURY CONTAMINATION OF THE WISCONSIN RIVER

Mr. PROXMIRE. Mr. President, the Nation is facing its first water pollution crisis. While most people have always

thought of water pollution only in terms of dirty, unsightly water, the present crisis involves, according to Secretary Hickel, "an intolerable threat to the health and safety of Americans." The cause of this new crisis is mercury contamination.

Within the past 3 weeks, mercury has been found in large quantities in many streams and rivers throughout the United States. Unrecognized as a threat until just over a month ago, mercury poisoning has already caused the deaths of four persons in New Mexico. Waters now threatened by mercury contamination include Lake Onondaga, parts of the Tennessee River, the Mobile and Tombigbee Rivers in Louisiana, the Mississippi River above New Orleans, the Rio Grande River in Texas, Lake Ontario, much of Lake Erie, and many rivers in Alabama. New reports of contamination are being received almost daily and the Federal Water Quality Administration has established a special emergency task force to deal with the crisis.

Wisconsin, my State, has been particularly hard hit by the crisis. Recently I learned that the Wisconsin River is heavily contaminated. According to a spokesman from the Federal Water Quality Administration—FWQA—concentrations up to 1,000 parts per million have been found in sludge deposited at the bottom of the river near Port Edwards. This sludge contains the highest concentration of mercury reported to FWQA anywhere in the country, according to the same spokesman. Fish tested at various points along the river have been found to contain concentrations of mercury ranging from 1 part per 10 million to 1.83 parts per million. While these quantities appear to be extremely small, mercury is toxic to certain species of fish in concentrations as low as .004 parts per million. The Federal Water Quality Administration is presently attempting to enforce a standard of .000 parts per million. Needless to say, the concentrations reported in fish in the Wisconsin River are well above the danger levels.

Perhaps the most frightening thing about the situation is that the threat posed by the mercury may persist for many decades. Sludge containing as much as 1,000 parts per million now resting at the bottom of the Wisconsin River may pose a permanent source of contamination. While the transfer process between the sludge and the river water is not completely understood, it is clear that the mercury does not sink harmlessly to the bottom, as previously believed. Michigan State University geologist, Dr. Robert Ehrlich, points out that:

We failed to take into account a process called organic complexing—the way organic matter in lake bottom sediment and lake waters pick up electrically charged atoms of a metal like mercury and force them into solution throughout a lake.

From evidence already gathered, it is clear that mercury contamination may threaten man for up to 100 years. Commenting on suggestions that all plants

dumping mercury be forced to cease all discharges immediately. Richard Ronk, mercury project officer for the Food and Drug Administration, pointed out that:

Even if we close all the plants today, the problem won't go away. The mercury will still be there, and nobody can really tell you how long it will take the biosphere to take care of it.

In Sweden, where mercury poisoning has caused a drastic decrease in the bird population, scientists have predicted that the threat will persist for 10 to 100 years unless the mercury is made inactive.

The symptoms in man of mercury poisoning may occur weeks to months after an acute exposure to toxic concentrations. For this reason, no one really knows how much damage may have already been done. Mercury is a slow acting poison which gradually destroys the brain, a few cells at a time. One of the first signs is the impairment of the coordination of muscle movement. With severe intoxication, the symptoms are irreversible and death follows within a matter of months. The most serious threat caused by mercury is to human fetuses. Methyl mercury easily penetrates to the fetus via the placenta, and the concentration of mercury in the fetal blood may be as much as 20 percent higher than in the mother. Infants with congenital brain damage from methyl mercury are born to mothers who show no symptoms of methyl mercury poisoning. Thus, we have no way of knowing how many unborn children may have already suffered brain damage as a result of their mothers eating contaminated fish.

In Wisconsin, contamination of the Wisconsin River did not originate with the present crisis. The dumping of mercury into the river has been going on for many years. The Wyandotte Chemical Co., identified as a major contributor, has been dumping huge quantities of sludge containing more than 20 pounds of mercury per day into the river for over 3 years. This sludge, containing as much as 20,000 pounds of mercury, has accumulated on the river bottom and now covers a huge area, several feet in depth. The danger posed by this huge accumulation is clear. Unless it is removed or made biologically inactive, it could serve as a permanent source of contamination which would infect the river water for decades. In view of the extreme danger, the question now is, what can be done to remove the threat?

Unfortunately, we have no quick or easy solutions available. The only extensive research conducted to date on the problem has been done in Japan and Sweden where mercury poisoning has already been held responsible for the death of almost 100 people. We still do not understand the process by which the mercury is liberated from the sludge and then picked up by fish and other forms of aquatic life. In view of this, there is an immediate need for stepped up research on all levels. We need to concentrate the resources of every applicable federal, state, and scientific agency. We

need a solution as rapidly as possible—only by working intensively on the problem at all levels will we obtain the needed solution quickly. We cannot afford the delays caused by different agencies of the government working at cross purposes. Cooperation is needed on all levels. For these reasons, I have today asked the Federal Water Quality Administration to undertake a joint study with the National Academy of Sciences to find a solution as quickly as possible. The Wisconsin Department of Natural Resources has already moved to sharply reduce the amount of mercury being dumped into the river. The Wyandotte Chemical Co. plant has cut its discharge to below 1 pound per day. The need now is for intensive study of ways to render harmless the mercury which is already in the river.

The Federal Water Quality Administration has already established a special task force to deal with the problem. Murray Stein, the chief enforcement officer of FWQA, has indicated that he is ready to provide immediate assistance to any State which requests help. He points out that the Federal Government has had to deal with the crisis nationwide and that FWQA has gained much valuable experience which may be very useful to the individual States in dealing with their own particular problems. Only by sharing the experiences gained on both the Federal and State levels can we avoid duplication and futile efforts which only lead down blind alleys.

In the battle which lies ahead of us, time will be a crucial factor. Each day that goes by without a solution represents an added threat to the health of possibly millions of people. Mercury is a deadly poison. Every Federal official whom I have contacted has termed the present crisis extremely serious—so serious that FWQA has just recently refused to release any further information on new sources of contamination. The Federal Government is prepared to enforce a standard of zero parts per million in interstate waters. The sludge in the Wisconsin River contains as many as 1,000 parts per million. Under the circumstances, it is difficult to exaggerate the danger. We need a solution as quickly as possible.

THE VISTA PROGRAM

Mr. JAVITS. Mr. President, with the President's personal support, the Congress approved last December a 2-year extension of the poverty program, including the essential and highly successful program known as Volunteers in Service to America—VISTA. I might mention that my own daughter has worked in two summer programs for VISTA.

Mr. President, as I have always been very solicitous and deeply involved with the development and success of VISTA, I felt it my duty to acquaint the Senate with the problem so that at least information on the matter might be available.

Begun in 1965, VISTA is now beset by differences between its administrators in

Washington and what is claimed to be quite a number of volunteers in the field as to the goals of the program and the most effective means of achieving them.

How these differences are resolved may well determine whether this and other poverty programs continue with the commitment and involvement of young America—an involvement as essential as the involvement of the poor themselves if we are to make the needed inroads on the pervasive problems of poverty.

Mr. President, among these oppositional features which have been called to my attention are the following:

Certain of the VISTA personnel in the field assert that the Office of Economic Opportunity—VISTA's parent agency—intends to move its VISTA volunteers away from organizing the poor to be effective participants in antipoverty efforts, toward the less controversial task of providing the poor with social services.

The Office of Economic Opportunity takes the position that it is merely attempting to provide "focus" for VISTA programs, and that it favors a concept of community organization as being a group of Americans who want to accomplish an agreed upon social purpose in program areas such as health, education, and manpower, economic development, housing, community planning, and general services.

VISTA volunteers are also greatly concerned by the recent decision of the President regarding occupational draft deferments, under which the Office of Economic Opportunity will no longer recommend draft deferments for VISTA volunteers. And, by the fact that VISTA has been without a permanent director for more than 2 years.

Some VISTA volunteers also claim that:

The VISTA budget is woefully inadequate and that this has resulted in program and volunteer cut-backs, in lack of administrative and logistical support, and in stifling of initiative regarding development of new projects.

The VISTA policy is determined in Washington without adequate consultation with community groups and volunteers in the field.

Unlike other Office of Economic Opportunity programs, the Economic Opportunity Act of 1964 has no provision for over-riding a State Governor's veto of VISTA projects, and that this has forced VISTA to be politically responsive to the established government structure which itself may not be responsive to the needs of the poor.

That VISTA training has been inadequate as to the nature of VISTA service—its problems and possibilities—and VISTA projects.

That VISTA has changed its recruiting policies to emphasize attracting older, more conservative volunteers in an effort to reduce the level of controversy connected with the program but at the same time to make it more pedestrian and unimaginative.

Concerned with these matters in the VISTA program and with the poverty program in general, some VISTA volun-

teers began meeting in local and regional groups in an attempt to enlist congressional and community support for their position; and a number of VISTA volunteers formed the National VISTA Alliance to press these and other issues.

In an effort to present their case, I am informed the National VISTA Alliance has sponsored a 3-day national conference ending today in Washington, D.C. It is claimed that approximately 350 to 400 volunteers and exvolunteers, including some elected representatives of VISTA volunteers in the Nation's 10 VISTA administrative regions, have gathered in Washington and have been discussing their proposals for the improvement of the poverty program and have been meeting with Members of Congress.

As I am the ranking minority member of the committee which handles this matter, I met with them yesterday. My conclusions are as follows:

Mr. President, first, I hope my colleagues in Congress similarly will receive members of the National VISTA Alliance Conference. We must make every effort to maintain the faith in our government among them. Only then will we be able to call on them for their boundless initiative and energy, so necessary for the revitalization of our troubled society.

Furthermore, I would commend to the members of the National VISTA Alliance a course of action most likely to result in the same openness that characterized the reception by Members of Congress 2 months ago of college youth over the issue of the war in Indochina. In this era of the rhetoric of "confrontation," "demand," and "mass meetings," I urge them to help prove that young Americans are not concerned with "confrontation for the sake of confrontation" and with "nonnegotiable" proposals. I urge them to show that they are much more concerned with truly improving our system of Government through a reasoned, more active participation in that system such as the VISTA program itself represents. I urge them to proceed not by coercive demand, but through petition for redress of grievances to the Members of Congress.

Mr. President, I will not attempt to prejudge the case put forth by the VISTA Alliance, for I am sure that the Office of Economic Opportunity has reasoned answers to many of these points.

I intend personally to look into each of these and other assertions to determine which, if any, of these claims require clarification or even changes of policy on the part of the Office of Economic Opportunity.

Finally, Mr. President, if these issues cannot be resolved in this way, it may well be necessary to request hearings in the Subcommittee on Employment, Manpower, and Poverty of the Senate Committee on Labor and Public Welfare of which I am the ranking minority member.

The use of the machinery which is readily available and has worked so well for college youth in respect of protests of the Indochina war can work just as

effectively for those in VISTA who feel these are real grievances. I strongly urge they take advantage of that course rather than something more sensational but something which I feel would be a regressive course.

Mr. President, I ask unanimous consent to have printed in the RECORD an article relating to some of the problems of VISTA which was published in the New York Times on July 14, 1970.

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

NIXON SEEKING A SOFTER IMAGE FOR VISTA

WASHINGTON.—The Nixon Administration has begun changing the image, composition and role of VISTA, the so-called "domestic peace corps."

One purpose apparently is to end complaints from local politicians and establishment groups, particularly in the South, about the poverty agency.

A spokesman for the agency here said that the changes would eliminate the confrontation tactics employed by past and present volunteers and result in a less controversial organization better geared to serving the rural and urban poor.

But many of VISTA's more than 5,000 volunteers believe the Nixon Administration is actually intent on ending the agency's technique of organizing the poor to achieve specific goals.

They are convinced that the Administration wants VISTA project workers themselves to solve the problems in the areas where they are assigned, rather than to teach the poor how to handle those problems—often through activism that upsets local establishments.

Informed estimates of the number of active VISTA dissidents run as high as a third of the program's personnel. Many of them are young white males who were stunned on April 21 when Donald Rumsfeld, director of VISTA's parent agency, the Office of Economic Opportunity, announced that job deferments from the draft would no longer be sought for volunteers.

The dissidents have been meeting in small and medium sized groups during the last two months in an attempt to drum up Congressional and community support to resist the current policy changes.

POLITICAL ROLE URGED

Angry newsletters, denouncing the national leadership of VISTA and the Office of Economic Opportunity, were mailed to 2,500 volunteers in early May. Regional meetings have been held in North Carolina and Chicago. Another is taking place this weekend in Waterloo, Iowa.

The conference in Chicago, held June 7, set the tone. A statement denounced President Nixon as unconcerned about the poor and said: "VISTA should be more community oriented and less work-project oriented so that volunteers can become involved in a more political role."

One generally acknowledged problem in VISTA is an admitted lack of communication between the leadership and field workers. Another is the fact that almost 40 per cent of the top administrative positions are either empty or held by "acting" personnel.

VISTA, whose full title is Volunteers in Service to America was started six years ago. It appeared at the start to be one of the most promising and successful of poverty programs. The program was based on the concept that volunteers could go into poverty areas and work with the poor for one or two years. It attracted a large number of young people who believed in political activism within the system. Many saw in VISTA an

opportunity for public service that was preferable to the military.

In the early stages, the program had no problem getting funds. There was a common belief by volunteers and staff members that the agency's philosophy of community organizing had gained widespread acceptance.

But the Nixon Administration found when it came to office that criticism of VISTA was increasing chiefly over the activism encouraged by the volunteers.

This was particularly true in rural areas, especially black rural communities in the South. But Mayors and Governors outside the South have also had their battles with volunteers.

As recently as June 8, The Governors of Arizona, Hawaii and Utah complained at the opening session of the annual Western Governors conference that VISTA volunteers were spreading discontent among the poor, particularly the Indians.

The Alaskan Legislature has voted to cut \$85,800 from the state budget that was intended as Alaska's share in the VISTA program, thus ending, at least temporarily, the program in the state.

Chester Robert Lane, a civil servant who is acting director of VISTA, said in a recent interview that he supported the Administration's effort to change the poverty agency's role and reputation.

"Vista is no longer going to be this place where you can do your own thing . . . especially if that means confronting the establishment," he commented.

"We hope, predict and are striving for a new type of volunteer who will work within the system and lower the noise level. It might make VISTA more popular and more accented."

The agency's leadership has already made some changes in its recruiting and training programs and will make more before the next annual group of 2,000 new volunteers begin training this July.

Older volunteers are being sought. Teenagers and active radicals are being discouraged from applying. New guidelines are being drawn up that reinforce old rules forbidding political involvement and add new limits on what is permissible for volunteers.

The dissidents questioned in person or by telephone, who preferred not to be identified for fear that the communities they were working in would suffer retaliation by some zealous employees, believe that the new approach means the eventual end of VISTA.

A volunteer from the Southwest commented, "They're returning to the Band-Aid approach where we patch up a wound but don't do anything about the cause."

Another noted that the end of draft deferments would probably mean that a lot of young professionals would leave VISTA. "It was an honorable way of serving your country without having to kill Vietnamese," he said.

Many observers in Washington, inside and outside of VISTA, are, however, hopeful about the long-range future of the program. They say that even mild, conservative volunteers tend to become radicalized by a year's work with the poor.

But a major current worry is the long time the Republicans have taken in filling the top posts in the agency. Some observers fear that without the political clout of Presidential appointees, the agency will lose out to others in the fight for a portion of the increasingly tighter budgets.

VISTA has been without a permanent director since June 30, 1968, when William H. Crook resigned to become United States Ambassador to Australia. The post was filled by Padriac M. Kennedy until January of this year, and by Mr. Lane since then.

The director that Donald Rumsfeld is said

to want is Ralph Blumenthal, 24 years old, a former White House aide. But Mr. Blumenthal is currently serving a six-month stint in the Marine Corps and will not be available until after the summer.

Many connected with VISTA say that the lack of political leadership has confused the making and implementation of policy and has led to anticipatory self-censorship by permanent staffers who do not know the agency's new directions.

But Mr. Lane believes that the O.E.O. leadership is providing all the guidance necessary. "Whenever I'm confused, I just walk in and talk with Rumsfeld," he said. "Then I'm not confused anymore."

ORDER FOR RECOGNITION OF SENATOR STENNIS TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that tomorrow, following my remarks, the able Senator from Mississippi (Mr. STENNIS) be recognized for not to exceed 30 minutes.

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

AGRICULTURE FAILS TO BAN DDT

Mr. PROXMIER. Mr. President, last November the Department of Agriculture announced that all nonessential uses of DDT would be phased out by 1971. At that time, the news was welcomed by conservationists and scientists who had become increasingly concerned over reports that DDT was causing widespread damage to the environment. It was considered a major victory for conservation forces.

Last week the Department reversed the tough stance it had taken almost a year ago. It refused to order an immediate suspension of all nonessential uses of DDT pending a full review. This decision represents a severe setback for the environmental cause. It represents a major victory for industry forces which had argued that claims made against the pesticide have been greatly exaggerated. In a statement submitted to the U.S. Court of Appeals the Department flatly declared that DDT is not sufficiently dangerous to pose an imminent hazard to human health. In making the decision, the Department chose to ignore the pleas of hundreds of biologists and concerned public officials who have viewed the continued use of the pesticide with alarm.

The Department's decision raises several fundamental questions regarding the future use of DDT. Until the decision, it had been widely assumed that DDT was being rapidly phased out and that it was being replaced by new, less persistent pesticides. Until last week, it was assumed that the Department of Agriculture shared this view. Under the Federal Insecticide, Fungicide and Rodenticide Act, the Department of Agriculture has the authority to rule on the sale of all pesticides in interstate commerce. No pesticides may be sold in interstate commerce unless they are registered with the Department. Under the act, the Department has the power to cancel the registration of pesticides causing harm or injury to man, animals, and the environment.

Up until last week, it was widely assumed that the Department agreed with most scientists that DDT had served its usefulness and that it would shortly be a thing of the past. Last week's decision appears to have changed all of that. Reversing its position, the Department concluded that "DDT poses no imminent hazard to human health." In effect, the decision not to suspend the general use of DDT gives the manufacturers of the pesticide another year to delay further attempts to restrict its use. In making the decision, the Department is telling the pesticides manufacturers that DDT has a future, when before they were told it had none.

Perhaps the most important question which the decision raises is, does the Department of Agriculture actually recognize DDT as a threat to man and his environment? In a statement submitted to the U.S. court of appeals, the Department declared that: "We know of no reported injury to any human as a result of the use of DDT in accordance with directions." To further buttress its position, the Department cited a study in which human volunteers had received as much as 35 milligrams of DDT per man per day for 21 consecutive months and extensive medical examinations failed to show any adverse effects as a result of such exposure. This would seem to suggest that the Department believes that concentrations of DDT far in excess of those levels now allowed may be perfectly harmless to humans. Based on the evidence submitted, it is open to question whether the Department actually believes that DDT poses a threat to human health, except in massive doses.

Unfortunately, many scientists are convinced that DDT represents a serious threat to both man and his environment. Dr. Charles F. Wurster, a prominent environmental biologist, recently stated:

DDT has long been known to be an extremely serious environmental hazard, although the extremity of the situation has become more obviously apparent in recent years.

Among the dangers cited by Dr. Wurster and others are the following:

DDT causes carnivorous birds, sea birds, and many other species to lay eggs with abnormally thin shells. These eggs break prematurely resulting in catastrophic declines in the populations of these species. Controlled experiments confirm that DDT residues were the causative agents. DDT also directly kills large numbers of birds.

DDT inhibits reproduction of fish, with abnormal mortality of the fry following the contamination of the adult fish and their eggs. This has occurred in several fresh water species, with mortalities of 100 percent of the fry in some instances. Controlled experiments confirmed that DDT residues were the causative agents. DDT also directly kills large numbers of fish.

DDT residues do great damage to useful invertebrates of many species. Insect communities are frequently disrupted by the killing of beneficial predatory and parasitic insects, thereby frequently ag-

gravating the insect pest problem DDT was intended to control. It kills pollinating insects. It also damages various crustaceans such as crabs and shrimp. Even the bases of the oceanic chains, the phytoplankton, can have their photosynthetic activity reduced by a few parts per billion of DDT in the water.

Probably most serious is the impact which DDT has on man. The Mrak report published by the Commission on Pesticides and Their Relationship to Environmental Health established clearly the fact that DDT is causing widespread injury to man, animals, and the environment. Despite the Department's claim that DDT has never been responsible for any human injuries, a study done at the University of Miami Medical School showed that human victims of terminal cancer contained twice as much DDT residues in their fat as did victims of accidental death. To quote the Mrak report:

A remarkable degree of concurrence has been found to exist between chemical carcinogenesis in animals and that in man where it has been studied closely.

Despite this evidence, the Department of Agriculture maintains that DDT poses neither an imminent hazard to human health nor to fish and wildlife. The implications of this new position are extremely disturbing. It brings into question the policy announced by the Department last November that all nonessential uses of DDT would be phased out by 1971. If the Department stands on the evidence presented in its statement last week, there is really no reason for ever phasing out DDT. Based on the studies quoted by the Department, DDT does not now, nor will it ever, constitute an imminent hazard to fish, wildlife, man or the environment. To quote the Department's statement:

We have concluded that the presently available evidence indicates that there are some adverse effects upon certain species of fish and wildlife as a result of the use of DDT, but that such effects do not constitute an imminent hazard to fish, wildlife, or the environment.

In view of this statement, it is difficult to believe that the Department of Agriculture intends to press for the cancellation of all non-essential uses of DDT by 1971. One year from now, will the Department suddenly decide that DDT does pose an imminent hazard to man and the environment? In 1 year will DDT residues build up to such an extent that Agriculture will feel justified in terminating the pesticide a threat to human health? Based on the past record of the Pesticides Regulation Division, the division responsible for ruling on all registrations of pesticides, it is very doubtful whether the Department will press for cancellation of all general uses of DDT by the promised date of 1971.

Last year in a report released by the House Government Operations Committee, the Committee stated:

The Pesticides Regulation Division did not take prompt or effective cancellation action in cases where it had reason to believe a registered product might be ineffective or potentially hazardous. Although the division

has had specific cancellation authority for more than 5 years, *it has never secured cancellation of a registration in a contested case* (italic added.)

In fact, the committee reported that Agriculture really took no action at all when a registrant contested a cancellation notice. To again quote the committee report:

Until a few weeks ago, the Pesticides Regulation Division did not even have procedures for conducting hearings or studies which registrants may request as a matter of right before cancellation action can become effective. When registrants receiving cancellation notices requested hearings or studies, prosecution of the cancellation action was halted and the product left on the market.

What is more, the Committee reported that the Department of Agriculture had approved for sale more than 1,600 pesticide products over the strenuous objections of the Department of Health, Education, and Welfare during the 5-year period ending June 30, 1969. To quote the report once again:

The exact number is not known because the Pesticides Regulation Division does not keep records of products registered over HEW objections and has failed or even refused to inform HEW of action taken with respect to its objections.

Although an interdepartmental agreement between HEW and Agriculture requires that unresolved HEW objections be referred to the Secretary of Agriculture before a registration is approved, not one of the more than 1,600 HEW objections was so referred.

Mr. President, it is extremely doubtful, in view of this record, whether the Department of Agriculture actually intends to ban all general uses of DDT by 1971 as promised. And yet, the Department recognizes that it has made a public commitment to ban all such nonessential uses. It is only too aware of the bad name which DDT has acquired in recent years. To attempt to convince the general public at this stage that DDT is not really dangerous would be virtually impossible. If DDT is to remain as a major pesticide, new justifications for its continued use must be developed. Last week's statement to the court of appeals suggests that the Department may have found the needed justification for the continued use of DDT. The key to the new policy is the concept of essential use. If it can be demonstrated that a particular use of DDT is absolutely essential to the public health or welfare, that use can be continued despite the risks to the environment. Evidence that the Department is placing new emphasis on this essential use doctrine is found in last week's statement:

We conclude that the use of DDT should continue to be reduced in an orderly, practicable manner which will not deprive mankind of uses which are essential to the public health or welfare. To this end, there should be a continuation of the comprehensive study of essentiality of particular uses and evaluation of potential substitutes.

The key word in this statement is "essential." Unfortunately essential use is open to subjective interpretation. Most

important, it is the Department of Agriculture which has the legal authority to determine which uses of DDT are essential and which are nonessential to the public health or welfare. As has already been pointed out, the Department has never secured cancellation of a registered use of DDT, essential or nonessential, in the case which has been contested. Every single time a pesticide manufacturer has challenged a possible cancellation of a particular use of DDT, the Department has chosen to abandon the case and allow the product to remain on the market.

Which side, the public or the industry, will the Department take in the event of future disputes? No one can predict with certainty, but once again the past record of the Pesticide Regulation Division suggests that industry may have an influential voice in such decisions. The House Government Operations Committee reported on three individuals who advised the PRD on registration questions while serving in various capacities with major pesticide manufacturers. Each of the individuals were involved in actions which raised serious questions of a conflict of interest. I shall only cite one of the three cases examined by the Committee. The following account is quoted from the House Committee report:

Although Shell Chemical Co. is one of the largest producers of registered pesticide products, Dr. T. Roy Hansberry, an official of one of the company's affiliates, was appointed to a 1965 task force examining criteria used by the Pesticide Regulation Division in determining whether pesticide registration applications should be approved. Before the appointment was made, an individual in the Agriculture Research Service personnel division certified on Dr. Hansberry's personnel clearance form that the agency did not know of any official business with his private employer which might constitute a conflict of interest.

The other two cases involve similar direct conflicts of interest.

How much influence the pesticide industry has had on recent Department decisions is impossible to determine. One measure of industry's influence is seen in the preliminary results of a full scale review of all uses of DDT which is still underway within the Pesticides Regulation Division. According to a Department spokesman, 54 out of an estimated 100 uses of DDT have already been identified as "essential to the public health or welfare," and additional uses are now undergoing review. It is almost impossible to guess how many uses of DDT will eventually be protected as "essential," and thus exempt from any general ban on the pesticide by the time the study is completed.

Even in the event that the Department rules that a particular use of DDT is non-essential, and thus should be banned, the appeal process virtually insures that no ban can be imposed for at least 2 years. A long series of hearings and official reviews must be made before any final action can be taken against a particular use of DDT. In most cases, a company appealing a possible cancellation can expect at least another 2 years of unre-

stricted use, regardless of the final outcome. Should the appeal be successful, and so far every single appeal ever made has been, the company is free to continue to market the product.

These facts, alone, cast grave doubt on the Department's intention to enforce its decision of last November to ban all nonessential uses of DDT by 1971. A number of companies whose sole product is DDT have vowed to fight the Department's policy to the very end. This means that every single cancellation notice will be contested, in all likelihood. Knowing this, the Department certainly was aware that last week's decision not to impose an immediate suspension of all nonessential uses of DDT will allow these companies to delay any general ban planned for next year at least another 2 years. The appeals will virtually insure that no effective limitation on DDT can be imposed before early 1973.

The Department's decision is particularly unfortunate in view of the fact that good substitutes now exist for virtually all general uses of DDT. Alternative integrated control techniques, including the use of chemical, biological, and other pest management procedures are available which are as effective as DDT and do not have the adverse effects of DDT on the environment. A number of new pesticides have been developed which are much less persistent than DDT which are equally effective. A number of these are now on the market and are available for general use.

Mr. President, the refusal by the Department of Agriculture to issue an immediate suspension of all nonessential uses of DDT raises grave questions concerning the future of the pesticide. Contrary to the position taken by the Department, many scientists are convinced that DDT poses a continuing threat to man and his environment. They point out that the pesticide persists for many years and that it is difficult to predict what the long-range effects on human beings will be. In view of this uncertainty, the Department should have taken every precaution against the continued use of DDT, rather than issue a blanket statement that it "poses no imminent hazard to human health." It may be impossible to reverse the damage done by DDT to the environment—our aim now should be to prevent further damage, not encourage the continued, indiscriminate use of the pesticide.

I urge the Department of Agriculture to carefully reconsider its decision. We must take immediate steps to restrict the further use of this pesticide. I would hope that after reviewing all the facts the Department will reverse its decision and immediately suspend all general use of DDT pending the completion of a full investigation. We cannot afford further delay.

Mr. President, last night's issue of the Evening Star carried a story which illustrates the dangers which I have just referred to. In a story entitled "Defense Department Selling Banned Pesticide," the Star reported that the Defense Department has offered for sale 94,000

pounds of the highly toxic pesticide Dieldrin, whose use has been banned by the Department of the Interior. Dieldrin, a persistent pesticide estimated to be five to 50 times as toxic as DDT, is one of the most deadly poisons known to man. The Defense Department did not notify the Department of Agriculture of its intention to sell the pesticide, despite the fact that the quantity offered for sale is three times the amount Agriculture has approved for nationwide use this year.

Mr. President, this type of action has got to be stopped. It is another example of the lack of control over the use and sale of very dangerous pesticides. The lack of coordination between the Department of Agriculture and the Department of Defense in such matters is truly shocking. Clearly, there is a need for a single pesticide control agency which will supervise the use of these deadly chemicals by all agencies of the Government. We can no longer allow each department to set its own policy in this vital area. A uniform Federal policy is vital.

I ask unanimous consent to have printed in the RECORD the article which appeared in last night's Washington Evening Star.

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

DIELDRIN IS SURPLUS: DEFENSE DEPARTMENT SELLING BANNED PESTICIDE
(By Roberta Hornig)

The Defense Department is selling as surplus property 94,000 pounds of the highly toxic pesticide, dieldrin, whose use has been banned by one federal agency and reduced by another because of its potential hazard to the nation's environment.

The dieldrin—a persistent pesticide estimated to be 5 to 50 times as toxic as DDT—is included in a catalog of items for sale through the department's surplus sales office in Ogden, Utah. It is in liquid form and is being stored at the Umatilla Army Depot in Hermiston, Ore. Bids are to be opened Aug. 4.

The sales offer to the highest bidder estimates the pesticide to have a value of \$33,732. It is being offered in 5-gallon pails and is advertised as being "unused" and in "good condition."

The item is casually listed among other such surplus items as an electric range, a dishwasher, film and a popcorn machine.

Interior Secretary Walter J. Hickel last month unconditionally banned use of dieldrin on any Interior lands after department scientists linked the death of seven bald eagles—the U.S. national bird and a vanishing species—to dieldrin.

The Agriculture Department, responsible for registering pesticides, has outlawed its use near any bodies of water and is considering a cutback in other uses.

The Defense Department sale represents more than three times as much dieldrin as Agriculture has approved for use nationwide this year.

A Defense Department spokesman said yesterday that the sale had the approval of the armed forces pest control review board.

When asked why the department was selling the pesticide, the spokesman said that it "is in excess to our needs." He said Defense had offered the 94,000 pounds to all other federal agencies and when it had no takers, decided to put it on the open market as a surplus item.

The spokesman said the Defense Department had "unofficially" heard about the Interior ban and Agriculture's cutback pro-

posals but that it was going ahead with the sale because it had no "official word" on any bans.

Defense did not notify Agriculture of its sales intention, but both departments said notification by Defense is not required.

Friends of the Earth, a conservation organization, has written Deputy Defense Secretary David Packard urging him to withdraw the dieldrin from the surplus sale but has received no reply.

Joe B. Browder, Washington director of the organization, told Packard in a letter that if no non-insecticide use can be determined for the dieldrin, that it be destroyed by using a procedure that will prevent contamination of the environment.

At least five states—Michigan, Wisconsin, Florida, Pennsylvania and California—have restrictions on the use of dieldrin and other states are considering them.

Like DDT, dieldrin is "persistent," meaning that it stays around in the environment a long time. It is not as long lasting as DDT but is considered as bad because of its toxicity.

ORDER FOR RECOGNITION OF SENATOR ALLEN TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that on tomorrow the able Senator from Alabama (Mr. ALLEN) be recognized for not to exceed 15 minutes immediately upon conclusion of the remarks of the able Senator from Mississippi (Mr. STENNIS).

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

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that upon the conclusion of the remarks of the able Senator from Alabama (Mr. ALLEN) there be a period for the transaction of routine morning business, with statements therein limited to 3 minutes.

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

ORDER FOR CONSIDERATION OF UNFINISHED BUSINESS TOMORROW

Mr. BYRD of West Virginia. And that at the conclusion thereof the unfinished business be laid before the Senate.

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

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

RAILROAD RETIREMENT ACT AMENDMENTS—CONFERENCE REPORT

Mr. EAGLETON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate

to the bill (H.R. 15733) to amend the Railroad Retirement Act of 1937 to provide a temporary 15-percent increase in annuities, to change for a temporary period the method of computing interest on investments of the railroad retirement accounts, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. BENNETT). The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of July 28, 1970, page 25999, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. EAGLETON. Mr. President, as chairman of the Senate conferees on H.R. 15733, the bill to provide a temporary 15-percent increase in railroad retirement benefits, I urge adoption of the report of the conference committee.

This is a very important bill to the more than 1 million persons who receive benefits under the Railroad Retirement Act and I know that there is a great deal of interest in this bill in the Congress. Last December we enacted legislation to provide a 15-percent increase in social security benefits. Since that time, recipients of railroad retirement benefits have been asking: "What about a similar increase for us?"

Their concern is understandable and certainly justified. We all know the particularly harsh impact of inflation on retired persons living on limited, fixed incomes.

The delay in enacting this legislation does not result from any lack of congressional concern for retired railroad workers and their dependents and survivors. Soon after the first of the year the House Interstate and Foreign Commerce Committee began hearings on this bill. The committee's able and distinguished chairman, Mr. STAGGERS, took a personal interest in this bill and made every effort to expedite its progress. The House passed the bill on April 7 and, as chairman of the Senate Railroad Retirement Subcommittee, I immediately scheduled hearings on the House bill. These hearings were held within 10 days after passage by the House. The bill was reported, with amendments, to the full Labor and Public Welfare Committee on May 5, reported by the full committee to the Senate on June 16, and passed by the Senate on June 25.

The House did not concur in the Senate amendments and requested a conference. The conference committee met six times before finally reaching agreement last Thursday.

All of us who dealt with this bill in both Houses were in agreement that railroad retirees were eminently entitled to a 15-percent increase in benefits, the same as social security recipients. We were further agreed that the benefit increase should be made retroactive to January 1, 1970, the same effective date as the recent social security increase. The difficulty, however, lay in finding a

suitable method of financing the increase. Unlike social security, the railroad retirement system does not enjoy the luxury of a financial surplus. In fact, because of an ever declining number of railroad workers, the railroad retirement account has an actuarial deficit even though, at present, its annual income exceeds its annual expenditures.

The House proposed to pay for the benefit increase by increasing the interest rate on funds in the railroad retirement account, which are invested in U.S. Treasury obligations. The House version of this bill would have required the Secretary of the Treasury to determine each month the highest rate of interest paid on any U.S. obligation forming part of the public debt and having a maturity date of longer than 3 years. If the rate determined by the Secretary should be higher than the rate of interest then being paid on any of the special obligations in the railroad retirement account, the Secretary would be required to reinvest the railroad retirement special obligations at the higher rate. The Secretary would be required to follow this procedure each month, with the result that all special obligations in the railroad retirement account would have to be reinvested every month in which interest rates went up. The bill included no requirement for reinvestment when interest rates went down so the railroad retirement account would have been guaranteed the unique advantage of the highest possible rate at all times. It would be a truly "no risk" investment policy.

I was concerned, along with the other members of the committee, that such a substantial departure from past investment practices should not be undertaken without a complete study of the merits of the proposal and its likely consequences. It may be that the railroad retirement account is deserving of a greater return on its investment. On the other hand, an increased yield for the railroad retirement account could be viewed as a precedent for all similar Federal Government trust funds. According to the Treasury Department, if the same investment policy provided in the House bill for the railroad retirement account were to be applied to all similar trust funds, the annual cost to the government would be approximately \$2.5 billion.

The Senate therefore amended the House bill to delete the interest rate provision. Thus, the Senate bill provided no new financing for the benefit increase. It was felt that the railroad retirement account could carry the benefit increase for the limited term of this legislation while a study was being made of the best methods to finance benefits.

This amendment was at the core of our differences in conference. The House conferees felt that some financing should be provided for the benefit increase. The Senate conferees were very much in accord with that desire, but were also of the opinion that any new financing should be provided in a manner that would not establish a precedent that might be exploited by other Government trust funds.

The dispute was resolved by a very constructive proposal from the Treasury Department having to do with a revision in the redemption policy applied to obligations held by the railroad retirement account. The details of the proposal are set out in a letter from the Secretary of the Treasury and I ask unanimous consent that the Secretary's letter be reprinted at the completion of my remarks.

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

(See exhibit 1.)

Mr. EAGLETON. I want to emphasize that the agreement of the conferees was premised upon the revision in redemption policy expressed in the Secretary's letter and our decision was made in reliance upon the Secretary's offer. If there were to be any later departure from that policy, I feel certain that we would want to reconsider our decision which permits the necessary financing to be provided through administrative policy, rather than through legislation.

The conferees have determined that it is possible for additional funds to be provided for the railroad retirement account by anticipating the effect of a recommendation by the Advisory Council on Social Security with respect to a revision of the statutory formula establishing the interest rate on trust fund investments. I have a paper which explains this revision in detail and ask unanimous consent that it also may be appended to my remarks.

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

(See exhibit 2.)

Mr. EAGLETON. The bill as reported by the conferees contains legislative language to facilitate this aspect of the investment policy.

The benefits to the railroad retirement account from these two changes in investment practices—one administrative and one legislative—will amount to nearly \$200 million over the next 10 years, almost the same amount as would have been provided through the financing provisions contained in the version of the bill passed by the House.

Because of continuing uncertainty as to the future prospects of the railroad retirement account, and because of the need to provide additional income for the account in order to avoid serious actuarial deficiencies, the conferees agreed that the increase provided herein shall be a temporary one expiring on June 30, 1972. This was the original termination date established by the House and is 6 months longer than the termination date contained in the Senate version of the bill.

I should note that the committee reports on this legislation, both the Senate and the House, call for new legislation prior to the expiration of this bill so that railroad retirement beneficiaries will not suffer a reduction after June 30, 1972.

The bill also provides that a complete study of the railroad retirement system shall be made by an independent Commission jointly appointed by the President and by Congress for that purpose. I am very pleased that the House re-

ceded from its position and accepted the Senate amendment providing for this study of an independent Commission. The Commission must report back to Congress its findings and recommendations no later than June 30, 1971. The bill also provides that the Commission shall employ an independent actuary, who is qualified in the evaluation of pension plans, to make an actuarial evaluation of the railroad retirement account.

We are hopeful that the Commission study will provide us with guidelines for the future in dealing with this fund, which is so important to the welfare of hundreds of thousands of railroad workers and retirees. It is anticipated that the results of this study will, among other things, provide a basis for extending the present 15-percent increase beyond June 30, 1972.

I am particularly grateful, Mr. President, for the kindness and cooperation of Mr. STAGGERS, chairman of the House Interstate and Foreign Commerce Committee, whose constructive suggestions were responsible in large measure for the settlement of differences between the Senate and House on this bill. Mr. STAGGERS has long been known for his devotion to the welfare of workers in the railroad industry and his performance on this bill again demonstrated his interest and concern.

I also want to commend the representatives of the Treasury Department who worked with us closely on this bill. The two Under Secretaries of the Treasury, Mr. Paul A. Volcker and Mr. Charles E. Walker, worked closely with us along with Mr. Phil Potter of the Treasury congressional liaison office. Their intelligent and constructive assistance was enormously helpful to us in our labors on this bill.

EXHIBIT 1

THE SECRETARY OF THE TREASURY,
Washington, D.C., July 28, 1970.

HON. THOMAS F. EAGLETON,
Chairman, Subcommittee on Railroad Retirement,
Committee on Labor and Public Welfare,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The House-passed version of H.R. 15733, a bill to provide a temporary increase in railroad retirement benefits, included a provision which would change the method of investing funds of the retirement account. This provision was designed to increase the account's income as a way of financing the increased benefits. As you know, the Treasury opposed this provision in the House-passed bill on the ground that the proposed formula was an unsound procedure and that it would be an unwise and costly precedent. The provision was deleted from the bill as it passed the Senate.

I understand that this difference has been a principal matter of disagreement between the conferees. In order to assist in the resolution of that disagreement, the Treasury has carefully reviewed the investment procedures of the Railroad Retirement account. On the basis of this review, we are prepared, as a substitute for the House's proposed change in the investment procedure, to change the procedure under which special obligations issued to the account are redeemed to make benefit payments. We estimate that this change, which can be made administratively, would produce \$168 million of additional interest income for the account over the next 8 years, after which the change in redemption procedure would not increase income

(although the additions to the account through increased income in those 3 years would, of course, continue forever to earn interest).

Under the present procedure, receipts during a fiscal year are invested in temporary special obligations which mature on the last day of that fiscal year; on the last day of the fiscal year, all available funds, including the temporary special obligations maturing that day, are invested in special obligations maturing in seven years, the maximum permissible because of the statutory interest-rate ceiling on longer-term obligations. To make benefit payments and other outlays, temporary special issues maturing within the current fiscal year are redeemed first, starting with the ones with the lowest yields; if funds are needed for outlays and there are no current-year maturities, special issues maturing in the earliest year after the current year are redeemed, beginning with those with the lowest yield and working through the year.

Since the account runs at a substantial deficit through the fiscal year, until the social security interchange and interest payments are made at the end of the year, redemption of current-year investments does not provide enough money to meet outlays, and it is always necessary to redeem throughout the year a substantial amount of special issues maturing in later years. Through this process, over half a billion dollars of special obligations issued when rates were lower in earlier years are redeemed before maturity each year (even though permanent investments in an even greater amount are made at current higher rates at the end of the year). Our proposal would speed up this conversion of the account's portfolio to higher yields by moving to the end of the redemption cycle those special obligations whose maturity had to be shortened because of the statutory ceiling on long-term bond rates.

The attached table, showing the account's investments in special issues at the time of the annual permanent investment last June 30, will illustrate how this will operate. Since receipts will not be adequate during the current year to cover outlays, under the present procedure the first redemptions will be the 4% notes of 1974, next the 4½% notes of 1974, then the 4¾% notes of 1974, and, if that is still not enough, the 4% notes of 1975 will be used. The proposal is to change this procedure in only one respect: after the 4% notes of 1974 and the 4½% notes of 1974 are used, the 4¾% notes of 1974 will be skipped, the 4% and 4½% notes of 1975 will be redeemed, and so on. The 4¾% notes of 1974 can be skipped because the reason those notes mature in that year is that the statutory interest-rate ceiling, which does not permit the issuance of obligations with rates over 4¾% at maturities of over seven years, prevented the use, when these obligations were issued in 1967, of maturities of up to 15 years, as had been the policy when interest rates were below 4¾% and the statutory rate ceiling did not inhibit the use of longer maturities.

By speeding up the conversion of the portfolio to higher yields, the proposed change will substantially increase the account's interest income. The Treasury recognizes that, in all the circumstances, there may be valid reasons for the proposed method of handling redemption of special issues in the Railroad Retirement Account.

Assuming the Congress approves a Conference Report deleting the House-passed provision changing the method of investing funds of the Railroad Retirement account, the Treasury will adopt immediately this new redemption procedure.

Sincerely,

DAVID M. KENNEDY.

RAILROAD RETIREMENT ACCOUNT—CURRENT HOLDINGS OF SPECIAL ISSUES, AS OF JUNE 30, 1970 (FINAL)

[In thousands of dollars]

Date	4 percent	4½ percent	4¾ percent	5½ percent	6½ percent	Total	Proposed investment 7½ percent	Total holdings, special issues, June 30, 1970
June 30, 1971								
June 30, 1972								
June 30, 1973								
June 30, 1974	72,129	23,110	409,289			504,528		504,528
June 30, 1975	185,091	23,110		482,623		690,824		690,824
June 30, 1976	185,091	23,110			547,948	856,149		856,149
June 30, 1977	185,091	23,101				208,201	847,447	1,005,648
June 30, 1978	185,091	23,110				208,201		208,201
June 30, 1979		208,201				208,201		208,201
June 30, 1980		208,201				208,201		208,201
June 30, 1981								
June 30, 1982								
June 30, 1983								
June 30, 1984								
June 30, 1985								
Total	812,493	531,952	409,289	482,623	647,948	2,884,305	847,447	3,731,752

Note: Amount available for investment June 30, 1970, \$847,447.

EXHIBIT 2

EXPLANATION OF REVISED FORMULA FOR CALCULATING RETURN ON INVESTMENT OF RAILROAD RETIREMENT ACCOUNT

Present law provides that the special obligations issued to the railroad retirement account shall bear interest at a rate equal to the average market yield, computed at the end of the month preceding the date of issue, borne by all marketable Treasury obligations not due until after the expiration of three years. For obligations issued during July, this formula produces a rate of 7%.

The interest rates on special obligations issued to the social security trust funds are governed by similar statutory formulas. The current Advisory Council on Social Security (such a Council is set up every five years to make recommendations on social security matters) is recommending that, if the statutory limits on interest rates (which now prevents the issuance of long-term bonds, leaving for investment of the funds only notes, which can be no more than seven years to maturity) is not repealed, the statutory formula governing interest rates on special obligations issued to the social security trust funds should be changed to make the interest-rate computations consistent with the fact that only notes can be issued. This would be done by eliminating, in computing the average yields on outstanding obligations, the yields on Treasury bonds, which would result in a formula producing a higher yield.

The reason it would produce a higher yield is that outstanding bonds, all of which were issued in earlier years when rates were lower, have lower market yields than notes because of two tax advantages: (1) a substantial part of the income earned on them is taxable at the capital-gain rate, and (2) they can be used at par value to pay estate taxes. Since neither of these tax advantages has any value to a Government trust fund, there is logic in eliminating these lower-yielding bonds from the average used in computing the rate which will be applied to the obligations which can be issued to the funds, whose permissible maturity excludes bonds. H.R. 15733 includes the necessary legislative language to make this change as to the railroad retirement account.

If such a formula were used to compute the rate on obligations issued to the railroad retirement account, it would produce a rate of 7½% for obligations issued during July. This is ½% higher than the rate derived from the present statutory formula. It is

estimated that the higher rates under the proposed formula would increase the account's interest income by \$27.5 million over the next 8 years. The attached table shows the increase by years:

Estimated increase in interest income to railroad retirement account [In millions]

1971	\$0.1
1972	.5
1973	.8
1974	1.7
1975	2.8
1976	4.1
1977	7.3
1978	10.2
Total	27.5

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. KENNEDY. 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 adjourned until 11 a.m. tomorrow.

The motion was agreed to; and (at 4 o'clock and 46 minutes p.m.) the Senate adjourned until tomorrow, Thursday, July 30, 1970, at 11 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 29, 1970:

IN THE COAST GUARD

The nominations beginning Wayne R. Gronlund, to be Lieutenant (junior grade), and ending Robert A. Melvin III, to be Lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on July 9, 1970; and

The nominations beginning Frederick K. Farner, to be Lieutenant (junior grade), and ending Gary F. Van Nevel, to be Lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on July 21, 1970.