

I hope that the Senate will act favorably on this Convention at an early date.

RICHARD NIXON.

THE WHITE HOUSE, March 28, 1974.

#### ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, March 28, 1974, he presented to the President of the United States the following enrolled bills:

S. 2174. An Act to amend certain provisions of law defining widow and widower under the civil service retirement system, and for other purposes; and

S. 2747. An Act to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that Act, to expand the coverage of the Act, and for other purposes.

#### PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow morning at 10:45.

After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized, each for not more than 15 minutes, and in the order stated: The Senator from Rhode Island (Mr. PASTORE), the Senator from Kentucky (Mr. COOK), the Senator from South Carolina (Mr. THURMOND), the Senator from Arkansas (Mr. McCLELLAN), and the Senator from West Virginia (Mr. ROBERT C. BYRD).

At the hour of 12 o'clock noon, the Senate will go into executive session to vote, the yeas and nays having already been ordered, on Calendar Order No. 1, Executive U, 93d Congress, 1st session, the Treaty on Extradition with Denmark.

Following the rollcall vote on the treaty, the Senate will resume the consideration of legislative business. The

pending business will be the unfinished business, S. 3044, the Public Campaign Financing bill.

The question at that time will be on agreeing to the amendment which will be proposed by the Senator from North Carolina (Mr. HELMS), amendment No. 1071, on which there is a limitation of 30 minutes. A yeas-and-nays vote will occur on that amendment.

Upon the disposition of that amendment, the Senator from Kentucky (Mr. HUDDLESTON) will call up an amendment on which there is a limitation of 30 minutes, and it is likely that a yeas-and-nays vote will occur.

Upon the disposition of that amendment, Mr. DOMENICI will call up an amendment on which, I understand, the yeas and nays will be requested.

Upon the disposition of Mr. DOMENICI's amendment, it is likely that the Senate will proceed to consider amendment No. 1070, to be offered by the Senator from Connecticut (Mr. WEICKER). It is my understanding that that amendment may or may not be acted upon tomorrow. If it is not acted on tomorrow, it will be carried over until Monday next.

Mr. TOWER. Then the only amendment on which the yeas and nays have actually been ordered is the Helms amendment.

Mr. ROBERT C. BYRD. The yeas and nays have not been ordered on the Helms amendment.

I am reasonably sure that there will be three rollcall votes in addition to the treaty vote tomorrow. That will make a total of four yeas-and-nays votes.

Mr. TOWER. I thank the Senator from West Virginia.

#### RECESS UNTIL 10:45 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to

come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 10:45 a.m. tomorrow.

The motion was agreed to; and at 4:49 p.m. the Senate took a recess until tomorrow, Friday, March 29, 1974, at 10:45 a.m.

#### NOMINATIONS

Executive nominations received by the Senate on March 28, 1974:

##### DEPARTMENT OF DEFENSE

John M. Maury, of Virginia, to be an Assistant Secretary of Defense, vice John O. Marsh, resigned.

##### DEPARTMENT OF STATE

Webster B. Todd, Jr., of New Jersey, to be Inspector General, Foreign Assistance, vice Scott Heuer, Jr., resigned.

##### IN THE NAVY

Vice Adm. Frederick J. Harfinger II, U.S. Navy, for appointment to the grade of vice admiral, when retired, pursuant to the provisions of title 10, United States Code, section 5233.

#### CONFIRMATIONS

Executive nominations confirmed by the Senate March 28, 1974:

##### IN THE U.S. COAST GUARD

The following rear admirals of the U.S. Coast Guard to be Commander, Atlantic Area, and Commander, Pacific Area, U.S. Coast Guard, with the grade of vice admiral while so serving:

Rear Adm. William F. Rea III, Commander, Atlantic Area.

Rear Adm. Joseph J. McClelland, Commander, Pacific Area.

The following named officers of the Coast Guard for promotion to the grade of rear admiral:

Robert I. Price

Winford W. Barrow

James P. Stewart

G. H. Patrick Bursley

Robert W. Durfey

James S. Gracey

## EXTENSIONS OF REMARKS

### THE WEEK OF THE YOUNG CHILD

#### HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. BRADEMAS. Mr. Speaker, I rise to remind my colleagues that next week, the week of March 31, is dedicated to the young child of America. Under the leadership of the National Association for the Education of Young Children, citizen groups of all kinds will be working to awaken public interest in programs and services for young children from birth to age 9.

As House sponsor of the comprehensive child development bill of 1971, passed by bipartisan majorities in both houses, only to be vetoed by the President, I stress again the need for a national commitment from Congress to services for enriching the lives of children in our country.

That we, the wealthiest nation on Earth, rank 14th in the world in infant

mortality rates, and provide only 700,000 licensed day care openings for the 7 million children under the age of 6 with working mothers, is discouraging evidence that we have not yet made good on our eloquent promises to the children of America.

Mr. Speaker, if we believe in children, we will take to heart the principles enunciated by the National Association for the Education of Young Children for the Week of the Young Child:

The young child has a right to protection from physical and psychological dangers.

The young child has a right to security provided by adults who care for him.

The young child has a right to support and nurturance from a stable home and other agencies of a concerned society.

Mr. Speaker, I insert at this point in the RECORD, the full text of a call for action this week from the National Association for the Education of Young Children:

#### THE WEEK OF THE YOUNG CHILD

##### WHAT IS THE WEEK OF THE YOUNG CHILD?

The Week of the Young Child is a time for emphasizing the rights, needs and well-

being of all young children. During the Week, persons who work on behalf of young children join in a concerted effort to provide the public with information about the nature of and the need for quality services for children, and to enlist active support in efforts designed to improve the status of children.

##### WHAT ISSUE IS ADDRESSED DURING THE WEEK?

Young children are our future—the future parents, workers and decision makers of the world. Such an important resource for our future needs to be nurtured and preserved so that we can draw upon it when we need to. All adults share the responsibility for developing this resource. We far too frequently give priority to short-term goals and neglect the long-range educational and developmental needs of children. Think of what our future and theirs would be like if we put children first!

##### WHAT ARE THE YOUNG CHILD'S RIGHTS?

By birth, every child in this nation has a right to:

Protection from physical and psychological dangers.

Security provided by adults who care for him.

Support and nurturance from a stable home and other agencies of a concerned society.

## WHAT ARE THE NEEDS OF THE YOUNG CHILD?

To live and play in places which are safe, healthy and nurturing.

To acquire knowledge and skills in order to become a competent person.

To develop positive attitudes about himself and others.

## HOW CAN YOU ACT ON BEHALF OF THE YOUNG CHILD?

1. Find out about services for young children in your own community.

(a) What services exist? (education, nutrition, safety, health, etc.)

(b) Which children in your community are in need of part-time or full-time services?

(c) Are there enough programs and facilities to service the families of all young children?

(d) Among the services provided, are the various needs of children being effectively met?

2. Become informed of how public policy at the local, state, regional and national levels influences the lives of young children.

(a) Begin by studying the licensing, standards and laws at the local level.

(b) Determine the effectiveness of these regulations in guaranteeing quality services for children. Do they enhance services for children or are they restrictive?

(c) Enlarge your area of study to include state and national standards and laws.

3. Initiate or support efforts to provide services currently not available or to coordinate existing services.

(a) Join with other individuals and groups with common concerns.

(b) Help to identify agencies and organizations which could provide services if they knew of the need or if they were made aware of their importance to young children.

4. Consider the resources you have to commit toward building a future that includes children—your time, energy, know-how and finances.

## NATIONAL FUTURE HOMEMAKERS OF AMERICA WEEK

## HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. NATCHER. Mr. Speaker, National Future Homemakers of America Week will be celebrated nationwide March 31 to April 6 and it is again a pleasure for me to have the opportunity to call attention to the achievements of this fine group of young people.

Future Homemakers of America is one of six vocational education youth organizations in the secondary schools in our country and its membership totals half-a-million young men and women. There are now 6,000 young men in this organization and this year for the first time a young man was elected to a national office. The State of Kentucky has 16,000 members of FHA in 231 chapters, in junior and senior high schools.

The first HERO—Home Economics Related Occupations—chapter was organized in Kentucky this year at the Daviess County State Vocational-Technical School, which is in the Second Congressional District. Membership in this chapter includes 44 girls and boys enrolled in home economics wage-earning programs in the area of child care services and food service. Several schools have students who attend the State Vo-

cational Technical School in Daviess County for their wage-earning programs.

Membership in the HERO chapter includes representatives from Daviess County High, Hancock County High, Apollo High, Ohio County High, and Owensboro Senior High School.

This year the theme IMPACT '74 calls attention to their methods of new program planning through the program action impact kit which was developed by youth and introduced to chapters this year. The kit is devised to help FHA and HERO members design and carry through in-depth projects based on their individual concerns and interests as they relate to the home economics classroom study. Projects are concerned with the care and guidance of children, working with the elderly, helping the handicapped and underprivileged, the ecology, promoting understanding between youth and adults, delving into career and job opportunities, and others that are of concern to our youth. These projects provide an opportunity for members to learn, to know, care and do the things that help prepare them for living in the future, as well as the present.

FHA and HERO chapters seek to develop responsible leadership and initiative and to help students learn how to plan and carry out their programs as they work with other youth and adults in their schools and communities. Through chapter activities the members learn to think independently and make informed choices in relation to the everyday problems with which they are confronted.

Mr. Speaker, as I have stated before, I have two very good reasons to be particularly interested in and proud of the FHA—Kentucky has the enviable distinction of being the original charter association in the National Future Homemakers of America organization, and I am privileged to hold an honorary membership in this organization.

In extending congratulations for 29 years of progress in their many worthy endeavors, I want to express my sincere appreciation and admiration and to wish all of these young people continued success as they proceed to meet the challenges that lie ahead.

## NORMALIZATION OF RELATIONS WITH CUBA OPPOSED

## HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. ASHBROOK. Mr. Speaker, with the Nixon administration already pursuing détente with the Soviet Union and friendship with the Chinese Communists, some Americans may be wondering where we go from here. Are not there any more enemies that we can embrace as our friends?

Never fear. The Senate will show us the way. After all, there is still one Communist dictatorship that our Government refuses to deal with: Castro's Cuba.

Therefore Senator CLAIBORNE PELL has introduced S. 2802, a bill which would repeal the Cuban Resolution adopted by

Congress and signed into law by President John F. Kennedy in 1962. This resolution expressed our determination to prevent the Cuban regime from extending, by force or the threat of force, its aggressive or subversive activities to any part of the Western Hemisphere. In addition, by this resolution we committed ourselves to prevent in Cuba the creation or use of an externally supported military capability endangering the security of the United States and to support the aspirations of the Cuban people for self-determination.

Senator PELL apparently would have us abandon these worthy goals and begin the process of reestablishing normal relations between the United States and Cuba. Normalization is also supported by Senator GALE MCGEE, chairman of the Senate Western Hemisphere Affairs Subcommittee. Addressing the Woman's National Democratic Club, MCGEE stated that the United States should take the lead in loosening the policy of isolating Cuba from the rest of the hemisphere.

From my perspective, this move in the Senate to normalize relations with Cuba is ridiculous. Castro has in the past pledged to support "any true revolution" in the Western Hemisphere—and he has certainly kept his word.

Cuba has been a source of revolutionary ferment since Castro seized the reigns of power. It has trained, equipped, and financed revolutionary movements throughout Latin America. Che Guevara himself, a close associate of Castro, was shot down while promoting revolution in Bolivia.

Castro has not said or done anything to justify a relaxation of tensions. Cuba deserves to be quarantined from the rest of the Western Hemisphere.

## LET US GIVE THE VIETNAM ERA VETERAN A FAIR SHAKE

## HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. OWENS. Mr. Speaker, I was pleased to join my colleagues in the House in passing H.R. 12628, the Veterans' Education and Rehabilitation Amendments of 1974. This bill, if enacted, will serve to partially aid the veteran in meeting not only his education costs, but will assure him at least a fair shake in the soaring cost of living.

Unfortunately, however, this bill will not solve all the problems faced by the veteran pursuing an education. Many veterans will still not be able to go to colleges or universities of their choice because they cannot hope to meet the high tuition of many of our country's schools. For this reason, I have cosponsored H.R. 13185, introduced by Congressman WOLFF and several other members of the House Veterans' Affairs Subcommittee on Education and Training. This bill would authorize additional payments to eligible veterans to partially defray the cost of tuition.



Recently, I received a very special letter from Barry J. Erickson of Provo, Utah, a Vietnam war veteran, expressing his feelings on the subject of the GI education program. In reading his letter, I became even more convinced of the need to pass an effective, comprehensive veterans' education bill—one that will allow any veteran to pursue his schooling and still maintain an adequate lifestyle.

The text of his letter follows these comments. I would hope that my colleagues in both Houses will read Mr. Erickson's letter. As a veteran, his testimony lends a better argument for the urgency for passing this legislation than any additional comment I could make.

PROVO, UTAH, March 18, 1974.  
 Congressman WAYNE OWENS,  
 State and First South,  
 Salt Lake City, Utah

DEAR SIR: In response to the proposed McGovern Bill regarding increases and additions to the benefits of the GI Bill, I feel it my privilege to write to you some of my feelings on the subject as a Vietnam war veteran.

You are well aware of the uniqueness of the Vietnam veteran in that he served in an undeclared, ill-fought and highly controversial war. As a soldier he went to war without the complete support of either his peers or government leaders. As a returned veteran he received no general public thanks or appreciation for responding to the call of his government and often was either rejected or ignored by that society for which he served as a soldier in a foreign country when he tried to assimilate himself once again into the normal life of a civilian. He came home to high unemployment, record inflation, internal national upheaval and governmental dishonesty, dissoluteness and corruption.

With this heritage he, if he desired a higher education, was faced with a GI Bill inferior in benefits to either those of the Second World War or Korean War eras. The one feature of the current GI Bill that is so distasteful is that it only pays a specific monthly amount out of which the recipient must pay all school costs—an impossible task as you know. The new bill at least would allow the veteran to go to a school other than a state sponsored school and receive the training for which he may qualify based on the scholastic criteria of the educational institution and not be limited or refused because he cannot pay the tuition required for a high quality school.

It has been shown, if I remember my facts correctly, that of the many programs instituted by the government to give money to various people, organizations and governments, the money allocated for veteran educational benefits is one of the very few that is paid back and that by the increased tax payments from those who benefited under the Bill and were able to increase their earning capacity.

There is one final point that I must make. The present GI Bill restricts the use of benefits to the pursuance of a specific academic goal. If one, through prior schooling, achieves his specific terminal goal in his chosen major field within the prescribed time limit of the Bill, he is then no longer able to use any remaining benefits for other useful and desired educational pursuits. I feel that a veteran should be able to use his entire allotted time to pursue any and all forms of educational programs listed as proper by the Bill. We did not restrict our time to the military, why should we be restricted in receiving benefits?

Perhaps my case may be used as an example. Upon my return from Vietnam I wanted to get a law degree along with a PhD degree in business. The Veterans Administration said it must be one or the other. My point is, if I can finish both de-

grees in the allotted time why should I not be allowed to use my entire benefit time? The government is certainly not losing money or wasting it, rather it would merely be exercising its obligation to provide for 36 months of educational benefits.

Thus if the GI Bill is designed as mere conscience money by the government, then it does no good to try to make it appear as anything else. If however, it is designed to help those who served in the military to improve themselves and make a better contribution to society than perhaps they may be able to do without the Bill, then make the program suited for the lofty goal. Help the veteran to go to any school for which he qualifies. Let him use all of his benefits for any and all educational programs regardless if they lead to a terminal degree in one narrow field. Let the PhD graduate learn to fly or learn a skill if he has time left on his Bill. Both he and the country will benefit.

These thoughts are common to many of my fellow veterans from whom you may not hear so please make the GI Bill a tool for the improvement of the country. It will be money wisely invested and returned with interest.

Thank you for reading my thoughts and let me express my confidence in you and the republic system to meet the needs of the people with honesty, integrity and magnification of the high office of a representative of the people.

Sincerely,

BARRY J. ERICKSON.

#### A SPEEDY SOLUTION TO THE DANGEROUS SITUATION IN THE NORTH OF IRELAND

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. RONCALLO of New York. Mr. Speaker, one of the continuing hot spots of the world remains Northern Ireland. There is hardly a weekend that goes by that we are not reminded of the waste of war in that embattled area.

The county legislature of Suffolk County recently passed a resolution, which explains the sentiments of our mutual constituents on the Irish situation.

I commend that resolution to the attention of my colleagues:

RESOLUTION No. 232 1974, URGING THE U.S. CONGRESS TO TAKE AFFIRMATIVE ACTION TO PERSUADE ALL CONCERNED PARTIES AND THE WORLD COMMUNITY OF NATIONS TO A SPEEDY SOLUTION TO THE DANGEROUS SITUATION IN THE NORTH OF IRELAND.

Whereas, the many contributions of men and women of Irish blood to the County of Suffolk, the State of New York, the building of our Nation, and to the Cause of Freedom everywhere since the earliest times; and

Whereas, the fact that Ireland is artificially partitioned against the wishes of the overwhelming majority of the Irish people; and

Whereas, that Irish people in the six-county area of Ireland known as "northern Ireland" are denied basic civil and human rights, and are unable to obtain either adequate protection or equal justice under law; and

Whereas, the explosive situation in "northern Ireland" is an unreasonable threat to the Peace and is, therefore, the legitimate concern of all men; and

Whereas, it is in the best interests of the United States that there be a just and equitable solution to this problem in order that

peace, order, justice and well-being might be restored to that part of the world; and

Whereas, for humanitarian reasons, as well as out of respect for the principles of freedom, liberty, natural law, justice and history, we hereby take notice of the dangerous and deplorable state of affairs in Ireland; now, therefore, be it

Resolved, that the Suffolk County Legislature respectfully, yet firmly, urges memorializes and petitions the Congress of the United States to manifest our country's traditional position as guardian of freedom and republican-democracy, the dignity of all mankind, freedom of conscience, and mankind's universal natural rights, by taking such affirmative action as will tend to persuade all concerned parties, and the world community of nations, through diplomatic channels to seek a speedy, just and equitable solution to the dangerous situation in the "North" of Ireland, and to formally express the moral opinion that:

"The Irish people ought to be permitted to exercise the Right of National Self-Determination, thus returning the disputed six counties of northeast Ireland to the Irish Republic, unless a clear majority of all the people of Ireland, in a free and open plebiscite, determine to the contrary"; and be it further

Resolved, that copies of this resolution be transmitted to the President of the United States, the Secretary of State of the United States, the Speaker of the House of Representatives and to each member of the Congress of the United States from the State of New York.

#### THE HAYSTACK MOUNTAIN SCHOOL OF CRAFTS

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. COHEN. Mr. Speaker, I am pleased to be able to bring to the attention of my colleagues in the House a distinguished school which operates each summer in my district: the Haystack Mountain School of Crafts in Deer Isle, Maine.

Long respected by craftsmen throughout this Nation, Haystack has provided serious craftspeople with a unique opportunity to work and learn together in an atmosphere which promotes the enthusiastic exchange of ideas as well as the development of individual knowledge and talents. During this coming summer, Haystack will be sponsoring a very special program designed to bring visibility to the presence and unique accomplishments of black craftspeople, particularly in this country, and to give the entire crafts community a greater understanding of the development of the black crafts culture and an opportunity to explore in depth the alternatives it provides. With the assistance of the State Department and the National Endowment for the Arts, Haystack has been able to locate and bring over for several weeks noted African craftsmen who will serve as instructors to the Haystack community in the special crafts of their continent. This will be followed by another session led by distinguished black craftspeople from this country.

Haystack believes strongly that their program this summer presents special opportunities for development and exchange by black and white craftsmen. However, while the number of black craftspeople is growing, many of them

are not generally known to the crafts community and may not be aware of this summer program. Haystack is now attempting to discover and contact promising young black craftspeople in particular and provide scholarships wherever possible to enable their full participation. The school is hopeful that individuals, schools, or other organizations who know of such talented individuals will contact them about the program and may even wish to serve as their sponsors.

Mr. Speaker, it is my hope that by bringing this fine program to the attention of my colleagues. Haystack's efforts in locating serious and promising young craftspeople will be assisted. I believe the following description of the program and its goals will excite and encourage those wishing to develop their understanding of and abilities in the fundamental and artistic skills involved in crafts.

#### A description of the program follows:

##### 1974 HAYSTACK SUMMER

The 1974 program at Haystack will find the offerings of the various sessions keyed to specific, mutual considerations perhaps more than has been the custom previously. Unification of effort in the different crafts during the first period—June 23 to July 12—under the guideline: "Photography In The Crafts" will be maintained according to an over-all concentration on photo-technical applications in all departments. In addition to pursuing basic craft methods, students will explore ways of incorporating the photo process into the final results of their work. Photosensitizing techniques among others will be explored with the aim to promote new conceptual approaches and provide for unique visual solutions in graphics, ceramics, textiles, and metalwork. The first session will be led by craftsmen in each of these media who have demonstrated special photo orientation in the development, design and/or creation of their work.

The particular coordinating factor during the 2nd and 3rd periods—July 14 to August 30—will be the African-American theme. Toward this end, all the departments will be supervised by African and Afro-American craftsmen. The sessions as a whole will provide an opportunity for some examination of African-American relationships within the field of crafts and should reveal some exciting motivations for both art and ethnic research. We believe that students and teachers of the crafts in this country would reap substantial benefit from more direct and extensive exposure to the ethnic and cultural values of African craftsmanship. We also feel that the black American craftsman should share more fully in the growing vitality of the crafts movement in the United States.

To translate these related ideas into action, Haystack will present a special summer workshop emphasizing close contact between visiting artists, students and resident faculty. There will be one three-week session under African teachers and another under American black teachers. One week between the two sessions will be devoted to cultural exchange for all students and teachers; this will provide a forum for examination of current ideas and trends among black American craftsmen and leaders of native African crafts. Appropriate music, dance, films, readings and exhibitions will be programmed for this interval.

The final period, September 1 to 20, will extend the traditional range of courses and expand the ideology at Haystack with such polar pursuits as a workshop in Plastics and general researches in teleological purpose—let's say, exercise in Mime, study of Windmills, review of Future Alternatives for shelter, feeding, clothing—conceived as an imagined outreach for basic crafts. The regular shops for ceramics, glass, graphics, jewelry,

weaving and photography will function independently allowing for maximum concentration if one wishes to focus exclusively on a single area. Each studio will be led by a master craftsman. The additional program of lectures, films and seminars which are features of evening meetings—often introducing visiting professionals who are prominent representatives of the various disciplines—will add a rich potential for interchange of ideas and opinion.

##### STATEMENT FOR AFRO-AMERICAN SESSION

Somebody went and did it. At last, the black community has been recognized in and by the 20th century craft world. Some members of that world may sigh with relief of a job well done. But, for us, the black crafts people, current and yet to come, our reaction might well be, "OK, so now what?" If the U.S. craft world, for so long a completely white phenomenon, will listen, as we hope it will, perhaps we can answer that question in terms of real black need.

To much of white America, and to a lesser degree the white American craftsman, a long intimate association with black experience is, sadly, a rare happening. We would like to lead members of the white community across the tracks with us—to show everyone how we all may develop and be included in a craft world that responds to more than just limited needs.

We want to show the similarities between the black American craftsman and his African counterpart but, more important, we hope to make clear that while both share common craft beginnings and, to a great extent, a common motivation, the American black craftsman has his own unique culture simply because of the long term survival in America.

We would like to show the validity of emphasizing utility in craft making as against purely conceptual considerations. It is important to understand the distinction between the African crafts, from which black American crafts may have taken its source, and the stereotype of the American contemporary art/craft scene—the former subserving a ritual necessity, the latter a gratuitous individual expression—and to ask the question if viable, day to day craft work for function may not be more basic to present day black needs than the production of crafts as "Spectator Art."

With economic survival leading to social/political independence being one of the greatest needs in the black community, it behooves us to make a strong link between craft activity and everyday life. Contrary to much current persuasion, purely funk or camp craft/art may not strengthen that link. "Economic Development," the newest phrase heard in growing circles, could just be more real to the black craftsman than anything else.

Considering the number of craftspeople looking for an alternative to the teach-to-eat syndrome, the Afro-American session may be very timely. The presence of significant black representation for the first time in Haystack history is a unique opportunity for both black and white communities to explore an alternative very directly and very intensely. We have a long way to go before black needs are met and blacks participate more fully in the craft world. This is a beginning. Allen Fannin, Coordinator.

##### HON. BILL MAILLIARD

##### HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1974

Mr. DANIELSON. Mr. Speaker, like my colleagues, I greatly regret that Bill

Mailliard has resigned from the House of Representatives after 21 years of outstanding service to our country. Although it has been my privilege to know him personally for only 4 years, I am mindful of his long and useful career in public service, both here in Washington and in our State of California.

I will always be grateful to Bill for the valuable assistance he gave me when I was a freshman Member. Although he was a member of the other party, I always felt free to consult with him on any subject, and he always gave me good counsel.

In the short time I have known Bill Mailliard, I have come to respect his great ability as a Member of Congress, particularly in the field of foreign affairs, to which he has devoted most of his attention.

It is good to know that although Bill is leaving the Congress, he will not be leaving public life. I am sure, because of Bill's background in foreign affairs and his talent as a public servant, that he will do an excellent job as the permanent representative of the United States to the Organization of American States. I anticipate that it will be only the first step toward a greater career in the diplomatic world for Bill Mailliard.

##### A CLOSED MEETING ON THE PRIVILEGE OF SOLICITING FEDERAL EMPLOYEES FOR FUNDS

##### HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. OBEY. Mr. Speaker, an advisory committee of the Civil Service Commission intends to meet behind closed doors next week to review the requests of national voluntary agencies to participate in the on-the-job fundraising solicitation program for Federal employees.

An announcement in today's Federal Register says the Committee on Private Voluntary Agency Eligibility will hold a closed meeting at 1:30 p.m. Tuesday, April 2, to review applications for fundraising privileges which have been submitted by voluntary organizations to the Commission, and to make recommendations to the Chairman of the Commission on the eligibility of these agencies to participate in the Federal fundraising program.

This committee has been around a long time—it was established on October 19, 1961—and its most recent meeting—on May 22, 1973—was closed to the public, too, so perhaps that has been its regular practice. In any case, this committee is now subject to the requirements of the Federal Advisory Committee Act, and the meeting notice I have cited appears not to comply with it, in two ways:

First. The law requires timely notice of meetings, even closed ones, which the Office of Management and Budget interprets to mean not less than 7 days notice. Today's announcement fails to meet that standard.

Second. The law says a meeting can be closed if it will be "concerned with mat-



ters" which the Freedom of Information Act exempts from mandatory disclosure. However, no exemption is specified in the notice, making it impossible for a member of the public to know whether the matters to be discussed qualify for exemption, and hence to challenge the closure decision on grounds that they do not qualify.

At first blush, applications from national voluntary agencies for the privilege of soliciting funds from Federal employees do not appear to qualify for the FOI Act exemptions covering interoffice memorandums, trade secrets, national defense matters, or any of the others.

The text of the meeting notice follows:  
Civil Service Commission, Committee on Private Voluntary Agency Eligibility

#### NOTICE OF CLOSED MEETING

Pursuant to the provisions of section 10 of Pub. L. 92-463, effective January 5, 1973, notice is hereby given that the Committee on Private Voluntary Agency Eligibility will hold a closed meeting on April 2, 1974. The meeting will be held in Room 5323, Civil Service Commission Building, 1900 E Street NW., Washington, D.C., beginning at 1:30 p.m. and ending at approximately 4:30 p.m.

The Committee's primary responsibility is to make recommendations to the Chairman of the Civil Service Commission regarding eligibility of national voluntary agencies to participate in the Federal fund-raising program. At this meeting the Committee will review applications for fund-raising privileges which have been submitted by voluntary organizations to the Commission in compliance with the Federal Fund-Raising Manual.

The meeting will be closed to the public under a determination to do so made under the provisions of section 10(d) of Pub. L. 92-463. Additional information concerning this meeting may be obtained by contacting the Office of the Chairman, U.S. Civil Service Commission, 1900 E Street, NW., Washington, D.C.

IRVING KATOR,  
Assistant to the Chairman.

[FR Doc. 74-7125 Filed 3-27-74; 8:45 am]

#### LETTER TO THE EDITOR

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. BROYHILL of Virginia. Mr. Speaker, the attached letter is submitted for inclusion in the CONGRESSIONAL RECORD at the request of my constituent, John W. Ecklin, as a followup to his previous letter which appeared in the RECORD under date of February 1, 1974:

#### LETTER TO THE EDITOR

I am amazed and encouraged by the concern and ingenuity of U of Md readers of The Diamondback. From the blind ad "Brain Teaser" which ran in the Feb. 15, 1974 issue I have already heard from 24 readers. "Brain Teaser" gave some of the scientific basis for pages E5749 and E5750 in the 12 Sept 73 Congressional Record, "Magnetism As A Power Source."

To all readers of The Diamondback and respondents, please be advised I know about the first law of thermodynamics and do not believe it has been violated for two obvious reasons; 1. There is energy in a magnet's field. 2. Springs prevent a heat or thermodynamic loss. The second law is obviously wrong as normally when a magnet attracts a piece

of iron, the iron is moved and there is heat generated from an inevitable impact which changes the total energy of the universe without in any measurable way changing the magnet.

Another approach is—Except in "one" case, whenever you attach a magnet to a window or other non-magnetic material and move another similar magnet, steel ball, steel springs or piece of flat iron within this magnet's field, ALL forces will be conservative. The exception is to have springs arranged so they are compressed as the magnet attracts the steel ball horizontally ALMOST to it. Now when you insert the flat iron between the steel ball and the magnet, the forces on the ball are no longer conservative. The iron absorbs most of the magnet's field, the steel ball is no longer as strongly magnetized and the springs repel the steel ball. It is strange but the "shape" of iron determines whether it becomes a good temporary magnet or a good shield.

Finally—we should be teaching kids magnets repel much further than they attract because it is interesting, intriguing and is a scientific fact and not necessarily because the difference may someday be harnessed as useful energy.

Sincerely,

JOHN W. ECKLIN.

#### DOCUMENTS SHOW BIG OIL CARTEL RESTRICTS PRODUCTION TO RAISE PRICES

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. EVINS of Tennessee. Mr. Speaker, documents from the files of Standard Oil Co. of California—Socal—reveals that big oil companies have acted to restrict the production of oil in an attempt to keep prices high.

An article written by Jerry Landauer and published March 27, 1974, in The Wall Street Journal reports that the Standard Oil documents reveal that oilmen became worried some years ago that growing oil surpluses would depress prices.

Some oilmen took action to reduce surpluses by restricting production and this action could well be responsible for today's oil shortage, according to the newspaper report.

The oil surplus, or idle capacity as it is known in the trade, stood at about 6 million barrels a day in the early 1960's. But in 1968-69 the idle capacity shrunk to 4 million barrels per day, and it fell to zero in 1973, according to the article.

Because of the interest of my colleagues and the American people in this matter, I place in the RECORD herewith the article by Mr. Landauer entitled "Not Long Ago, It Was Too Much Petroleum That Upset Oil Firms."

The article follows:

NOT LONG AGO, IT WAS TOO MUCH PETROLEUM THAT UPSET OIL FIRMS—SECRET REPORTS SHOW SOME MOVED TO CUT PRODUCTION TRYING TO KEEP PRICES UP—HOODWINKING IRAQ'S LEADERS

(By Jerry Landauer)

WASHINGTON.—Among oilmen nowadays, the talk is all of shortages. And the industry's publicity broadsides tell again and again how shortages might have been prevented.

"The fuel industry has been warning . . . for the past decade," a Gulf Oil Corp. newspaper ad says, "that if government regula-

tions continued to keep oil and natural gas prices at levels too low to generate capital needed to find more oil and gas, our nation would eventually run short."

During most of the past decade, however, some oilmen were actually worrying in private not about impending shortages but about oil surpluses that could depress prices and profits. And some international operators were considering or taking action to head off such surpluses—action that may have contributed to today's shortages. Evidence for this conclusion comes from secret U.S. government reports on activities of various oil companies and from the files of Standard Oil Co. of California, known as Socal.

"The overhang of surplus crude avals" (shorthand for "availabilities") "is very large," according to a forecast prepared by Socal's economics department in December 1963. The document projected a "large potential surplus" through 1973, and it predicted even more troublesome excesses through 1978, when the expected flow of Arctic oil, on top of imminent new production in Australia and strong growth in Indonesia, would be "extending and magnifying surplus supply problems."

#### SLASHES IN OUTPUT

With such a dire future in mind, the company's economists proposed strong measures to prevent an oversupply—though Socal contends this was only a paper exercise. At a time when oil-producing countries were demanding ever-bigger output to lift their national incomes, the Socal men urged cutbacks in most of the foreign lands where U.S. companies operate.

The company economists proposed slashing total 1969 output from the level of "indicated availability" in Egypt, Nigeria, Libya, Latin America and Indonesia; such reduction, they figured, would permit "politically palatable" growth of production in Saudi Arabia and Iran, where Socal and some sister companies are most heavily invested. "Pressures will exist to continue to produce in many areas in excess of market requirements," they warned.

The oil economists also assumed that all the major international companies would act concurrently to hold production down rather than see prices drop. And their prediction of industry production behavior in 1969 was remarkably prescient. Though they missed wildly in a couple of countries, their error for the Eastern Hemisphere and for the entire non-Communist world was roughly 1%.

#### "NO COLLECTIVE DETERMINATIONS"

James E. O'Brien, Socal's vice president for legal affairs, warns against drawing conclusions. He says the forecast of supply and demand was merely a "think piece" lacking much significance and unrelated to management decisions.

"This was only one assessment by one company," Mr. O'Brien says. "There were no collective determinations. . . . There is no international oil cartel. . . . So it would be a big mistake to salivate too much over this piece of paper. . . . Dammit, we think we've done a darn good job of bringing oil to the American people."

Still, the company's persistent worry about oversupply ("The worry was no different than it had been for five or 10 years," says C. J. Carlton, manager of Socal's economics department, who signed the 1968 forecast) could explain a basic development: The major international companies have permitted spare production capacity to shrink in recent years.

In the early 1960s, this idle capacity available to meet unexpected demand in the non-Communist world stood at roughly six million barrels a day. Oilmen then saw this standby reserve as permitting them to negotiate in a hard-nosed way with demanding governments of the producing states; as an Exxon vice president, George T. Piercy, says,

"We had alternatives, and when you have alternatives you have strength."

#### NEVER UNLIMITED

But in 1968-69 the idle capacity fell below four million barrels a day, and it dropped to zero in 1973 as demand rose. So when Arab states began imposing production limits, the companies lacked capacity elsewhere to compensate in part for the cutbacks or to back their bargaining about prices. "Today, even if there were no political limitations on production, there would still be essentially zero spare capacity world-wide," Mr. Piercy recently told a Senate subcommittee headed by Democrat Frank Church of Idaho.

Indeed, as the Social document suggests, the Arab states may now be doing to the industrialized West just about what Western oil companies did for decades: limiting production in order to prop prices up. "We can't expect to get unlimited production from the Middle East again," laments Allen E. Murray, vice president of Mobil Oil Corp.

In fact, the big companies' long-time influence over foreign productions is generally being reversed now that there's a seller's market for oil. Not only Arab regimes but governments from Indonesia to Venezuela are demanding and getting more control over production, more involvement in processing and marketing and a bigger share of the proceeds from each barrel sold.

In the recent past, especially in the Middle East, the situation was far different. For the most part, the story of oil in that region is the story of host governments constantly clamoring for more output in order to increase their revenues and of concession-holding oil companies just as often striving to keep production down, on occasion by trickery.

In Iraq, according to a secret U.S. government report, a venture of five Western firms known as Iraq Petroleum Co. actually drilled wells to the wrong depths and employed bulldozers to cover up others, all in hopes of hoodwinking the Baghdad government. "Iraq Petroleum Co. plugged these wells and didn't classify them because the availability of such information would have made the company's bargaining position with Iraq more troublesome," the report says. (The partners in the Iraq Petroleum Co. were Exxon, Mobil, Royal Dutch Shell, British Petroleum and Compagnie Francaise des Pétroles.)

In Iran, a consortium that includes the so-called seven sisters of international oil (Social, Texaco, Gulf, Mobil, Exxon, Shell and British Petroleum) frequently resisted the shah's entreaties for more production, entreaties delivered to oilmen even on Swiss ski slopes during royal vacations. To give the appearance of rising output, the consortium at one point shifted its reporting year from the Christian to the Iranian calendar (March to March). And instead of producing more for Western markets already deemed to be glutted, the consortium agreed to sell oil to the Iranian government—with the understanding that it couldn't be resold to compete with the consortium's oil; thus restricted, the shah bartered with Communist countries.

(The 1954 consortium agreement, disclosed for the first time by Sen. Church's subcommittee last month, permitted any combination of companies owning at least 30% of the consortium to set its total output at any chosen level—as long as that level was less than the production desired by the remaining consortium members.)

... the consortium's coolness toward a proposed pipeline running from non-Arab Iran through Turkey—a pipeline that could have protected industrialized countries against Arab interruption of oil supplies. Companies belonging to the consortium didn't want the pipeline, apparently because they feared the shah might "force" them to deliver too much oil thereby.

"Major prospective user is contrary," according to a coded 1967 cable sent to pipeline-building Bechtel Corp. in San Francisco from a company scout in Iran. "Believe real reason is . . . that MPU do (sic) not relish being forced to more putthru at expense of member's global interests." ("Putthru" is jargon for oil to be delivered by way of the proposed pipeline.)

Similar forebodings following the big strike on Alaska's North Slope prompted California Standard's economics department to draw up an illustrative model of "what might occur" to "accommodate" Arctic oil by 1973. The possibilities, as outlined in a paper dated August 1968, included reducing total oil production in California by 70,000 barrels a day and cutting U.S. imports from Canada by 50,000 barrels a day.

#### A THREAT IN AFRICA

The economists warned that "absorbing this production will require many difficult decisions," not only by companies having big stakes on the North Slope but by "all of the industry. However, there is the opportunity and time for the many adjustments to be made. . . ."

Production from Africa, especially Libya, posed a more immediate threat to stable oil prices. According to the Social forecast of December 1968, production in Libya could rise from 2,591,000 barrels a day in 1968 to an "indicated" 3,555,000 barrels a day in 1969, mostly because smaller U.S. firms had gained a foothold and were pumping without restraint.

"The problem of accommodating a large potential surplus of crude in 1969 and over the five years to 1973 became very apparent when we tabled our estimates, allowing for production in many countries at indicated availability," the economists advised Social's management. "If production grew at indicated availability in most countries outside of the Middle East, production in the latter area would likely decline in 1969 versus 1968."

Such a decline was considered intolerable because the shah and the king of Saudi Arabia, both hooked on the expectation of rising revenues, weren't about to accept lower production. Irritating the monarchs might endanger the Arabian-American Oil Co. (Social, Exxon, Texaco and Mobil) and the Iran consortium, which includes all four Aramco partners. But extracting enough oil from Saudi Arabia or Iran to please the sovereigns meant aggravating oversupply problems.

#### SLICING ELSEWHERE

The company economists dealt with this dilemma after discussions with W. K. Morris, then chief of Social's foreign advisory staff. Next to their table showing the availability of oil from various countries the planners prepared a second table projecting 1969 production cutbacks of 200,000 barrels a day for Libya, 200,000 barrels a day for Nigeria, 25,000 barrels for Egypt, 100,000 for Indonesia and 100,000 for Latin American countries other than Venezuela.

But then "further adjustments" outside the Persian Gulf region were found to be necessary. Accordingly, the economics department considered it "appropriate" to slice production elsewhere more deeply (Libya was the chief loser this time) and to allow the shah and king 140,000 and 70,000 barrels a day more, respectively.

"The downward revisions or adjustments of crude production in Libya and Nigeria for 1969 were made on the assumption that major companies with large interests in the Middle East would be required to moderate their liftings from Libya and Nigeria in order to maintain politically palatable growth in their liftings from the Middle East," the economic analysis explains.

"Some companies, however, such as Occidental, Continental, Marathon and others, without large interests in the Middle East,

will be under heavy pressure to expand production rapidly and therefore aren't likely to limit their Libyan liftings. Their Libyan oil will be competing vigorously with the majors' oil from the Middle East and Africa."

#### WIOD COMPUT-A-RIDE MAKES GETTING THERE NOT A PAIN IN THE GAS

#### HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. GUNTER. Mr. Speaker, in these days of frustration from waiting in line for gas, I am happy to share with you and my fellow colleagues this fine example of community spirit which was recently displayed by the WIOD radio station in Miami, Fla.

Last November when President Nixon announced that the United States was experiencing a gas shortage and called on all citizens to voluntarily take measures to conserve energy, WIOD officials decided to initiate a computer-matched carpooling program called "Comput-a-ride."

Below are the contents of a letter I received in my district office from the promotion manager of Station WIOD which explains how comput-a-ride operates.

MIAMI, FLA., February 11, 1974.

DEAR SIR: Comput-a-ride, a project to match Dade and Broward County commuters into carpools by computer, is WIOD's major public service for 1974. The co-sponsor is the participating computer firm, Automatic Data Processing.

When President Nixon addressed the nation about the energy situation early in November, we adopted this endeavor and planned our strategy. The purpose of Comput-a-ride is to help solve three of the most pressing community problems in Southeast Florida: To lessen the severity of the energy crisis by putting more people into fewer cars. To help reduce traffic congestion. To assist in cleaning up the air by reducing exhaust emissions.

In addition to these community goals, forming a carpool will save the average consumer money. And over a period of a year the savings can be substantial.

On January 6 WIOD began asking its listeners if they needed help in forming carpools. Those who were interested received Comput-a-ride applications.

As we were making announcements on our own air, we contacted area chambers of commerce asking them to support our project. Then with the support of the Greater Miami Chamber of Commerce, the Greater Fort Lauderdale Chamber of Commerce, the Greater Hollywood Chamber of Commerce, the Miami Beach Chamber of Commerce and others we wrote to the key employers in Dade and Broward County. Each employer received a return postcard on which he could indicate the number of applications to cover his employees.

We have sent out nearly 1,000 letters, and we will continue this project for another month or so. These letters and our announcements have resulted in requests for 70,000 applications. Thus far, some 938 have been filled out and returned.

The above figures increase by the hour. For example, just this afternoon 50 more applications were returned. And we received requests for more than 3,000 applications.

We have also begun a heavy advertising schedule—full-page newspaper ads and a



month of TV commercials. Before the year is over we shall have spent (including purchased media, our own public service spots, computer time, printing, etc.) more than \$200,000.

I have attached a copy of our application. We are asking for grid origination and grid destination. But we will use zip code for origination to facilitate match-ups early in the project. However, our program and our grid system are constructed in such a way that they can be taken over by the Dade and Broward County governments if they ever get together on such a project.

Regards,

MICHAEL J. COSTELLO,  
Promotion Manager.

Mr. Speaker, I believe the people at WIOD should be commended for their outstanding civic-mindedness in volunteering great time and effort to aid fellow citizens in meeting this crisis in our country.

#### AFL-CIO CONTRIBUTIONS TO JUDICIARY COMMITTEE

#### HON. E. G. SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. SHUSTER. Mr. Speaker, despite the widely differing views on whether or not the President should be impeached, or even what constitutes an impeachable offense, one thing that most people seem to agree on is that partisan politics has no place in an impeachment inquiry. The historic and far-reaching effects of such an inquiry clearly outweigh any purely political considerations.

With this in mind, an active and civic-minded constituent of mine, J. Glenn Benedict, of Chambersburg, Pa., wrote to the Honorable PETER W. RODINO, chairman of the House Judiciary Committee, concerning alleged AFL-CIO political contributions to the chairman and other members of the committee. A copy of this letter also went to the Honorable EDWARD HUTCHINSON, ranking minority member of the Judiciary Committee. The letters were dated February 11, 1974.

Because this inquiry involves the importance of impartiality on the part of Judiciary Committee members, I insert at this time Mr. Benedict's letter and enclosure in the CONGRESSIONAL RECORD:

FEBRUARY 11, 1974.

HON. PETER W. RODINO,  
House Office Building,  
Washington, D.C.

DEAR MR. RODINO: As your Committee has been designated to investigate possible impeachment of President Nixon and to make recommendations to the House, I am sure that all Americans would agree that an investigation of this kind should be handled by an impartial committee.

I therefore wish to call your attention to the January issue of the U.S. News & World Report and especially on page 5, a photostatic copy of which is enclosed where it is stated that Americans for Constitutional Action reports that the AFL-CIO, vigorously pro-impeachment, contributed about \$191,000.00 to the 1972 campaigns of members of your committee and that you as Chairman received \$30,923.00. Did you and members of your Committee receive money as here stated? If you did, do you feel that you can

lead an impartial committee in a fair investigation.

If you deny that you or members of your Committee did receive such campaign support as alleged, I will be pleased to spread the news wherever I can.

Please let me hear from you.

Very truly yours,

J. GLENN BENEDICT,

#### WASHINGTON WHISPERS

Americans for Constitutional Action—a "conservative" group—reports that the AFL-CIO, vigorously pro-impeachment contributed about \$191,000 to the 1972 campaigns of members of the House Judiciary Committee, which is now sifting charges against President Nixon. According to the ACA, all but \$2,100 of the money went to Democrats on the Committee, with the biggest chunk—\$30,923—sent to Chairman Peter W. Rodino, of New Jersey.

#### FLAWED HOUSING BILL

#### HON. J. WILLIAM STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. J. WILLIAM STANTON. Mr. Speaker, a recent editorial concerning the Senate-passed housing bill was brought to my attention. This editorial points out many of the flaws that are in the Senate-passed bill. The editorial also reflects many of my own personal thoughts in regard to this legislation.

The Housing Subcommittee of the House has been meeting for the last 6 weeks to come up with a housing bill this year that will not be just a repeat of the many mistakes that have been made in the past. I am pleased to be able to say that this week we did complete the markup on a Better Communities Act that, in my opinion, is fairer, simpler, and far superior to the Senate-passed version.

Fundamentally, each city in America, upon the presentation of a plan of community development and housing, would be eligible for Better Communities Funds. The bill, as marked up in our subcommittee, has practically the unanimous approval of our subcommittee. Cities can set their own priorities and yet it has an adequate phaseout formula for those cities who have participated in model cities, urban renewals, et cetera, programs in the past. It also recognizes, for the first time, the importance of growth in urban counties with populations of 200,000, or more. The committee next week will be focusing in on the housing section of our new bill.

Although no one can predict its outcome, I think there is general consensus that this year we should concentrate on what is known as the 23A leasing program. We will attempt to expand this program with the thought of concentrating on adequate housing for the elderly and the poor. We will also allow for phase-in opportunities for the administration's program of direct cash payments. It is regrettable that the pilot projects on this subject have not yet given us the full information that we need. However, I feel sure the committee will make our bill flexible enough to allow us to take a good look at this program.

In my opinion, a good housing bill should be a top priority in this session of Congress. Since the administration invoked the moratorium, we have fallen far behind in our basic commitment to provide decent housing in this country. In order to get out a bill this year, the subcommittee is under tremendous pressure as far as time is concerned. A smaller bill, limited to a Better Communities Act, a new housing program, and long-overdue changes in FHA insurance has the best chance of passing. If we go to the Christmas tree approach, as did the Senate, I am afraid that we will run out of time and that no bill will be the result. The House bill this year is the type of legislation that could show the country that a Congress controlled by one party and an administration of another has put their selfish interests aside for the best interests of the country. The bill that will pass Congress has to be a compromise on the part of everyone. I, personally, plan to spend the days and weeks immediately ahead to help assure passage of a bill that can pass the Congress and be signed by the President.

Mr. Speaker, I am enclosing the recent editorial by the Cleveland Press for the benefit of my colleagues:

[Editorial from the Cleveland Press,  
Mar. 16, 1974]

#### FLAWED HOUSING BILL

The Housing and Community Development Bill passed by the Senate this week relies too heavily on shopworn programs that should have been abandoned, or radically revised, long before this.

So much money has been frittered away on federally subsidized and federally insured housing in recent years that Congress should be ready for a completely new approach.

Yet the Senate wants to retain some of the same old programs, slightly modified.

What this means, unfortunately, is that aid intended for the poor and the near poor would continue to flow into the pockets of middlemen—realtors, appraisers, bankers, remodelers—who make quick profits on the sale and rental of houses and apartments to low-income families.

In too many cases, the properties deteriorate so rapidly that the families are forced to move out—and the Government is left holding the bag.

The Senate bill does have some good features.

It lumps urban renewal, open-space, water-sewer and other community improvement grants into one broad category so that cities can set their own spending priorities.

It permits the Government to turn over empty, tax-delinquent houses to "urban homesteaders" will to fix them up and move in.

But there still is too much federal regulation of housing and urban renewal programs and too little emphasis on letting communities, and individuals, do their own thing.

For the most part, President Nixon has been indecisive in the housing field, preferring to sit back and snipe rather than propose programs of his own.

To his credit, though, the President did come up with a plan last fall that could help thousands of low-income families if it ever gets out of the experimental stage.

The President wants to make direct cash payments to poor families (it's now being tried in 10 cities) so they can find, and afford decent housing in the private market. That approach makes more sense than pumping millions of tax dollars into hous-

ing programs that seem to benefit speculators—sometimes in cahoots with corrupt federal officials—at the expense of the very people they're intended to help.

### EARL BUTZ STRIKES AGAIN

#### HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. WALDIE. Mr. Speaker, there may come a time when it is again possible to believe that the agricultural policies of the Federal Government are being managed in the interest of all the people—but surely that time must await the retirement of the incumbent Secretary of Agriculture. In a move barely credible even in these increasingly incredible months, the Department of Agriculture yesterday announced that it was purchasing \$45 million worth of beef to “improve prices to cattle producers and feeders.”

From those wonderful people who brought you hamburger at \$1.10 per pound has thus come another lesson in the one-way-only economics of the Nixon administration. When supermarket prices were surging to a 20-percent yearly gain during 1973, consumers were counseled on the delicate workings of free markets in farm products, markets far too fragile and complicated to risk Government intervention to stabilize grocery costs. A brief and limply enforced price “freeze” was the only sop to angry consumer sentiment, yet even this half-hearted move was more designed “to teach consumers a lesson” about the futility of price controls than to deal with the problem of runaway food inflation.

But for all the free market homilies, Mr. Speaker, it now becomes apparent that whenever farm prices show the slightest sign of moderating from their present extravagant height the full weight and resources of the National Treasury will be thrown into an effort to prop these prices at farm-pleasing levels. President Nixon attempted to distort the real nature of this latest outrage against shoppers by claiming that the purchase of livestock at this time represents a “bargain” buy for the Federal Government. It is, I suppose, this same canny, bargain-hunting administration which is currently asking Congress to spend a record \$88 billion on national defense.

After the last 2 years of Mr. Butz' stewardship over our most precious and vital natural resource, nothing should probably surprise us. The consequences of the Russian grain sales may have been unpredictable in the summer of 1972, but in the months since that “shrewd deal” was concluded the administration has repeatedly acted in the most irresponsible ways to bolster food costs. Two months prior to the 1972 Presidential election the Department of Agriculture restricted wheat plantings by the maximum allowable by law, even though wheat prices—and wheat growers' incomes—were al-

ready reaching unprecedented levels. In February of 1973, with the upward spiral in meat prices well underway and shoppers desperately attempting to secure more reasonably priced protein sources, the Agriculture Department advised the Nation's breeders to cut back production of broiler chickens in anticipation of inadequate poultry prices later in the year.

The record of agricultural mismanagement under the Nixon administration makes the recent beef purchase understandable, perhaps; but nothing can make it palatable to the American wage earner or his family. One congressional study determined that it cost a middle-income family almost \$1,200 more in autumn of 1973 simply to maintain its 1972 living standards—most of this astounding increase caused by higher grocery prices. And the Department of Labor calculates that the food-led inflation of 1973 cut the purchasing power of workers' take home pay by 3 percent last year, even after wage increases are taken into account. For the American family, 1973 was just that kind of year. And if Earl Butz has anything to say about it, 1974 will be the same kind of year.

### GREEK INDEPENDENCE DAY CELEBRATION

#### HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. ADDABBO. Mr. Speaker, this Sunday, March 31, the celebration of Greek Independence Day will take place throughout our Nation. In New York City the celebration will be marked by the march through the streets of Manhattan and other events throughout the metropolitan area.

These activities of the Greek-American community of our city remind us all of the great culture and history of the Greek people and their pride in that culture and history. In addition we in the Congress are reminded of the strength of the Greek people as evidenced by their struggles against oppression and their will to be free.

New York City is a home for many people of different ancestries and the Greek-American community within our city has established itself as an essential part of the great atmosphere of our exciting and stimulating metropolitan area. Every profession can boast of its Greek-American leaders and their influence over the character of life in New York. The same is true in other communities across America and for that reason, it is appropriate that we recognize the importance of Greek Independence Day in this Chamber.

I join my colleagues in wishing our Greek-American friends success in the many activities planned for this Sunday's celebration and I look forward to participating in those events in our city.

### THE ENERGY RECORD OF CONGRESS

#### HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. NIX. Mr. Speaker, in his Houston appearance on March 19, President Nixon said:

When we speak of an energy shortage, the greatest shortage of energy is the lack of energy on the part of Congress of the United States in setting to work and passing the legislation that will produce more energy in the United States of America.

I find it very regrettable that the President has chosen to make such misleading statements. His recent attacks on Congress do nothing to help the energy crisis and I seriously doubt whether they will do much to help Mr. Nixon. I believe that such tactics are especially unfortunate in the present situation, when the American public wants honest answers and plain talk.

Let us look at the legislative record of this Congress in regard to energy.

In November of last year Congress passed the Alaskan pipeline bill. Actually, both Houses had passed the legislation in the summer, but final action was held up by an administration threat to veto the bill. They were unhappy about provisions in the bill that would strengthen the Federal Trade Commission.

Congress also passed a bill last year directing the President to set up a mandatory allocation program for oil and oil products. The administration had insisted until very late in the game that a voluntary program would do the job.

The most important bill passed by Congress to deal with the energy crisis was the emergency energy bill. This comprehensive legislation was vetoed by the President on March 6, primarily because it would have rolled back some domestic crude oil prices. The first version of the emergency energy bill contained a windfall profits tax in place of the price rollback. The windfall profits tax caused the bill to be filibustered successfully, with administration support, in the Senate last fall.

In 1974, apart from the vetoed emergency energy bill, Congress has worked on several major bills, some of which are close to final passage. Many of these bills are on the President's list of 17 proposals.

A look at the President's list is revealing. For instance, one item, the windfall profits tax, was filibustered out of the emergency energy bill with White House support. Three other items were in the final version of this bill, which Mr. Nixon vetoed. They are, improved unemployment benefits, authority for conservation measures and rationing, and mandatory reporting of energy information.

One item on the list, creation of a Federal Energy Administration, has passed both Houses and is now in conference.



Other items are also well along in the legislative process. Some proposals, such as the deregulation of natural gas, have not gone very far because there is strong opposition to them in both Houses.

Other areas in which major legislation can be expected include energy research and development and reform of the tax structure of the energy companies.

All of these issues are complicated and often unprecedented. I believe that the Congress is proceeding responsibly to deal with these problems. It would be a great help to us if the administration would assume an attitude of cooperation, rather than confrontation with us.

Apparently the President believes that because he has submitted 17 proposals to Congress, that Congress should assemble the next day and pass 17 bills by acclamation. That is certainly not my idea of how democratic legislative bodies should act. I, for one, will continue to use my own best judgment in serving the needs of my constituents and of the Nation, and I am confident that my colleagues in this Congress feel the same way.

#### CONVERSION TO THE METRIC SYSTEM

#### HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. McCLORY. Mr. Speaker, recently I received a letter from William E. Hardman, executive vice president of National Tool, Die & Precision Machining Association in strong support of the metric legislation pending before the House of Representatives. I am attaching the letter to these remarks in order that my colleagues may have the opinion of this organization representing some 8,000 contract metalworking firms with over 240,000 employees. This organization and its members represented by both management and labor desire a coordinated program of conversion to the metric system of weights and measures—as outlined in H.R. 11035.

Mr. Speaker, I am attaching Mr. Hardman's letter:

NATIONAL TOOL, DIE & PRECISION  
MACHINING ASSOCIATION,

Washington, D.C., March 8, 1974.

HON. ROBERT McCLORY,  
U.S. House of Representatives,  
Washington, D.C.

DEAR MR. McCLORY: For the last ten years, the National Tool, Die & Precision Machining Association has been observing and studying the growing use of the metric system of measurement in the United States.

The tooling and machining industry represents an estimated 8,000 contract metalworking firms with 240,000 employees, most of whom are highly skilled. We are possibly the most measurement-sensitive industry group in the nation, in that all of our work is specified to critical dimensions often held to extremely close tolerances.

Yet, even under these constraints, we do not foresee any insurmountable problems in a national changeover to the metric system as long as there is a coordinated national plan.

Metritication presently has enough momen-

tum to be eventually inevitable. A nationally-coordinated plan is absolutely necessary to avoid the economic chaos which could arise from uncoordinated, independent efforts in developing metric standards for commerce and industry. A nationally-coordinated program can also provide the opportunity to "clean up" many of our superfluous and ambiguous standards. Such a program, guided by the principles of reason and common sense, will not cause premature obsolescence of capital equipment and will not require extensive retraining of the work force. Even in our own highly measurement-sensitive industry, required training is expected to be minimal.

It is our opinion that the provisions outlined in H.R. 11035 are in the best interests of the country, and we therefore urge you to support this bill.

Cordially,

WILLIAM E. HARDMAN,  
Executive Vice President.

#### THE CURRENT BIBLIOGRAPHY ON AFRICAN AFFAIRS—A JOURNAL OF RECORD ON AFRICA

#### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. RANGEL. Mr. Speaker, on January 15, 1974, John W. Lewis wrote an excellent article in the Afro-American newspaper entitled "African Affairs Journal Gaining Influence Role."

As the emerging nations of the African Continent advance from the tributaries to the mainstream of world affairs, the distinguished journal, Current Bibliography on African Affairs has arisen to mark their progress. So pronounced is the integrity of this journal that Congress has increasingly used its extensive information to formulate its foreign policy toward the multinational African Continent. It is indeed a pleasure for me to enter an article on their excellent journal in the RECORD:

#### AFRICAN AFFAIRS JOURNAL GAINING INFLUENCE ROLE

(By John W. Lewis)

WASHINGTON.—A black-controlled organization, specializing in African affairs is gaining an influence in U.S. policy in Africa.

The African Bibliographic Center, headed by Dan Matthews, a former State Department intelligence officer, publishes the highly-regarded quarterly, "Current Bibliography on African Affairs." The publication is known for covering a number of issues, not usually published in other journals.

Its 4,500 circulation goes to the most influential institutions in the world who are engaged in any aspect of African affairs. "Over 65 per cent of its circulation is outside the United States," said Matthews.

"I could get off the plane in Paris and be lionized," he said, "but here in Washington I'm relatively unknown."

The journal contains articles, reviews and bibliographic sections "drawn from usual and unusual sources from world-wide publications, ranging from Moscow to Tokyo."

The journal, which costs \$25 a year, contains 100 tightly-edited pages, and has an usually-high renewal rate of 90 per cent.

The Center also serves as a resource for "Habari," a telephone news service operated in cooperation with the Washington Task Force on African Affairs. The taped programs

are changed five times a week and may be heard by dialing (202) 659-2529.

The analysis and news briefs are invaluable for those trying to keep up with the flow of African events.

The Center, located at 1346 Connecticut Ave. NW, also publishes a variety of specialized books and monographs. The journal "has been given the highest rating possible by the American Library Association," Matthews said.

Six publications on "African Economic Development Themes" were published in 1973 under contract to the Agency For International Development.

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The U.S. Congress has asked permission twice to reprint Center publications. The Library of Congress regularly calls, Matthews said, to find additional information on specialized topics.

Matthews lists the "credibility" of the Center as being one of his major accomplishments. It is "nice to know," he said, that "when you approach someone in the State Department or a member of Congress, they respect your opinion and the work you do."

#### CLEVELAND PLAIN DEALER SAYS: "ARMS BUDGET: TRIM IT WARILY"

#### HON. WILLIAM E. MINSHALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. MINSHALL of Ohio. Mr. Speaker, the March 25 Plain Dealer carried an editorial expressing the reasoning and philosophy that have been the foundation of my efforts and votes through the years as a member of the Defense Appropriations Subcommittee. I want to congratulate my friends at the Plain Dealer for finally seeing the light. The editorial follows:

#### ARMS BUDGET: TRIM IT WARILY

The Pentagon is asking for a record budget of \$85.8 billion this year. There is always fat in that budget. It just asks to be trimmed off. But Congress is not in the mood to cut it except by a measly two or three billions.

We can understand that, and we do not advocate severe reductions. Reasons for keeping the military budget up are numerous. Here are some of the most compelling ones:

Soviet arms were surprisingly effective in the Egypt-Israel war in October. Battlefield missiles and antiaircraft weapons made in Russia pulled Israeli forces down several points below their former ranking of "unconquerables."

Soviet tests recently have shown they can put multiple independently targeted warheads on their massive SS-9 missiles.

Soviet naval expansion has given the Soviet Union the lead in submarines and modernity of fighting ships.

Opening of the Suez Canal, now just over the horizon, will greatly benefit Soviet naval movement. The Black Sea fleet will be able to move into the Indian Ocean, and near the oil-rich Persian Gulf much faster than the Soviets' Pacific fleet now can.

And though Secretary of State Henry A. Kissinger is in Moscow to work toward a strategic arms control treaty, relations between the Soviet Union and the United States have begun to chill. Detente is looking thin. American takeover of Middle East peacemaking put the Soviets in a back seat. That stung them and their resentment is showing.

Clashes between Washington and the European allies have got sharp. The new Labor government in Britain has been promising

arms cuts. Most European countries will consider arms cuts if they must, to pay for the higher-priced oil that is the lifeblood of their industries.

Uncertainty over the economy in the United States also makes many congressmen vote to keep up arms spending, because it means jobs and family income for many citizens.

And even the prospects of President Nixon's possible impeachment makes many Americans worry that they had better keep their guard up during what looks like a weak period in the White House, if not an executive disaster.

Debate is running its usual pattern. Economy-minded senators and those who always oppose big, inflationary military spending are for chopping down the huge budget. But it is also true that Congress itself made inevitable through pay raises a good deal of the \$6-billion increase over last year.

For the reasons we enumerated above there is not much chance that the Pentagon budget will get squeezed hard this time. A wary Congress in an unsteady world will not take chances on defense.

# LEGAL SERVICES CORPORATION

## HON. JOHN JARMAN

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. JARMAN. Mr. Speaker, on February 5, 1974, I submitted for the RECORD the following resolution adopted by the Oklahoma County Bar Association on December 13, 1973, indicating that the resolution was in support of the Legal Services Corporation bill which passed the House on June 1973. I wish to take this opportunity to correct the RECORD and make clear that the resolution expresses support of the administration's version of the bill, which is substantially the same as the bill enacted by the Senate on January 31, 1974.

The resolution follows:

### RESOLUTION

Whereas, the Oklahoma County Bar Association has always supported the Oklahoma County Legal Aid Society and continues to give its support to the work of the Oklahoma County Legal Aid Society with annual financial support as well as contributions of volunteer time,

And, whereas, the Oklahoma County Bar Association believes that there is a continuing need for legal services for the poor in this community as well as nationally,

And, whereas, the Oklahoma County Bar Association continues to support the need for adequate legal services to the poor and the need for vital and independent programs to provide this representation.

Now, therefore, it is resolved:

1. The United States government should continue funding of legal services programs to enable them to provide adequate legal services to eligible clients and to prevent deterioration of the quality and quantity of service.

2. Government at all levels and lawyers from both the public and private sectors should take every step necessary to insure that legal services lawyers remain independent from political pressures in the cause of representing clients.

3. The Congress of the United States should enact a legal services corporation of a design consistent with the foregoing principles and the need to maintain full and adequate legal services for the poor, and providing that local bar associations maintain

substantial representation on the local boards establishing the policies of individual legal services programs.

## ABRACADABRA

### HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. SCHERLE. Mr. Speaker, political magicians are attempting a new sleight of hand to hide their own complicity in campaign abuse. At the same time these pious hypocrites are crying for election reform, they are guilty of the rankest violations of existing law.

The most recent campaign abuses, spotlighted by newspaper accounts, include huge corporate contributions—notably a \$60,000 computerized list of rural voters. Suddenly, recipients of these company funds are feigning ignorance of the donor since a 1925 law makes corporate contributions to political campaigns illegal. This reminds me of the story about a piano player on the first floor of a house of ill-repute who said he did not know what was going on upstairs. These same individuals who profited from corporation checks also received sizable contributions from other sources—now a matter of public record. For anyone curious about five and six figure dollar donations—who supplied them and which candidates accepted them—we suggest checking with the Chief Clerk of the U.S. House and the Secretary of the Senate, where reports are filed and information is maintained.

Some politicians have righteously sponsored so-called campaign reform legislation to draw attention from huge contributions they have raked in. Their cure-all proposals would dip into the public trough to the tune of \$300 million for public financing of elections, laying another burden on the taxpayer.

Elected officials who have long upheld their responsibility of integrity and accountability to the public now scorn those who sport the halo of campaign reform. While minor changes in existing law could be justified, we are tired of sanctimonious reformers who can "swallow an elephant and choke on a gnat." Equally galling are their gullible followers who succumb to this rhetoric and rush in with campaign reform ideas, generally ignorant of their own candidates' transgressions.

Grassroot support of political elections is basic to our American system. However, we recognize the need to keep donations within reason and would support a ceiling of \$3,000 from any one individual. This amount far exceeds the size of contributions received in many congressional campaigns. Most financial backing comes from dinners and small donors who often give more of their time and effort than money.

The harsh glare of newspaper publicity has revealed the guile of political magicians. Their actions offstage have belied their desire for campaign reform. As Shakespeare would say, "Methinks he doth protest too much!"

## LEXINGTON, N.C., KIWANIS CLUB CELEBRATES 50TH ANNIVERSARY

### HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. MIZELL. Mr. Speaker, every Member of Congress, indeed, every holder of public office, knows that public service is the most enriching and ennobling pursuit of men.

We have chosen public service as a full-time career, and while it requires of us sizable contributions of time and energy and effort, these investments are profited by the deep sense of satisfaction that comes with seeing the people's needs met, their opportunities expanded, their will obeyed.

But there are those who are equally committed to public service, though in a private capacity. Among the most active of these groups is Kiwanis International, and among the most active chapters of Kiwanis is the Lexington, N.C., chapter which today is celebrating its 50th anniversary.

The Lexington Kiwanis have proven their dedication to community service time and again over the last half century. Their reward has been found in the progress of their community. Their rewards have been great, because their goals and their efforts have been great as well.

Their future pursuits in the next half century and beyond, will, I am sure prove equally successful, for I have seen, and continue to see demonstrations of ability and talent and willingness to work around in the membership of that Kiwanis chapter.

Today still living in the Lexington area are these charter members of the organization: Don Walser, J. Hill Smith, Sim A. DeLapp, R. B. Talbert, F. N. Nelson, R. Walker Martin, and T. V. Pritchett.

I am sure my colleagues join me in commending these gentlemen, the other charter members and those who have throughout the past 50 years been active in the Lexington Kiwanis Club for their long years of service to this community.

For their past accomplishments, they have my congratulations. For their future projects, they have my encouragement, my support, and my best wishes for continued success.

At this point I would like the RECORD to show the past presidents of this organization and the year they served.

### PAST PRESIDENTS

P. V. Critcher, 1924; Don Walser, 1925; Ed Byerly, 1926; Rupert McGregor, 1927; Howard Townsend, 1928; Walker Martin, 1929; Hubert Olive, Sr., 1930; and Paul Hinkle, 1931.

Bill Shuford, 1932; Adrian Newton, 1933; Reynolds Shoaf, 1934; Casper Timberlake, 1935; Lonnie Carswell, 1936; \*Charlie Sturkey, 1937; \*Lonnie Davis, 1937; and Cabell Philpott, 1938.

\*Ed Cathell, 1939; \*Buck Young, 1939; Currey Lepp, 1940; Fred Wilson, 1941; Clyde Hunt, 1942; Stuffer Myers, 1943; John Andrew, 1944; George Cable, 1945; and Cecil Eanes, 1946.

Bob Bruton, 1947; Earle Riddle, 1948; Jack Childers, 1949; Darnot Lohr, 1950; Charlie Sink, 1951; Len Wilson, 1952; Smith Young,



1953; Alvin Philpott, 1954; and Charlie Mauze, 1955.

J. C. Williams, 1956; Felix Gee, 1957; Klynt Ripple, 1958; Elmer Nance, 1959; Bud Hinkle, 1960; Theodore Leonard, 1961; Harold Bafford, 1962; Walt Brinkley, 1963; and John Callahan, 1964.

P. D. Merritt, 1965; James Bingham, 1966; Dermont Everhart, 1967; Archie Sink, 1968; Dwight Hinkle, 1969; Olen Easter, 1970; Willard Brown, 1971; Tom Suddarth, 1972; and Tim Timberlake, 1973.

Cliff Pickett—Honorary.

Mr. Speaker, the officers, directors and current membership of the Lexington Kiwanis Club are as follows:

#### Officers 1973-1974

Manly Byerly, President; Robert Grubb, Vice President; Lawson Brown, President Elect; Sherwood Canada, Treasurer; Richard Lowder, Secretary; and Tim Timberlake, Past President.

#### DIRECTORS

Harold Bowen, Jack Childress, Clint Legette, Bob Lowe, P. D. Merritt, Ted Philpott, and Steve Smith.

#### ROSTER—OCTOBER 1, 1973

Adam, Robert; Allen, Doug; Barber, John; Batson, Rhodes R.; Bernhardt, Carl E.; Bickel,

\* Second Finished Term of the First.

Fred; Blomquist, G. B., Jr.; Bowen, Harold; Brinkley, Walter Foll; Brown, Lawson E.; and Brown, Willard.

Burke, Dr. James O., Jr.; Byerly, Manly H.; Callahan, John W., Jr.; Calvert, Jack A.; Canada, Sherwood; Childers, Jack G.; Coon, Rev. Hoke; Crotts, Bruce; and Dameron, William H.

Davis, A. I.; Davis, Gray, Jr.; Dillon, James M.; Easter, Olen; Evans, Jack C.; Everhart, James D.; Flynt, James H.; Gee, Felix O.; Grubb, Robert; and Harman, John R.

Harvey, Larche, Hedrick, Robert C.; Helm, Paul V., Jr.; Hilton, Greeley; Hinkle, Dwight; Hinkle, Haywood W.; Hinkle, Paul; Holton, Frank P., Jr.; Holtzman, Bill; and Inabinett, Wm. E.

Jordan, John A.; Klass, Jack; Klein Robert L.; Le Gelle, Clinton; Leonard, Curtis A., Jr.; Leonard, Robert; Leonard, Theodore; Lohr, Lloyd D., Jr.; and Lopp, Curry F.

Lopp, John Byron, Jr.; Lowder, Richard D.; Lowe, Robert F.; Mann, Joe; Martin, Hughes E.; McIntyre, Fred H., Jr.; McKeithan, R. Leon; Merritt, Percy D.; Merritt, James B.; Middleton, R. M.

Miller, Henry C., Jr.; Miller, Seth George; Moore, John; Morris, Eugene T.; Nance, Elmer P.; Niven, W. E.; Olenick, Vince J.; Phillips, Kenneth; Philpott, Cloyd; Philpott, Frederick C.

Philpott, James Alvin; Ramney, Burris E.; Raper, Emery; Riddle, Earl E., Jr.; Ripple,

Chris; Ripple, Klynt; Sink, Archie; Sink, Charles; Smith, Eddie; Smith, Guy P.; and Smith, Robert B., Jr.

Smith, Steve; Sommers, Richard L.; Stoner, Paul G., Jr.; Strader, Hunter G.; Suddarth, Tom H.; Swicegood, James E., Jr.; Swing, Donald C.; Team, Robert A.; Timberlake, C. H., Jr.; and Timberlake, C. H., Sr.

Turlington, Bill; Varner, Dr. J. W.; Wall, C. C., Jr.; Walser, Gaither S.; William, J. C.; Williams, Jay; and Womack, James D.

## FOURTH DISTRICT QUESTIONNAIRE RESULTS

### HON. JOHN DELLENBACK

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. DELLENBACK. Mr. Speaker, each year I send to all the residents of Oregon's Fourth Congressional District a questionnaire seeking their opinions on some of the major issues facing the Congress. This year over 28,000 replies to my questionnaire were received.

The results, broken down by age groups, follow herewith:

#### 1973 4TH DISTRICT QUESTIONNAIRE RESULTS

[In percent]

	High schools	Under 21	21 to 30	31 to 45	46 to 65	Over 65	Total <sup>1</sup>
1. To help prevent campaign spending abuses in the future, which do you favor? (Check as many as you favor.)							
A. Ceilings on overall campaign spending	71	73	74	84	78	83	78
B. Ceilings on individual campaign contributions	53	50	60	60	61	61	60
C. Public financing of some campaign costs	19	20	26	19	33	17	21
D. Full campaign spending reporting	63	61	76	75	74	74	74
E. Other	4	14	11	6	8	7	9
No answer	2	2	1	1	2	4	2
2. What ultimate bargaining tool should police, firemen, and other public employees have? (Check 1.)							
A. Same right to strike as nonpublic employees	25	14	212	13	16	8	15
B. Tighter regulations on bargaining procedures, with striking as a last resort	40	50	42	36	38	39	39
C. Compulsory binding arbitration	23	21	28	38	35	35	34
D. No right to strike; no compulsory arbitration	8	6	5	8	9	14	8
No answer	4	9	4	5	2	4	4
3. Which of the following would be effective U.S. contributions to world peace? (Check as many as you favor.)							
A. Expanded trade with the Soviet Union and China	63	61	57	40	53	44	50
B. Diplomatic recognition of Cuba	32	41	35	26	22	26	27
C. Continued aid to Israel	33	39	32	42	38	52	50
D. Continued aid to Arab nations	19	20	15	13	16	13	16
No answer	9	14	20	23	22	19	21
4. To help cope with the consumption side of the energy crisis which measures do you favor? (Check as many as you favor.)							
A. Rationing gasoline	39	31	43	46	34	40	40
B. Increasing gasoline tax	11	8	8	9	6	6	8
C. Reducing highway speeds	63	67	63	60	65	72	67
D. Lifting environmental protection requirements for industry	11	11	13	26	30	33	25
E. Other	19	35	32	24	11	11	22
No answer	5	2	5	5	7	6	5
5. To continue the investigation of Watergate and other alleged campaign abuses, which do you favor? (Check 1.)							
A. A special prosecutor outside the executive branch	58	62	61	54	51	45	54
B. A special prosecutor in Justice Department	23	19	15	17	13	14	16
C. No special prosecutor	17	19	18	21	31	32	26
No answer	2	2	6	4	6	9	5
6. Which 5 of the following do you consider to be the most critical problem areas facing the Nation today? Please number 1 through 5 in order of their importance.							
Aid to agriculture	Consumer protection	Environment	Gun control	National defense	Sex discrimination		
Aid for elderly	Cost of living	Foreign relations	Health care	Population control	Tax reform		
Alcohol & drug abuse	Crime	Government corruption	Housing	Poverty	Unemployment		
Anti-strike laws	Education	Government credibility	Mideast crisis	Race relations	Welfare		
Campaign abuses	Energy crisis						

Total respondents: 1. Cost of living. 2. Government corruption. 3. Energy crisis. 4. Government credibility. 5. Crime. 6. Environment. 7. Tax reform. 8. Aid for elderly. 9. Population control. 10. Health care.

#### Age group breakdowns for question No. 6:

High schools	Under 21:	21 to 30:	31 to 45:	46 to 65:	Over 65:
Energy crisis	Cost of living	Cost of living	Cost of living	Cost of living	Cost of living
Cost of living	Environment	Government corruption	Energy crisis	Energy crisis	Government corruption
Environment	Energy crisis	Energy crisis	Government corruption	Government corruption	Energy crisis
Government corruption	Government corruption	Environment	Government credibility	Government credibility	Aid for elderly
Population control	Government credibility	Government credibility	Tax reform	Crime	Tax reform
Government credibility	Population control	Population control	Environment	Aid for elderly	Government credibility
Unemployment	Education	Health care	Crime	Tax reform	National defense
Alcohol and drug abuse	Unemployment	Consumer protection	Unemployment	National defense	Health care
Poverty	Mideast crisis	Unemployment	Aid for the elderly	Health care	Campaign abuses
	Alcohol and drug abuse	Crime		Population control	
	Poverty				

<sup>1</sup> High school questionnaires are distributed, collected and tabulated separately, and are not included in total results.

MOMENTUM GROWS FOR STRONG-  
ER ANTITRUST ENFORCEMENT

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. EVINS of Tennessee. Mr. Speaker, there is a strong movement developed across the Nation for more effective antitrust enforcement—even if additional legislation is required to strengthen the Sherman Antitrust Act and other antimonopoly legislation now on the books.

The American people, after their current experience with the price-gouging oil monopoly, want action to break up these energy conglomerates and restore free enterprise to the marketplace in all areas and segments possible of our economy.

In this connection Business Week in its current issue has an excellent article on this subject, and because of the interest of my colleagues and the American people in this most important subject, I place excerpts from the article in the RECORD:

IS JOHN SHERMAN'S ANTITRUST OBSOLETE?

THE HIGH COURT'S TOUGHER STANCE

Although there have been hundreds of antitrust decisions, the following Supreme Court cases would be on any list as landmarks on the road to tougher antitrust.

Standard Oil Co. of N.J. v. U.S. (1911): Only "unreasonable" restraints of trade are prohibited. To be guilty of monopolization, a company must have "purpose or intent" to exercise monopoly power.

American Column & Lumber Co. v. U.S. (1921): Control of competition through a trade association that distributes current price and inventory information and company-by-company forecasts is unlawful.

Maple Flooring Manufacturers Assn. v. U.S. (1925): Mere dissemination of cost and past price and inventory statistics through a trade association is not unlawful.

U.S. v. Trenton Potteries Co. (1927): Price-fixing is inherently unreasonable, and any such agreement is a per se violation of the Sherman Act.

Interstate Circuit, Inc. v. U.S. (1939): Consciously parallel behavior, where each competitor knew, even without direct communication with the others, how to act in order to control the market, is unlawful.

U.S. v. Socony Vacuum Oil Co. (1940): Program by a group of oil companies to purchase surplus gasoline on spot market from independent refiners in order to stabilize price violates the Sherman Act.

Fashion Originators Guild v. FTC (1941): Group boycotts are per se unlawful.

U.S. v. Aluminum Co. (1945): It is not a defense to a charge of monopolization that the company was not morally delinquent or predatory in its abuse of monopoly power. Even though monopoly may have been "thrusted upon" the company because of its superior foresight, actions designed to prevent competition from arising constitute unlawful monopolization.

International Salt Co. v. U.S. (1947): Tyling agreements are unlawful per se.

Theatre Enterprises v. Paramount Film Distributing Corp. (1954): Parallel behavior in the absence of any collusive activity is not unlawful per se.

U.S. v. United Shoe Machinery Corp. (1954): Business practices that "further the dominance of a particular firm" are unlawful where the company has monopoly power.

Du Pont-cm Case (1956): The government

may move to undo a merger not only immediately after stock is acquired but whenever the requisite lessening of competition is likely to occur, even if that is decades after the merger.

Brown Shoe Co. v. U.S. (1962): For purposes of determining a merger's effects on competition, there may be broad markets "determined by the reasonable interchangeability" of products and also "well-defined submarkets," whose boundaries may be determined by examining industrial customers and practices.

U.S. v. Philadelphia National Bank (1963): "A merger which produces a firm controlling an undue percentage share of the relevant market and results in a significant increase in the concentration of firms in that market is so inherently likely to lessen competition substantially that it must be enjoined in the absence of evidence clearly showing that the merger is not likely to have such anticompetitive effects."

El Paso Natural Gas Co. v. U.S. (1964): A merger that eliminates substantial potential competition violates the Clayton Act.

U.S. v. Penn-Olin Chemical Co. (1964): A joint venture by two competitors may violate the Clayton Act.

U.S. v. Pabst Brewing Co. (1966): A merger with "substantial anticompetitive effect somewhere in the U.S." is unlawful.

U.S. v. Arnold, Schwinn & Co. (1967): It is unlawful per se for a manufacturer to limit its wholesalers' rights to sell goods purchased from the manufacturer.

U.S. v. Topco Associates (1972): All territorial allocations among distributors are unlawful, even if they might foster competition against others.

EXCERPTS FROM THE MAJOR ANTITRUST LAWS

Sherman Act, Section 1: "Every contract, combination in the form of trust or otherwise or conspiracy, in restraint of trade or commerce among the several States, or with foreign nations, is hereby declared to be illegal."

Sherman Act, Section 2: "Every person who shall monopolize, or attempt to monopolize, or combine or conspire with any other person or persons, to monopolize any part of the trade or commerce among the several States, or with foreign nations, shall be deemed guilty of a misdemeanor."

Federal Trade Commission Act, Section 5: "Unfair methods of competition in commerce, and unfair or deceptive acts or practices in commerce are declared unlawful."

Clayton Act, Section 7: "No corporation engaged in commerce shall acquire, directly or indirectly, the whole or any part of the stock or other share capital and no corporation subject to the jurisdiction of the Federal Trade Commission shall acquire the whole or any part of the assets of another corporation engaged also in commerce, where in any line of commerce in any section of the country, the effect of such acquisition may be substantially to lessen competition, or to tend to create a monopoly."

The head of the major U.S. corporation spoke feelingly: "I would be very glad if we knew exactly where we stand, if we could be free from danger, trouble, and criticism." His plea could have been made yesterday, by executives at IBM, Xerox, GTE, General Motors, AT&T, Exxon, Standard Brands, Chrysler, or dozens of other large companies that have recently stood in the dock, accused of violating the nation's antitrust laws.

It was, in fact, said back in 1912 by Elbert H. Gary, chairman of U.S. Steel Corp. He was giving a Congressional committee his views on the need for updating the country's first antitrust law, the Sherman Act, to which Ohio Senator John Sherman gave his name in 1890. Echoing the sentiments of many executives, Gary complained bitterly of the restraints imposed by the antitrust law on his company's ability to compete in world markets. Business had grown too big and

complex, Gary maintained, to be shoehorned into laws drawn from Adam Smith's economic model of many small companies competing in local markets.

Two years later Congress gave Gary an unwelcome answer to his plea. It passed an even more restrictive antitrust measure, the Clayton Act, and set up the Federal Trade Commission to police business practices and methods of competition even more closely.

Today business faces much the same danger, trouble, and criticism that disturbed Gary, and is raising much the same complaints against antitrust. The International Telephone & Telegraph Corp. scandal and corporate participation in Watergate has stirred up deep public distrust of national institutions, including business. In response, as in Gary's day, the antitrust wind is rising, blown up currently by the oil crisis and fanned by consumerists, such as Ralph Nader, who argue that antitrust weapons have been used like peashooters against dinosaurs. Business almost certainly faces even tougher antitrust enforcement and possibly even a new antitrust law aimed at breaking up the corporate giants in the country's basic industries.

This prospect points up the underlying question businessmen ask about antitrust: Are laws framed more than three-quarters of a century ago appropriate legal weapons in a market system grown increasingly large, complex, and multinational? In raising this basic issue, businessmen can point to a far-reaching, intricate web of laws and rules that has made the government the regulator, watchdog, and even partner of business. Wage and price controls, health and safety regulations, and disclosure laws, are all a far cry from the economy of Sherman's or Gary's day.

Businessmen complain of the unsettling vagueness of the antitrust laws, which permits antitrusters to attack many long-standing business practices in their effort to root out restraints of trade and monopoly. The FTC, for example, is now suing Kellogg, General Foods, General Mills, and Quaker Oats, alleging that such procedures as having route men arrange their breakfast cereals on supermarket shelves are anticompetitive. The Justice Dept. has a similar suit against tire makers Goodyear and Firestone.

Executives of International Business Machines Corp., caught by both government and private antitrust suits attacking pricing and promotion policies, privately declare that they are baffled over what they can legally do. Bertram C. Dedman, vice-president, and general counsel for INA Corp., echoes a widely held view: "We never really know precisely what antitrust means. It's frequently strictly a matter of opinion."

Enormous economic stakes are involved in antitrust enforcement. Such current cases as those against IBM, Xerox Corp., and other giants involve billions of dollars' worth of capital investment and stockholder interests. Executives fear that such suits give broad power to courts not schooled in business, economics, or industrial technology. This power was dramatically illustrated last fall when U.S. District Judge A. Sherman Christensen announced a \$352-million judgment against IBM and then confessed error, sending IBM's stock into wild gyrations.

Many businessmen wonder whether their companies are often targets of antitrust prosecution simply because they are big and successful. Philadelphia lawyer Edward D. Levin sums up this attitude: "If the free market is pushed to its fullest extent, somebody wins. But the Justice Dept. seems to say: 'Now that you've won, you've cornered the market. We're going to break you up and start over.'"

All this, say many executives, makes it increasingly difficult for American business to compete internationally. Douglas Grymes, president of Koppers Co., argues that "big



corporations are the only ones that can compete with big corporations in world markets." He says that the antitrust laws seem to equate bigness itself with monopoly and thus hinder American corporations from reaching the size necessary for world competition.

#### TOUGHER ENFORCEMENT LIKELY

Despite all these deeply felt concerns, the antitrust laws are likely to become even tougher and more restrictive. Starting with the Sherman Act, antitrust has been a product more of politics than of economics. Today's rising populist sentiment has led to demands for tighter antitrust enforcement. Only a decade ago historian Richard Hofstadter wrote, "The antitrust movement is one of the faded passions of American reform." Today it is the darling of reform. As James T. Halverson, director of the FTC's Bureau of Competition, sums up: "The political atmosphere is very favorable to antitrust right now."

The many signs of stepped-up antitrust activity in the last one or two years make an impressively lengthy list. They include:

#### New investigations

Last week three federal agencies—Justice, the FTC, and the SEC—as well as some congressmen, revealed that they are turning to a little-used section of the Clayton Act to investigate the complex of interlocking directorships among major oil companies.

#### New legislation

The industrial reorganization bill that Senator Philip A. Hart (D-Mich.) introduced in Congress last year would provide a new legal basis for breaking up leading companies in the nation's most basic industries: autos, iron and steel, nonferrous metals, chemicals and drugs, electrical machinery and equipment, electronic computing and communications equipment, and energy. It is given no immediate chance to pass, but its ideas could find their way into future legislation. Another bill introduced by Senator John V. Tunney (D-Calif.) already approved by the Senate and taking a back seat to impeachment considerations in the House, would increase the current maximum criminal antitrust fine from \$50,000 to \$500,000 for corporations and \$100,000 for executives. It would also require the Justice Dept. to explain publicly its reasons for accepting a consent decree instead of preparing a case and actually going to trial.

#### Bigger enforcement budgets

The Administration is seeking large increases, by usually puny antitrust standards, in the fiscal 1975 budgets of both the Justice Dept. and the FTC for their antitrust departments. If Congress approves, Justice's Antitrust Div. will pick up 83 additional staff slots, more than half lawyers and economists. At the last big increase, fiscal 1970, the division got only 20. The FTC is due for an additional \$3-million, or a 20% increase in its present antitrust budget.

#### Growing muscle at FTC

After a long hibernation, the FTC is stepping out as a feisty agency with a new esprit, a highly professional staff, and a taste for going after bigness. It filed the monopoly suits against Xerox Corp. and the four biggest cereal makers. It has a special unit with an extra \$1-million appropriation to litigate its case to break up the eight leading oil companies. And it got important new powers from Congress last year, including the right to demand otherwise unavailable product-line sales and profit figures from companies without first clearing with the Office of Management & Budget.

#### Reorganizing justice

If the Justice Dept.'s monopoly case against IBM, filed more than five years ago, is successful, it would give new spirit to the Antitrust Div., which at least until recently

has been demoralized by the successive shocks of ITT and Watergate. Even so, the division reorganized and beefed up its economics staff last fall to enable it to undertake investigations and prosecutions with a sharper eye to the economic impact of its actions.

More and tougher antitrust enforcement is foreshadowed by more subtle changes in mood and belief as well as by these specific developments. One such change is a growing recognition that the government itself creates monopoly power. Several weeks ago Columbia Law School called together many of the nation's leading industrial economists and antitrust lawyers for a conference on industrial concentration. The participants examined what business concentration means both for the economy and for antitrust policy. About the only thing generally agreed on was that governmental attempts to regulate an industry often result in preserving the monopoly power of those being regulated. In line with this belief, insiders say that the Antitrust Div. will step up its policy of intervening in other government proceedings to shape regulatory policy consistent with antitrust principles. Last January, for example, the division formally intervened in FCC proceedings in an attempt to deny renewal of the broadcasting license of Cowles Communications, Inc., in Des Moines, and those of Pulitzer Publishing Co. and Newhouse Broadcasting Corp. in St. Louis. All these companies also own newspapers.

Another change has been the dramatic multiplication of private antitrust suits—those brought by one company against another. These include the 40-odd private business suits against IBM, ITT's suit to split up General Telephone & Electronics Corp., and the large class actions against plumbing and wallboard manufacturers. In fiscal 1973 the government filed 45 antitrust suits. By comparison, businessmen and other private parties filed 1,152, making the business community itself a significant factor in antitrust enforcement (box).

All this is leading to an antitrust Congress. Victor H. Kramer, director of Washington's Institute for Public Interest Representation and a leading antitrust lawyer, expects that "more supporters of an effective antimonopoly program are going to be elected to the 94th Congress than to any previous Congress in many years."

#### THE ALTERNATIVES

But as antitrust action steps up, so do the conflicts over the direction antitrust policy should take. The populists contend that antitrust enforcement in the past has been spineless. Businessmen complain that current policy paralyzes corporations because they are uncertain what practices are lawful and that they are being punished for being successfully competitive. Who is right?

The conflicts lead many businessmen to push for an updating of the antitrust laws. Richard L. Kattel, president of Atlanta's Citizens & Southern National Bank, which has been sparring with the Justice Dept. over the bank's expansion plans, feels that the antitrust laws "need complete revamping."

Major revamping, though, will not come because there is no general agreement on what form it should take. Most of the Columbia conference participants believe that the economic evidence for a change in policy is scanty and inconclusive. Suggestions ranged from doing nothing to pushing the tough Hart bill through Congress.

In approaching antitrust policy, there are alternatives:

(1) Abolish the laws altogether. A very few economists, such as Yale Brozen of the University of Chicago, talk as though antitrust laws are largely unnecessary. But as Robert L. Werner, executive vice-president and general counsel of RCA Corp., told a Conference Board antitrust seminar earlier this month:

"There should be little disagreement by industry over the basic validity of the doctrine of antitrust. Certainly no businessman would seriously suggest that we scuttle that doctrine and return to a pre-Shermanite jungle." The courts have ruled that such practices as fixing prices, dividing markets, boycotting, some mergers, and predatory pricing designed to destroy competitors unlawfully impose restraints on the market.

(2) Clarify the laws by specifying precisely what business practices are unlawful. If various practices can be identified and prohibited through case-by-case litigation, why not draft a detailed code of conduct?

But the very difficulty of identifying such practices when business conditions are constantly changing led to the broad wording of the Sherman Act originally. No one has ever produced an all-inclusive list of anticompetitive conduct. No one can possibly delineate all the circumstances that amount to price fixing and other illegal practices. If publication of future prices by members of a trade association is unlawful, as the Supreme Court held in 1921, is dissemination of past inventory figures and prices equally unlawful? (No, said the Court in 1925. For other such cases, see box.) Moreover, as Thomas M. Scanlon, chairman of the American Bar Assn.'s 8,500-member antitrust section points out: "There's uncertainty in any kind of litigation. Laws intended to bring more certainty often bring less."

(3) Replace antitrust laws with direct regulation. U.S. Steel's Gary favored and Koppers' Grymes favors a business-government partnership with this approval. Its advocates agree with John Kenneth Galbraith that antitrust is a "charade," that it has not and cannot produce a competitive economy in the face of the technological imperatives of large corporations. University of Chicago's George J. Stigler concludes that antitrust has not been "a major force" on the economy to date. "The government has won most of its 1,800 cases," he points out, "and there has been no important secular decline in concentration." On the other hand, many economists and lawyers would argue that Stigler has drawn the wrong conclusion. As Almarin Phillips, professor of economics and law at the Wharton School of Finance & Commerce, puts it: "The success of antitrust can only be measured by the hundreds of mergers and price-fixing situations that never happened."

Moreover, in the view of an increasing number of observers, regulation that is designed to mitigate the effects of "natural" monopolies, such as telephone service, often winds up fostering them instead. Civil Aeronautics Board regulations for example, have compelled higher airline rates than have prevailed on shorter, nonregulated interstate flights. Wesley James Liebler, recently named director of policy planning at the FTC, says: "What the airline industry needs is a little competition. In the long run we should get rid of the CAB and let in some free competition." Liebler also wants to abolish fixed commission rates for stockbrokers.

Much of the energy of regulatory commissions seems to be devoted to anticompetitive ends. The Federal Communications Commission promulgated rules several years ago designed to stifle the growth of pay-cable television. Sports events, for example, may not be broadcast on pay-cable TV if similar events have been shown on commercial television any time during the previous five years.

Walter Adams, a Michigan State University economist, notes that regulatory commissions can exclude competitors through licensing power, maintain price supports by regulating rates, create concentration through merger surveillance, and harass the weak by supervising practices that the strong do not like. To combat this kind of government behavior, the Antitrust Div. itself has, for the past several years, been intervening or attempting to intervene in such agencies as the ICC, CAB,

and SEC to force decisions that spur competition in industry.

In support of their position, reformers make a further point: Large corporations have the political muscle to force the government to support their anticompetitive goals. Adams charges that the government has established an industrywide cartel for the oil companies through publishing monthly estimates of demand; through establishing quotas for each state pursuant to the Interstate Oil Compact, which Congress approved at behest of the oil companies; and through "prorating devices" that dictate how much each well can produce. It is illegal to ship excess production in interstate commerce. Tariffs and import quotas protect only the producers, Adams says.

What this all amounts to is maintenance of shared monopoly power with the active cooperation of government. Only when the power of large companies is reduced, argue the populists, will the government be able to guide a competitive economy rather than serve as a prop for large interests. This was one of the original arguments for the Sherman Act in the 1880s.

(4) Move toward tougher enforcement. Populist critics of antitrust, such as Nader and Senator Hart, agree with Galbraith that antitrust has been all too ineffectual, but they move in the opposite policy direction. Since they believe that government regulation usually entrenches the power of big firms and concentrated industries, they favor a get-tough antitrust approach. They argue for two related tactics: extending existing law through the courts to curtail many practices of large firms in concentrated industries and getting Congressional legislation such as the Hart bill to attack the structure of these industries.

The Hart bill would permit the prosecution of companies because of their size alone. The history of antitrust has largely been to define and prosecute practices that courts would rule were restraints of trade, such as price fixing by agreement among competitors. But with increasing fervor "structuralists" argue that size itself can be harmful.

#### HISTORICAL DEFICIENCIES

Before the Civil War, Americans felt uncomfortable with corporate bigness. The image of the yeoman farmer and the small, fiercely competitive businessman largely reflected economic reality. But the growth of railroads, with their "pools" carving up markets, changed all that.

Populist politics, such as the formation of the Grange movement, picked up steam, but at the same time, in 1882, the first big trust, Standard Oil of Ohio, was born, followed by the Whiskey Trust, the Sugar Trust, the Lead Trust, and the Cotton Oil Trust.

But federal prosecutions were limited, aimed mostly at fledgling labor unions, and the Sherman Act failed to curb bigness. Corporate mergers speeded up. U.S. Steel, Standard Oil (New Jersey), American Tobacco, American Can, International Harvester, and United Shoe Machinery were all put together at this time. As a result, antitrusters increased pressure for even tougher laws and an independent agency, which could develop industrial expertise, to enforce them.

These efforts came to fruition in 1914, with the passage of the Clayton and Federal Trade Commission Acts. The Clayton Act specifically banned anticompetitive mergers, while the FTC Act set up an agency to police "unfair competition" in the marketplace but not to regulate prices and output.

Like the Sherman Act, the Clayton Act proved ineffectual for many years, largely because of the way courts interpreted the law. As recently as 1948 the Court permitted U.S. Steel to acquire one of its own customers.

Partly in response to this decision, Congress passed the Celler-Kefauver Act in 1950,

amending the Clayton Act to prohibit mergers through acquisition of assets or stocks as well as those that would tend to foreclose competition in any market in the country. This effectively closed the door on many mergers. But the merger wave of the late 1960s comprised so-called conglomerate get-togethers of companies in different, often unrelated, industries. The case intended to settle this issue—ITT—never got to the Supreme Court because it was settled by a consent decree.

#### CONFLICTING VIEWS

To remedy this supposed defect, Senator Hart's new law would create a presumption of monopoly power whenever:

A company's average rate of return is greater than 15% of its net worth for each of five consecutive years.

There has been no substantial price competition for three consecutive years among two or more corporations within an industry.

Four or fewer companies account for half or more of an industry's sales in a single year.

#### OTHER TACTICS

Antitrusters are not holding their breath waiting for legislation. In a series of cases initiated during the past five years, they are using existing laws prohibiting monopolization and unfair methods of competition to check alleged anticompetitive conditions in concentrated industries.

The FTC's suit against Xerox and the Justice Department's against IBM represent marked change from the past.

Perhaps the most innovative case is the FTC's suit against the four leading breakfast food makers, charging them with a variety of unfair methods of competition.

The FTC's current prosecution against the eight major oil companies also attempts to break new ground. The key allegation is that the majors have been "pursuing a common course" in using control of crude oil and shipping facilities to stall the development of independent refineries. This includes eliminating retail competition by keeping prices low at the refinery and marketing end and high at the production end of the business. The FTC also charges the companies with such practices as using barter and exchange agreements to keep crude oil in their own hands and reluctance to sell to independent marketers. Unlike the cereal suits, the FTC charges that some of the oil practices are collusive.

#### CAN WE COMPETE?

Frederic M. Scherer, the FTC's incoming economics bureau chief, believes that economic studies show that many industries are more concentrated than efficiency requires. Nader argues that the best evidence is "clinical, not statistical."

In the 1950 Congressional hearings on monopoly power, Benjamin Fairless, president of U.S. Steel, admitted that his company had less efficient production processes than its competitors, including much smaller foreign companies. Studies have demonstrated that American steel producers lagged woefully in innovation. Between 1940 and 1955, 13 major inventions came from abroad, yet American steel boasted the largest companies in the world.

The basic oxygen process, which Avery C. Adams, chairman and president of Jones & Laughlin Steel Corp., described in 1959 as "the only major technological breakthrough at the ingot level in the steel industry since before the turn of the century," was perfected by a tiny Austrian steel company in 1950. It was introduced into the U.S. in 1954 by McLouth Steel Corp., which then had less than 1% of American ingot capacity. Jones & Laughlin waited until 1957, and U.S. Steel and Bethlehem Steel Corp. waited until 1964 to adopt the process, resulting in lost profits

to the steel industry, according to one study, of some \$216-million after taxes by 1960 alone.

As for ability to compete abroad, there is practically no evidence that the Justice Dept. has impaired the competitive posture of U.S. companies in world markets.

David H. Baker, director of the Commerce Dept.'s Office of Export Development, made an intense search for examples of antitrust harm. A large food company wanted to enter a joint venture with another big U.S. outfit to bid on a plant an Eastern European government planned to build. The Justice Dept. indicated it might refuse to approve the deal, and the food company pulled out. A small U.S. company then bid for the contract on its own and won.

#### A NEW APPROACH

Some experts believe that the government cannot deal with business complaints adequately unless it develops a comprehensive approach to competition generally. Victor Kramer suggests the creation of an "office of antimonopoly affairs" within the Executive Office of the President. The function of this office, Kramer says, would be to implement a new executive order he would like to see promulgated, directing all federal agencies to act to promote a "free competitive enterprise system." It would require the federal departments and bureaus to prepare anti-trust impact statements whenever they suggest action that would "significantly affect competition in the private sector."

Kramer concludes that his policy would have compelled the State Dept. to evaluate publicly the competitive impact of the voluntary steel import agreements with Japan and European nations. The Pentagon would have been called on to explain how the public benefits from the awarding of nonbid contracts. The Internal Revenue Service and the White House, he believes, would have to consider the competitive effects of proposed changes in tax laws.

This broadened approach to competition could come closer to resolving the conflicts between the tendency of companies to exert control over their markets and the public requirement that monopoly be held in check. Short of this, the evidence suggests that antitrust is the best we have.

#### HOW JUSTICE AND THE FTC COMPETE

The antitrust laws exist to preserve the values of competition, so it may be entirely logical that two agencies compete to administer them. On paper, the Antitrust Div. of the Justice Dept. and the Federal Trade Commission are different kinds of agencies. Justice is the law enforcement branch of the Executive Branch, the FTC is an independent regulatory commission. But in their antitrust responsibilities they are quite similar.

The Antitrust Div., headed by Thomas E. Kauper, is responsible for enforcing the Sherman and Clayton Acts. It has the exclusive power to bring criminal prosecutions. It also tries to enjoin anticompetitive mergers and a variety of collusive practices. The FTC's power springs from the Federal Trade Commission Act of 1914. Over the years, the courts have interpreted Section 5 of that Act to include all offenses proscribed by the other antitrust laws, giving the FTC equal civil jurisdiction with Justice. In fact, it has a broader civil authority, since it is required to proceed against "unfair methods of competition" and, as added by the Wheeler-Lea Act of 1938, against "unfair or deceptive acts or practices in commerce." These phrases permit the FTC to go after business conduct that is not necessarily collusive. The FTC, for example, has premised the cases against four big cereal makers on a variety of practices that it charges are unfair methods of competition, allegations that are not open to the Justice Dept. to make.



## Resources

The Antitrust Div. has an annual budget of some \$14-million, the FTC \$15-million for antitrust purposes. Both together represent tiny sums contrasted with the resources private business is able to draw on. International Business Machines Corp., for example, reimbursed Control Data Corp. \$15 million in legal fees and expenses in settling the private suit CDC filed against IBM.

Occasionally the agencies take potshots at each other. The FTC last year finally got the power, formerly reserved to the Justice Dept., to go into court on its own to enforce its own decrees. The FTC complained that Justice sat on requests for action. Justice countered that the requests were poorly framed.

But the agencies usually work reasonably well together. Now, when good politics dictates making headlines as tough antitrusters, the brass at each shop says the rivalry between the two to bring and win significant cases serves as a spur to both. The rivalry, says Justice's Kauper, is a "friendly" one. "Each has kept the other at it," he says. The FTC's Halverson concurs, citing "good practical results" from the existence of two agencies.

Neither agency launches an investigation without first clearing it with the other. The first agency to propose a particular investigation gets it, provided there is no conflict with the other's on-going work. Disagreements are settled at weekly liaison meetings. When a conflict cannot be settled at meetings, the assistant attorney general and the chairman of the FTC, Lewis A. Engman, deal with it.

The home for a particular kind of case is partly a matter of historical accident and partly the predilection of staff lawyers. Price discrimination cases under the Robinson-Patman Act are traditionally prosecuted by the FTC, which also generally probes problems in food and textile industries. Justice almost always gets steel cases. While Justice must proceed on a case-by-case basis, the FTC has the power also to issue rules with the force of law, in effect to promulgate codes of commercial conduct. Until recently, Justice alone had specific authority to try to block an unconsummated merger. But the FTC just gained similar powers in the law authorizing the Alaska pipeline.

## TRIBUTE TO VIETNAM VETERANS

## HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. ARCHER. Mr. Speaker, on the occasion of this Vietnam Veterans Week, it is fitting that we pay tribute to the men and women of this Nation who so ably served the cause of freedom.

But we must not let our tribute end with just words of praise and thanks for a job well done. Our debt goes much deeper than that. These are the men and women who gave up civilian jobs and who postponed their entry into their working lives to serve the immediate needs of their Nation.

Now these same people have all but been forgotten by a nation that did not welcome them home as conquering heroes, as was the case with other international conflicts in this country's 200-year history. The people of the United States instead seek to put the memory of the Vietnam years behind them, with insuf-

ficient regard for the sacrifices made by the hundreds of thousands of veterans.

In this week of tribute, let us pledge ourselves to the task of seeing that these unsung heroes suffer no more from the sacrifices they made for their country. We must diligently work to provide more employment and educational opportunities for the Vietnam veterans, and help them reassert their rights as citizens of the United States.

Let us never forget that these are the people who laid their lives on the line for their country.

We must also never forget those who made the ultimate sacrifice for freedom, those who died on foreign soil far from home and their loved ones.

And as we pay tribute to these veterans, let us also pay tribute to their comrades who are still listed as missing in action in Southeast Asia.

Perhaps the greatest tribute of all will be paid when our Nation recommit itself totally to the all-important task of securing from the Government of North Vietnam a complete accounting of those still missing.

We have a great deal to be thankful for this week, but let us not lose sight of the continuing challenges we have before us. Our tribute cannot be complete until all of our veterans are accounted for, and those living are brought back into the mainstream of American society.

## HON. WILLIAM S. MAILLIARD

## HON. LINDY BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mrs. BOGGS. Mr. Speaker, it was with deepest regret that I received the news of Bill Mailliard's resignation from Congress after 21 years of superlative service to both country and constituent. Valued friends of Hale's and mine such as Bill have made my freshman year in Congress a more enjoyable experience, and I am deeply appreciative of his wise counsel and good will.

Also, I am gratified that he has been called to serve as the permanent representative of the United States to the Organization of American States, a post most important to hemispheric understanding and solidarity, and one of special interest to New Orleans, the "Gateway to the Americas." Having served as ranking Republican on the House Foreign Affairs Committee, I am certain the acumen Bill developed from his experience on that committee will serve him in good stead as he assumes his new duties.

It is not often that our country is given the benefit of service from a man of such integrity and dedication, and I know Bill's presence will be greatly missed in the Halls of Congress. Our Nation, however, is most fortunate that it will be able to retain the benefit of his expertise in the OAS diplomatic post. I wish Bill only the best for continued success in his new responsibilities.

## MOONSHINING IN KENTUCKY

## HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. CARTER. Mr. Speaker, since I became a Member of this intrepid body of lawmakers in 1965, both serious and facetious questions have been asked of me concerning the illicit manufacture of whisky—moonshining—in the Commonwealth of Kentucky.

I shall attempt to answer all of those who have posed searching questions on this interesting subject. The basic reason underlying the art of moonshining was quite simple. Because grain was raised so far from market, distillation provided a means of compacting it into smaller containers for greater ease of transportation over the rugged terrain to the market. Many of the people engaged in the manufacture of the spirits of the fruit of the vine were men held in high esteem by their fellow Kentuckians. For instance, the first manufacturer was the Reverend Elijah Craig, a Baptist preacher.

I include for the RECORD an article by Joe Creason, a folklore historian of wide renown:

## ARTICLE BY JOE CREASON

Even before Kentucky became the 15th state in 1792, it had strong ties with the making of whisky. Bourbon—sour-mash whisky made with limestone water—was invented in Kentucky and, in fact, took its name from the county where it first was made by Elijah Craig, a man of many parts who, when not making whisky, was a Baptist preacher of considerable renown.

Many of the pioneers who came to Kentucky in the days prior to statehood were fleeing from the so-called "Whisky Rebellion" in the East, the uprising that followed the first imposition of a government tax on distilled spirits. Here they continued doing what they did best—making whisky. Some set up small distilleries to meet the increasing demand for sour-mash whisky in the ready markets of New Orleans; others merely put together small stills behind the barn to meet their own family needs for medicinal and drinking whisky.

Thus the state traditionally has been associated with whisky making, legal or otherwise.

Today Kentucky's 56 active distilleries produce 80 percent of all Bourbon. On the other hand, numberless moonshiners, their crude but effective stills hidden in remote hollows, produce white lightning which, while illegal, still finds a market, especially among those who developed a taste for this kind of liquor during the arid days of Prohibition.

The fact is, some Kentuckians regard whisky making as something akin to an inalienable right and they continue to make it, legal or not.

Vigorous law enforcement has cut deeply into the ranks of the moonshiners. But stories of their deeds in other days add a distinctive flavor—and a 100 proof wallop, one might add—to the rich regional history of Kentucky.

There was a time when it was a dead-serious game the moonshiners played with the revenuers. Shootings in the old days were common. Now gunplay is infrequent. The agents treat the moonshiner with firm respect and he repays in kind.

As you might suspect, the typical moonshiner isn't much on books and such. A story is told about an old gent named Joshua who was brought before Federal Judge H. Church Ford, a great Bible student.

"So your name is Joshua," Judge Ford mused. "Are you the Joshua who made the sun stand still?"

"No, sir, Judge," came the answer. "I'm the Joshua who made the moonshine still!"

But despite his shortcomings in formal education, the moonshiner usually has the native intelligence and cunning of a fox. This he shows in the cat and mouse game he plays with revenuers.

Some moonshiners are craftsmen of a sort who take a left-handed kind of pride in their produce. Like the man who was seized at a Monroe County still. While they were wrecking his still, the agents filled a jar with whisky, explaining it would be sent to a lab for analysis.

"Fellers," said the moonshiner seriously, "have that man at the laboratory test it keeful and if he finds anything wrong to let me know 'cause I've always made the best 'shine in this country and I don't want to lose my reputation!"

#### BYELORUSSIAN INDEPENDENCE ANNIVERSARY

#### HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. ARCHER. Mr. Speaker, an important anniversary occurred this month for all citizens who believe in the right of national independence for all people—the Byelorussian people celebrated the 56th anniversary of the proclamation of the Byelorussian Democratic Republic on March 25.

The Byelorussian people can trace their existence as an independent state back to the 9th century when independent principalities were founded by various Slav tribes in the territory of Byelorussia and by the 11th century the first Byelorussian state was formed. This resulted in the creation of a new entity, the Grand Duchy of Litva—Lithuania—in the 13th century, a direct result of the unification of the Byelorussian lands. The history of these people reveals a strong determination to remain free. However, Russia annexed the lands of Byelorussia in 1795 and this foreign rule was not overthrown until 123 years later. The All Byelorussian Congress on March 25, 1918, proclaimed the Byelorussian Republic and a constitution, guaranteeing basic democratic liberties of the freedoms of speech, press, assembly, and elections, was adopted.

Unfortunately this breath of freedom and independence would last only a short time. With the triumph of communism in Russia, the Russian Communist leadership moved in to end the freedom and independence of these brave people and established a puppet state, the Byelorussian Soviet Socialist Republic. In the years since this control was consolidated, the Communists have sought to use the natural resources of Byelorussia for the benefit of Russian communism and to

destroy the national consciousness and heritage of the Byelorussian people. Yet, the spirit of these brave people still resists the tyranny of communism.

As we read of recent Soviet actions in curbing dissent and exiling its leading citizens, we should recall the plight of the thousands and thousands of Byelorussian people who have lived for over half a century under Soviet rule. Let us hope that March 25, 1918, will not be a mere memory of a lost cause but that it will one day be a significant date freely celebrated by a free Byelorussian people living in their own national state.

#### HOUSE JOINT RESOLUTION 44 BY ROLFE KOLSTAD SMITH

#### HON. DICK SHOUP

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. SHOUP. Mr. Speaker, those who advocate the confiscation of handguns do so in the face of determined opposition by the citizens of Montana. The people whom I represent almost uniformly feel that any danger associated with guns is to be found solely in the minds of those who hold them.

As an expression of the sentiment of Montanans, I submit for the RECORD a resolution passed by an overwhelming vote of the State legislature on February 13, 1974.

The resolution follows:

HOUSE JOINT RESOLUTION 44, INTRODUCED BY ROLFE KOLSTAD SMITH, ET AL.

A joint resolution of the Senate and House of Representatives of the State of Montana declaring the Montana State Legislature's unalterable opposition to registration and confiscation of firearms.

Whereas, as the right of an individual to keep and bear arms is fundamental to the preservation of freedom and is guaranteed by the Constitution of the United States, and

Whereas, firearms are, always have been, and always will be very much a part of the way of life in the great state of Montana, and

Whereas, the private ownership of firearms, including handguns, is the last line of defense against the criminal element, and

Whereas, the report of the National Advisory Commission on Criminal Justice Standards and Goals, issued in August, 1973, advocates, among other things, the confiscation of all privately owned handguns, and

Whereas, the people of Montana having seen that federal firearm registration is leading us closer to federal confiscation of firearms.

Now, therefore, be it resolved by the Senate and the House of Representatives of the State of Montana:

That the legislature of the state of Montana go on record as being unalterably opposed to registration and confiscation of firearms in general and specifically to the recommendations of the National Advisory Commission on Criminal Justice Standards and Goals, and

Be it further resolved, that a copy of this joint resolution be sent to the President of the United States, to the Vice-President of the United States, to Montana's Senators and Representatives in Congress, and to all state legislatures.

#### RUSSIA ASKS U.S. HELP ON NEW PLANE FACTORY

#### HON. RICHARD H. ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. ICHORD. Mr. Speaker, the Soviet Union has offered the American aerospace industry a tempting carrot: according to the February 1974 issue of the Armed Forces Journal International, the U.S.S.R. will purchase 30 wide-bodied U.S. jet transports at an estimated cost of \$500 million if—

First. Such U.S. aircraft manufacturers as Boeing, Lockheed, and McDonnell Douglas will help the Soviet Union build a seven-plant aerospace complex that would be three times the size of Boeing's U.S. commercial jet facility and would employ 80,000 workers;

Second. The U.S. manufacturers will provide derivative types of the DC-10, 747, and L-1011 with the most advanced technology and the know-how that will enable the Soviets to produce 100 planes per year modeled after these derivatives;

Third. The United States will then grant the Soviets a bilateral airworthiness agreement so Soviet planes could operate and be sold in the United States as if they were certified by the Federal Aviation Administration; and, if,

Fourth. The United States is willing to run the risk of creating a major competitor to its own aerospace industry in world markets.

Point four is especially delicate because aerospace output from the United States is the most significant contributor to a favorable balance of trade for the United States thanks to its dominance in world trade in aircraft, particularly commercial craft.

This report is, on the one hand, extremely impressive and, on the other hand, frightening but without making further comment on it at this time, I simply insert the entire article in the RECORD because the basic proposal is one with which all of us should be familiar while it is still in the discussion stage:

[From the Armed Forces Journal International, February 1974]

RUSSIA ASKS U.S. HELP ON NEW PLANE FACTORY THREE TIMES THE SIZE OF BOEING'S COMMERCIAL JET FACILITY; U.S. COMPANIES DIFFER ON WHAT TECHNOLOGY TO EXPORT (By Benjamin F. Schemmer)

Soviet Union Wants U.S. help to build a commercial jet aircraft complex in Russia that would employ over 80,000 people, three times the commercial airplane labor force at Boeing or McDonnell Douglas. Export of American know-how to build the multipiant Russian complex is one of several conditions laid down by Soviet negotiators as a prerequisite for buying up to 30 wide-bodied U.S. jet transports, a sale U.S. firms are generally anxious to make. Russia has been discussing the potential \$500 million deal with McDonnell Douglas, Boeing, and Lockheed since October, 1973.

Russian negotiators have pegged annual output of the proposed new Soviet plant at over 100 planes. This would equal almost half of all commercial transports built by the U.S. in 1972 and more than a third of



all large U.S. jet transports delivered last year.

U.S. manufacturers are taking widely different stands on how far to go in exporting U.S. know-how to make the deal. McDonnell Douglas, for instance, delivered 57 DC-10s in 1973, but deliveries have slowed down as a result of airline belt-tightening and the energy crisis; Boeing delivered 30 747s and Lockheed delivered 39 L-1011s. Thus, a sale of 30 planes to Russia or any other customer is an important new sales prospect for each of the companies.

Soviet negotiators have also approached Lockheed, Boeing and McDonnell Douglas about undertaking joint design efforts on "derivative" models of the DC-10, L-1011 or 747, and in some cases, on completely new aircraft using advanced technologies. Concurrently, Russia is pressing for a bilateral airworthiness agreement with the U.S. government that would permit Soviet planes to operate and be sold in the United States as if they had already been certificated to the Federal Aviation Administration's stringent airworthiness standards. Some government officials believe such an agreement would be highly publicized by the Russians to enhance sales prospects of Soviet aircraft in nations where Russia has been unable to penetrate commercial aviation markets heretofore dominated by American manufacturers. Developing countries in the past have often rejected offers of Russian aircraft even when offered at extremely liberal terms, because they lacked U.S. certification.

One concern of U.S. firms and some government officials is the impact such an airworthiness agreement, coupled with a modern Soviet commercial aircraft manufacturing complex built to U.S. standards, might have on future foreign sales of U.S. planes, a market where U.S. technology has been dominant.

Aerospace products account for 8% of all U.S. exports and are the biggest single contributor to the nation's positive trade balance. In 1973, Commerce Department figures show, over 27% of U.S. aerospace production was exported, accounting for \$5.3 billion in foreign sales, the highest in history. Over 160 civil jet transports valued at more than \$2 billion were exported in 1973; these represent 60% of all large transports delivered and over 55% of their dollar value. Worldwide, 72% of all carrier jets are now U.S. manufactured.

The Soviets have also asked for licensing rights and U.S. production know-how to build in Russia a substantial part of however many wide-bodied jets it might buy. U.S.S.R. negotiators have been vague about the prospect of any outright sale, indicating that a substantial part of the payment would be by credit or offset sales.

Until now, there has been no hint in the public press of the extensive preconditions with which Soviet negotiators have qualified their prospective wide-bodied jet sales buy. The deal, however, is picking up momentum. A Soviet team visited all three firms last October; Boeing and Lockheed teams visited Russia recently to further the negotiations and a McDonnell Douglas team will visit Russia this month. Lockheed announced on 30 January that it had just signed a commercial protocol agreement with the Soviet Union, which according to chairman Daniel J. Houghton, anticipates cooperation in the areas of civilian aircraft and helicopter construction and related systems, as well as other commercial products. The Lockheed protocol was signed for Russia by the deputy chairman of the State Committee of the Council of Ministers of the U.S.S.R. on Science and Technology.

All three U.S. firms are reluctant to discuss specifics of their proposals, although senior company officials and spokesmen have given *Armed Forces Journal* enough details

to outline the conditions spelled out above. Soviet negotiators have suggested some conditions to one company not spelled out to the others; thus each U.S. firm has a slightly different interpretation of what *quid pro quo's* the deal really involves.

The prospect of a major sale to Russia is real enough, however, and Russia's intent to buy U.S. aerospace know-how (as well as planes) has been made clear enough, that U.S. government officials called the three companies together on December 13 and asked them to spell out in writing what technologies each felt could and could not be safely exported to the Soviet Union.

The answers vary widely. The companies' replies were sent on January 10 and 11 to Steven Lazarus, Commerce's Deputy Assistant Secretary for East-West Trade and to Jack F. Bennett, Treasury's Deputy Under Secretary for Monetary Affairs. Company officials decline to provide any specifics of their proposals, calling the letters "proprietary" or "confidential" (although none were so marked) and private information. Without revealing any one firm's proposal (and thus, perhaps, its proposed negotiating stance with the Soviet Union), AFJ can report that the three firms collectively have recommended exporting currently certificated U.S. transports as well as the technology needed to operate, support and maintain the aircraft.

Where Boeing, Lockheed, and McDonnell Douglas differ is on the kind of technology and manufacturing know-how which should not be exported to Russia:

One firm says that licensing of current wide-bodied jets for coproduction in Russia should be limited to 50% of the weight of the aircraft, with a further limitation that the license apply only to planes ordered by the U.S.S.R. or U.S.S.R. bloc countries. It has proposed, informally, a minimum sale of 30 wide-bodied jets before any such licensing agreement is undertaken for joint production.

Another firm is flatly opposed to providing Russia any "technical assistance in the design and construction of a new aviation complex." At the opposite extreme, however, a third U.S. manufacturer says that the U.S. could safely undertake a "prime systems management role in the design and construction of a complete manufacturing facility for commercial type subsonic aircraft in the Soviet Union."

None of the firms endorse exporting the technology implicit in the "joint design of a new aircraft with the use of advanced technology." One company says that although it has discussed "derivative models of [its wide-bodied jet] with the Soviets, we have not contemplated licensing a brand new transport." The firm said it would agree "to exclude such a technology transfer."

Noting that a "modern transport aircraft is one of the most complex products in our economy," another company chairman says that "If the U.S.S.R. were to acquire . . . in the form of broad technical assistance for licensed production of our latest commercial jet transports and the technology transfer inherent in providing (Russia) with a turnkey aviation complex . . . our primary remaining element of dominance in the field of aviation would vanish." In the competitive atmosphere stimulated by U.S. government policies, he cautioned, "it is likely that a rationale for giving away (this) valuable and deep-rooted technology can be developed, justified, and approved."

All of the companies, understandably, have cautioned against exporting technology or manufacturing know-how unique to the military sector (although two of them differ somewhat on how specifically to define that know-how).

The prospective Soviet buy of L-1011s, DC-10s and 747s is especially appealing to

U.S. firms because Russia represents a huge but unpenetrated market for commercial jet transports and because the free-world market, as one company official told AFJ, "is pretty well sold out" at the moment. Aeroflot, the Soviet state-owned airline, is the world's largest and operates over 1,720 planes. (The largest U.S. carrier, by comparison, is United Airlines with 364 planes: 36 of these are wide-bodied jets, 18 747s and 18 DC-10s.) By one estimate, Aeroflot may have in service as many airplanes as all U.S. scheduled carriers put together, 2,246 as of the last count compiled by the Air Transport Association. One informed Commerce Department official says the U.S.-Soviet sale could entail as many as 100 planes, although he takes "30 as a serious number."

Government officials are somewhat divided on how far to go in exporting American technology in order to sell the Soviets a wide-bodied jet order that U.S. firms need. Senior officials in Commerce, the State Department and the Pentagon all tell AFJ they have "grave doubts" that a bilateral airworthiness agreement would be accepted by the U.S. Japan currently has the broadest form of such an agreement, which in lay terms means that the U.S. accepts Japan's word that any plane it certifies also meets equivalent FAA standards. The "narrowest" airworthiness bilateral is with Poland and it covers only gliders. One senior government official told AFJ, "Rather than sign the agreement Russia wants, we should pay American companies to keep the business here."

Almost all of the government officials AFJ talked to in recent weeks agree that there is "no way" the U.S. would agree to build in Russia a "turnkey" modern aviation complex. One U.S. firm acknowledges that the Soviet Union is talking of a 7 plant complex that would not only design and build modern wide-bodied jets, but their engines and avionics as well, in addition to providing for their maintenance and overhaul. No such integrated facility exists in this country, in part because of antitrust laws. One official summed up the chance of such a deal being approved as "less than zero, if you can find such a number."

Government officials share 3 major concerns as the Soviet-U.S. negotiations progress. One is "how to keep U.S. firms from being 'whip-sawed,'" lest Russian negotiators play one against the other. (The problem wouldn't exist were the Soviets negotiating with France or England, since those countries negotiate major export sales on a government-to-government basis; the U.S. generally exercises a "hands-off" policy on such negotiations and exercises only a veto power over proposed exports.)

A second concern is defining in specific terms what aerospace technologies could safely be exported to the Soviet Union, without risking "leakage" of technology with military applications.

A final concern is the extent to which Soviet licensing of U.S. know-how could eventually cut into U.S. commercial airplane sales in free-world markets. This field has played a dominant role in America's balance of payments and aerospace employment (161,000 fulltime jobs in 1973 were directly attributed to U.S. aerospace exports, according to the Department of Commerce.) It is also an area in which U.S. production management, marketing expertise and after-sales service clearly lead the Soviet Union, know-how which Russia obviously would like to import. Government agencies responding to an interagency questionnaire on the proposed Soviet airworthiness bilaterals, for instance, voice concern that Russia is really more interested in buying this know-how than in any outright purchase of American aerospace products on a continuing basis. Moreover, it is feared, the Soviet Union might offer its aircraft products to normal U.S.

markets at prices and financing terms with which the U.S. could not compete. This has happened in the past, especially in the case of the Soviet Yak-40, a 27 passenger jet powered DC-3 replacement which Russia hopes to sell in the Americas and is offering at \$1.3 million. The Yak-40's closest competitors are Europe's VFW-614, which sells for close to \$3 million, and the 65 passenger Fokker F-28, which sells for \$3.5 million. Because of its non-market economy, Russia can price its planes without regard to true costs. Soviet ads in western aviation trade journals frankly proclaim: "The Yak-40 has opened the horizon of the export age to the entire range of commercial aerospace products manufactured in the Soviet Union." Some observers feel the plane is being sold at a deliberate loss as a relatively cheap way for Russia to penetrate the huge western commercial aviation market. Knut Hagrup, President of Scandinavian Airlines System, wrote in an AFJ article in November 1972: "The plane is formidable. It can compete with any other airplane. And the price is half!" Rockwell International has been negotiating with the Soviet Union to modify the Yak-40 in the U.S. to meet FAA standards and the U.S. market for the plane is estimated at between 50 and 150 planes.

A senior officer of one of the three U.S. manufacturers, whose firm is particularly anxious to close the Soviet sale, discounts the risk of Soviet competition. He told AFJ that it is "ridiculous to think the Russians could compete effectively in 1978 or 1980 [when their first U.S. designed wide-bodied jet could be built] with a plane based on 1967 technology." By that time, he notes, U.S. industry will be offering second generation models of today's L-1011s, DC-10s, and 747s.

#### AGNEW STILL BURDEN TO TAXPAYERS

#### HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. ROUSH. Mr. Speaker, I simply cannot understand why the taxpayers of this country have to continue footing the bill for the personal staff and offices of Spiro Agnew.

It looks to me like no one has enough guts to tell the President to stop this nonsense.

The Comptroller General told me he could not find any law making the expenditure illegal, but at the same time said he could not find any law making the expenditure legal. So he is going to do nothing about it.

In my opinion, Mr. Speaker, any expenditure of Government funds is illegal unless authorized by this Congress.

Regardless of the legal issues, the question here is whether the taxpayers should have to continue paying the salaries and expenses of at least eight people assigned as personal aides to a man whose actions have brought disgrace to himself and left a smear on our Government.

From the accounts I get, Mr. Agnew is spending an awful lot of time on his personal affairs, and it looks to me like the taxpayer might be paying part of those costs. The very least the administration can do is tell us how much we will have to pay and how much longer it will take to get his office closed.

The President has taken the position it will be helpful to him, the President,

and to the new Vice President, to have Mr. Agnew sort his personal and public papers as an aid in a smooth transition of the Vice Presidential duties.

There may be some merit to this, but I take the position that the job could better be done by the new Vice President—a man whose honesty and judgment is widely respected—than by someone whose honesty is in question and whose judgment might be tempered by personal problems.

I believe it is time to end the Agnew era, and time to stop throwing good money after bad.

#### RESPECTED COLUMNIST AND PUBLISHER SUPPORTS HOUSE COMMITTEE ON INTERNAL SECURITY

#### HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. ASHBROOK. Mr. Speaker, Alice Widener, the publisher of USA magazine founded in 1954 and described by Editor & Publisher as the "littlest magazine with the biggest influence," is a highly respected writer dedicated to fearless, independent journalism. To illustrate, subscribers to USA have included the Harvard Library, United Nations Library, U.S. Naval War College, the U.S. Army Library, United States Steel, American Telephone and Telegraph, General Electric, American and Foreign Power, E. I. du Pont de Nemours, Schering Corp., among others.

In addition, the Widener syndicated column has appeared in the San Diego Union Tribune, Indianapolis Star, Columbus Dispatch, Denver Post, Tampa Tribune, Memphis Commercial Appeal to name but a few newspapers carrying the column whose readership alone totals well over a million circulation.

In her March 15 release, noted below, she has observed:

All members of radical groups and their friends detest the Congressional committees (i.e., House Internal Security Committee and the Senate Internal Security Subcommittee of Judiciary) and the FBI counter-intelligence operations and have waged a ceaseless campaign of 'abolition' against all three. . . . Right now the target is the House Committee on Internal Security, Rep. Richard H. Ichord, Chairman.

Mrs. Widener concluded:

The identification, description and documentation of violently revolutionary political groups is a difficult task requiring a tremendous amount of background research and painstaking fact gathering. The House Committee on Internal Security has such expertise.

The March 15 item by Alice Widener follows:

LET'S PROTECT OUR INTERNAL SECURITY

(By Alice Widener)

NEW YORK CITY, March 15, 1974.—By now it should be perfectly clear to all Americans reading sensational headlines about revolutionary kidnappings, anarchistic bombings and murderous airplane hijackings that our nation, like all free countries, must protect its internal security from lawless extremists. For this purpose, under legal Constitutional

procedure, we have benefited greatly over the years by the alertness of the House Committee on Internal Security (formerly House Committee on Un-American Activities), the Senate Internal Security Subcommittee, and the Federal Bureau of Investigation. Both Congressional committees have furnished the public with documented, factual information about subversive organizations; the FBI has rendered the nation inestimable good service through its brilliant counter-intelligence operations.

Naturally, all members of radical groups and their friends detest the Congressional committees and FBI counter-intelligence operations and have waged a ceaseless campaign of "abolition" against all three. At times the radical propagandists single out one or another as a prime current target for abolition. Right now the target is the House Committee on Internal Security, Representative Richard H. Ichord, Chairman. The current campaign is using an innocent-seeming "front" in Congress, an ad-hoc Select Committee on Committees, to "restructure the entire House committee system" and thereby transfer over to the House Committee on Government Operations activities conducted by the House Committee on Internal Security. Such a transfer would, in effect, abolish the Internal Security Committee by taking away its mandate and annual appropriations.

Such a move would be a very bad mistake. I believe it is imperative that thoughtful citizens write or wire immediately to their congressmen in support of maintaining the House Committee on Internal Security as it is, and in support of giving it money enough to conduct its operations effectively.

Too few Americans are familiar with the Committee's day-in, day-out work and with its far-sighted warnings to the people about activities detrimental to their security. How many readers know that in August 1973, long before the Patricia Hearst kidnaping, for example, the House Committee on Internal Security issued a publication "Political Kidnapings" which noted that the United States had so far been fortunate in escaping such crimes but should not take the position "it can't happen here." The Committee's publication was full of vitally important information; now we know "it can happen here."

Permit me to cite specifically what I mean about the barrage of leftist propaganda against our whole internal security set-up that continually seeks to break it up. In September 1968, I reported exclusively that at the Fourth Annual Socialist Scholars Conference, Rutgers University, Ernest Mandel, Belgian Trotskyite, was guest of honor. Subsequently, he was barred from coming back to our country and Leftists, supported editorially by the New York Times, screamed to high heaven that Mandel was "only a Marxist scholar." In 1972, Dr. Obduran Salustro, director of Fiat Motor Co. in Argentina, was kidnapped for ransom by a violent "People's Revolutionary Liberation Army" and murdered. Later, a top Brussels newspaper openly declared that the Trotskyite Fourth International, of which Ernest Mandel is General Secretary, was "responsible for a series of terrorist operations of exceptional brutality, including the kidnapping and murder of Salustro." Ernest Mandel is publisher of *La Gauche*, a magazine describing itself as "the combat organ" of the Trotskyite Fourth International. As visitor to our country, he proclaimed "Students are the detonators in the formula for triggering off a social explosion creating a revolutionary situation."

The identification, description and documentation of violently revolutionary political groups is a difficult task requiring a tremendous amount of background research and painstaking fact-gathering. The House Committee on Internal Security has such expertise. In these anarchic times, it must be maintained.



## NERVE GAS INTEREST CONTINUES

## HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. OWENS. Mr. Speaker, as evidenced by a recent article in the New York Times, interest in our U.S. chemical warfare policies continues. I would like to submit the following article for the RECORD:

EXPERT OPPOSES NEW NERVE GASES—BRITON SAYS DISADVANTAGES OF WEAPON SOUGHT BY UNITED STATES OUTWEIGH THE ADVANTAGES

(By John W. Finney)

WASHINGTON, March 23.—A British expert on chemical warfare contends that the disadvantages of a new family of nerve gases that the United States Army wants to produce far outweigh any potential advantages.

In a scientific paper being circulated, Dr. Julian Perry Robinson, a research fellow at the University of Sussex in England, says that these binary nerve gases are not needed as a deterrent to chemical warfare, would be substantially inferior militarily to the present nerve gases and would greatly complicate efforts for an international ban on the production of chemical weapons.

The objections by Dr. Robinson, who is regarded as an international authority on chemical warfare, are being raised at a time when the National Security Council is engaged in a broad review of the Nixon Administration's position on chemical warfare.

One objective of the review, according to officials, is to determine whether the Army should proceed with the production of the gases, and, if so, what effect this would have on international efforts to limit the production of chemical weapons.

The binary nerve gases consist of two chemical agents, which, when kept separate, are relatively harmless but when combined, such as in an artillery shell after it has been fired, produce a lethal nerve gas. Largely because the binaries would be far safer to handle, transport and store than the present nerve gases, the Army contends that they would represent a significant improvement in modernizing its chemical warfare capability.

The Arms Control and Disarmament Agency believes that the binary gases, because of the ease of their production, would bring chemical warfare within the grasp of less developed nations and thus greatly complicate international efforts supported by the Administration, to stop the production of chemical weapons.

The same argument is raised by Dr. Robinson in his paper which he will present at a symposium on chemical weapons that the American Chemical Society will hold in Los Angeles on April 1.

"A significant diminution of the relative military strength in the world of the United States [and other nuclear powers] could result if nerve gas, which is a relatively cheap weapon of great potential, were to proliferate around the world," he concludes.

COST \$200 MILLION

Furthermore, he says, a decision by the United States to proceed with the production of binary nerve gases "would almost certainly mean an end" to the negotiations in the Geneva Disarmament Conference on banning the production of chemical weapons, and with it "a prospect for improving United States security to a far greater extent than the binaries ever could."

The army has estimated that it would spend at least \$200-million on binary muni-

tions for its larger artillery shells. But Dr. Robinson found the artillery shell program to be but "the tip of a substantial iceberg" and estimated that the Army would ultimately spend upward of \$2-billion replacing the present stockpiles of nerve gases.

Dr. Robinson found that the Army was overstressing the environmental and safety advantages of the binary gases. Noting that accidents with the present nerve gas weapons have been "extremely rare in the past," he asked:

"Of all the environmental problems facing the United States today, does the nerve gas one really have sufficient priority to warrant the purchase of a \$2-billion solution?"

On strictly military grounds, Dr. Robinson questioned whether the binary gases would enhance the deterrent posture of the United States against the use of nerve gases by another nation.

He acknowledged that the binary gases could be moved more easily into likely combat areas, but he suggested that the transportation of massive tonnages of nerve gas into Europe, for example, would "encourage the misperceptions of intent" on the part of the Soviet Union and "inflate the appearance of the threat" that the nerve gases are supposed to be deterring.

Should deterrence fail, Dr. Robinson said, the binary gases could be used in "considerably smaller number of combat situations" than the present gases, would increase the effectiveness of enemy protective measures, and would be up to five times less efficient in their effect on targets.

## VIETNAM VETERANS' DAY

## HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. ADDABBO. Mr. Speaker, I am very pleased that this Chamber passed a joint resolution last year to authorized the President to proclaim today—March 29, 1974—Vietnam Veterans' Day. This day of tribute to those who served their Nation is particularly important because of the nature of the Vietnam war. Never before in our history has a war caused so much division at home and with that division came a lack of appreciation for the difficult job done by our servicemen in Southeast Asia.

For those reasons this day marks a remembrance of those dedicated men who fought under the most difficult circumstances and for those who gave their lives during that controversial war. This is a day for our communities and towns across the Nation to remember those who served in Vietnam, notwithstanding the climate abroad and here at home and it is a time for all of us to say thanks and recall their heroism.

Mr. Speaker, we must let every veteran and the family of every veteran know that their service, their sacrifices and their years of frustration have not been and will not be forgotten. At the same time I hope we will pledge to honor our Vietnam Veterans every year in this manner so that we will never forget the many bitter lessons of that tragic war and so future generations of young men will benefit from our understanding of history.

## EXPORT-IMPORT BANK USES TAXPAYER DOLLARS TO FINANCE ENERGY PROJECT IN THE BAHAMAS

## HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. VANIK. Mr. Speaker, for over a year, many of us in the Congress have been calling for the establishment of an energy development and trust fund to finance necessary energy projects in the United States.

After the start of the Arab oil embargo, on November 25, the President called for a "Project Independence," designed to free America from foreign energy sources by the end of the decade.

On March 21, 1974, the taxpayer-backed Export-Import Bank made a \$22,320,000 loan—at 6 percent interest—to help build a 57,000 barrel per day desulfurization facility in the Bahamas.

Mr. Speaker, I simply do not understand how we can hope to achieve energy self-sufficiency, when we are exporting the capital and products necessary if we are to solve the energy crisis. It is obvious that at the present, exorbitant prime interest rates, that we desperately need capital financing here at home. We also need new refineries and plants to desulfurize oil, facilities to develop oil shale, and funds to finance research into new energy areas such as solar, geothermal, wind, and tidal energy.

It is interesting to note that in addition to the direct loan, the Bank will be guaranteeing a loan of \$11,160,000 from First National Bank of Boston. Eximbank will also provide a financial guarantee of the local loan of some \$3,720,000.

How can we expect refineries and oil desulfurization plants to be built in the United States with interest rates that run as high as 12 to 15 percent, while we induce others to build these plants outside the United States with 6 percent money, subsidized by the American taxpayer?

Mr. Speaker, this is not the way to achieve energy independence. Because of the importance of the Bank's policy in the energy area, I would like to enter in the RECORD at this point a copy of the Exim press release on the Bahamas loan:

EXIMBANK FINANCING SUPPORTS \$49.6 MILLION SALE OF U.S. EQUIPMENT FOR DESULFURIZATION FACILITY IN BAHAMAS

To support a \$49.6 million sale of U.S. goods and services required for the design and construction of a 57,000 barrel-per day desulfurization facility in the Bahamas, the Board of Directors of the Export-Import Bank of the United States has authorized a direct loan of \$22,320,000 to finance 45 percent of the total U.S. costs and a financial guarantee of a loan of \$11,160,000 from First National Bank of Boston, to finance 22½ percent of the U.S. costs, according to Eximbank's Chairman William J. Casey.

A loan of \$11,160,000 from private sources not designated will finance another 22½ percent of the U.S. costs. The borrower, Borco Desulfurization Company (BODCO), will make cash payment of the balance of the U.S. costs of \$4,960,000. Eximbank will also provide a financial guarantee of a local cost loan of \$3,720,000.

BODCO is a new partnership composed of subsidiaries of Standard Oil Company of California and New England Petroleum Corporation. The company plans to install fuel oil desulfurization facilities at the Freeport Refinery, Grand Bahama Island, to treat high sulfur vacuum gas oil for its sister refining company, Bahamas Oil Refinery Company.

The Badger Company, Inc. of Cambridge, Massachusetts, will be responsible for major facilities. Aqua-Chem, Inc., of Milwaukee, Wisconsin, will furnish the desalination plant, and Chicago Bridge & Iron Company, Oak Brook, Illinois, will design, furnish materials, and erect the crude oil tanks.

The loans are to be repaid in 14 semiannual installments beginning November 10, 1975, with Eximbank's direct loan of \$22,320,000 to be repaid out of the last 7 installments with interest at an annual rate of 6 percent on outstanding balances. Repayment of Eximbank's loan is to be guaranteed half by Standard Oil Company of California, and half by New England Petroleum Corporation and Grand Bahama Petroleum Company, Ltd.

## REMARKS

OF  
**HON. JACK BRINKLEY**

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. BRINKLEY. Mr. Speaker, at such time as H.R. 13053, the Cancer Act Amendments of 1974, is considered in this body, I shall offer an amendment in the nature of a substitute to this legislation.

While I heartily commend our colleagues on the House Interstate and Foreign Commerce Committee for their outstanding work in formulating the legislation to direct this Nation's research efforts in combating cancer, particularly the gentleman from Florida (Mr. ROGERS), who is chairman of the committee's Public Health and Environment Subcommittee, it is my strong personal feeling that the appropriations authorized are just not sufficient.

Mr. Speaker, before this day is over more than 900 people in our country will have died of cancer. Yet even in view of this staggering figure, the National Cancer Institute reports that they can fund only about half of the scientifically approved cancer research projects which they receive.

Why not authorize enough funding to enable NCI to fund all the approved projects they receive?

My amendment differs from the committee version in two aspects:

First, it contains a statement of purpose which reads as follows:

It is the purpose of the amendments made by this Act to substantially increase the authorizations of appropriations for the National Cancer Program and the National Cancer Institute over the period of the next five fiscal years to provide an effective acceleration in cancer research activities to find a preventative and cure for cancer within such period.

Second, my amendment doubles each of the three yearly appropriations authorized in the committee bill and extends these appropriations for an additional 2 years—through fiscal year 1979. Roughly speaking, the committee is authorizing some \$2.7 billion for cancer re-

search; I propose to authorize some \$11.5 billion for that same purpose.

Dr. Solomon Garb, scientific director of American Medical Center in Denver, Colo., and also cochairman of the Citizens' Committee for the Conquest of Cancer, has told me that today there exists in this country the need for twice the amount of dollars as are currently being used or even asked for in the effort to conquer cancer. He has also stated that it was his impression that the National Cancer Institute has not asked for this additional funding simply because administrators there felt it was unlikely that such increases in Government outlays could be passed by Congress now.

To me it is an omission of enormous proportions for knowledgeable persons, who know what the real need is, to ask for any lesser sum simply because they do not think they will get it. It seems to me that it is the responsibility of organizations which want to find a cure to ask for what is needed, not what is popular, and that to do less is not squaring with the American people.

There are those, I am sure, who will say that we are attempting to "legislate" a cure for cancer. This is just not the case. It appears to me that the men and women who are doing the day-to-day research are continually facing a virtually impossible uphill battle in obtaining the funds and equipment they so desperately need to complete their work. On the other hand, many top level administrators are saying that they have an abundance of funds with which to work.

Who are we to believe?

I, for one, think it is time we started giving more consideration—and the necessary funds—to the dedicated people who have for so long sacrificed so much to help find a cure for this dreaded disease.

In conclusion, Mr. Speaker, I urge the House of Representatives to give this amendment most careful consideration. I am asking simply, why must we always wait until "tomorrow" before we increase our efforts to the point where we can find a cure—why can we not do it today?

MARLIN PERKINS, OF "WILD KINGDOM," CELEBRATES BIRTHDAY

**HON. JAMES W. SYMINGTON**

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. SYMINGTON. Mr. Speaker, It is my pleasure to bring to the attention of my colleagues the fact that Marlin Perkins, mammalogist and herpetologist, will today be celebrating his 67th birthday. As former curator of the Buffalo Zoo, director of Lincoln Park Zoo in Chicago, director of the St. Louis Zoo, and host of the television series "Wild Kingdom," Marlin Perkins has creatively adapted the intricacies and mysteries of modern science to the interest of all Americans. May his distinguished service continue to inspire appreciation and investigation of natural science by amateurs and professionals the world around.

## MAINE MADE SENSE

**HON. WILLIAM S. COHEN**

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. COHEN. Mr. Speaker, those of us who are fortunate enough to be from Maine try not to be tiresome about our State's many attributes. Understatement and reserve are part of the Yankee tradition. Boasting is generally regarded as unseemly.

Occasionally, however, an article appears in the daily press which captures the essence and the uniqueness of Maine. Such an article appeared in the March 28 edition of The New York Times, written by Sandra Garson.

Miss Garson, a transplanted New Yorker, describes Maine and our way of life with zeal and with unusual eloquence. In order that my colleagues may share her thoughts on why "Maine Made Sense," I am inserting her article in the RECORD at this point.

MAINE MADE SENSE

(By Sandra Garson)

FIVE ISLANDS, ME.—People kept telling me I had guts to move to Maine. Frankly, I thought I had common sense, for I wanted to play where I understood the rules of the game.

I had already tried and abandoned a gaggle of life-styles: my Philadelphia heritage, the bittersweet Big Apple, world travel and expatriation (not glamorous but depressing, even if you speak the language)—so at a ripened 29 it seemed time to stake my claim to being what I was: an American, whatever that meant.

The nineteenth-century passion for going West didn't move me, for I, born in the mid-twentieth, suspect that God strategically placed America's major geological fault in California in order to replay his wipe-out of Gomorrah easier. So I went East to a state of mind, and landed in the state of Maine. Suddenly the jig saw locked. Maine made sense.

Recently Bridgton voted to reduce to almost zero the taxes on land left untouched for the appreciation of passing townpeople when it was learned that local landowners had been forced to sell or develop land merely to bear the tax burden. A human being understands that.

The comfort of comprehension, something mid-nineteen-seventies Americans fear they've bartered to Beezlebub to get away from it all, has not been lost up here because Maine has never tried to get away.

As adamant as the tall pines and time-washed cliffs of her spine, it refuses to be moved one millimeter from the human condition.

Some people call its residents Mainiacs, but they are intensely sane. They know there is no getting away and so they adapt to life, setting out humane values and goals. They are the tortois in the great race, but it is perhaps their Yankee genius that by not moving one inch they have gotten away from all that is troubling everyone else.

With less civilization there are fewer discontents. There are more chances to get in touch. Up here on this hardline landscape, nature whittles life down to human scale, peeling off the question marks.

Guerrillas in a war of attrition against the highly charged forces of nature and the well-equipped army of "progress," Maine's people live in that constant state of alert that novelists say is exhilarating. When they



lie down to sleep at night they know what it means to survive the measure of a day. Nothing is more worth knowing.

I understand better what it means to be human when I have to spend three hours chopping wood for a fire to keep warm than when I have to drive six times around the block trying to park and then get a ticket because it's the wrong day for the right side of the street. The other day a woman came into the general store and handed Ray a dollar. She had just gotten home and noticed that he had given her too much change.

Maine is what this country must have been all about once. I was an immigrant to this land, a single woman homesteader. Yet nobody posed tacky questions. Rather, they let me hang myself out and see that my pursuit of happiness wasn't inimical to their life or liberty they called me "friend" and "neighbor."

Democracy grows here because people need each other to survive. Here the town meeting is a bridge between neighbors. Decisions are not relegated to politicians. Self-determination is the Yankee way, and in Maine I have come to learn what that means.

On the agenda of my last town meeting were votes on a moderator, \$500 to retain counsel to determine the rights of townspeople to certain water access, and \$378 for transportation services for the elderly.

I have seen the past and it works. The present is out of order. Maine satisfies my human longing for consistency. I live now in a house that has stood by the sea for 150 years, in a village incorporated since 1716 and among people who still do what humans are supposed to do. Maine people not only endure, they prevail. On this terrain they have no choice. And they have chosen this terrain.

In moving here from New York to join them, I did not abandon a sinking ship as some thought. I merely satisfied my own needs. Maine, the vast undeveloped country making possible the exploration of human alternatives, was not out of the question for the urban me because in desperation I dared pose the big question: Do I want to lead and understand my one and only life?

#### WINTER DST A BUST

### HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. SHRIVER. Mr. Speaker, the lifting of the Arab embargo on oil imports to this country recently prompted the President to announce certain steps to ease fuel restrictions for motorists including increased allocations and a lifting of the voluntary ban on Sunday openings of service stations.

While we know that the need for energy and fuel conservation continues, I would suggest that prompt consideration be given to a repeal of year-round daylight savings time. The administration should encourage an early report to the Congress by the appropriate Federal agency on the early results of this unpopular energy conservation experiment. I am personally pleased that the chairman of the House Interstate and Foreign Commerce Committee has planned for early hearings on the daylight savings time issue shortly after receiving the agency reports.

Under leave to extend my remarks in

the RECORD, I include the following excellent editorial from the Wichita, Kans., Beacon, which also suggests consideration of terminating this year-round experiment:

#### WINTER DST A BUST

The country will have to wait until June for a federal report on the effectiveness of Daylight Saving Time as an energy saver, but utility company spokesmen across the nation say no measurable amount of electricity has been conserved during the first two months of nationwide DST.

That scarcely comes as a surprise. The amount expected to be conserved was minimal to begin with—something like 2 per cent or so. And few persons ever expressed much confidence that the plan would work even to that extent.

Some slight decline in electricity consumption from the previous year has been recorded, but it reflects a trend resulting from a milder winter and conservation measures taken as a result of the energy crisis even before DST went into effect in January.

If the results haven't improved significantly by the time the Federal Energy Office issues its findings in June, the "two year experiment" in national DST should be terminated by Congress.

#### MINERAL SHORTAGES

### HON. DICK SHOUP

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. SHOUP. Mr. Speaker, with each passing day the prospect of mineral shortages looms large on the horizon. The need for positive action by the Congress has reached the point where further failure to act could have terrible consequences for this Nation and continued inaction could be our indictment.

As one who represents a district where mining is a major industry and a vital segment of the economy, I call upon the House Rules Committee to take up House Resolution 907 which was introduced on February 21, 1974, by Mr. HILLIS and cosponsored by 21 other Members. House Resolution 907 would create a select committee to investigate the entire subject of mineral shortages. Implicit in the select committee's mission would be the development of the full story of our growing dependence on foreign sources for critical minerals.

Congress took a significant step in 1970 with the passage of Public Law 91-631 wherein it was declared to be national policy to "foster and encourage private enterprise" in the "development" and "wise and efficient use" of minerals. Now let us move forward and take another step in furtherance of that policy.

Any doubt about the urgency of this matter can be easily resolved by even a cursory study of the Secretary of the Interior's Second Annual Report on the Mining and Minerals Policy Act. It is compelling evidence of the need for immediate action on House Resolution 907. I respectfully urge the Rules Committee to take it up at the earliest possible time.

#### CONSUMER CONTROVERSIES RESOLUTION ACT

### HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. MOSS. Mr. Speaker, I am today introducing the Consumer Controversies Resolution Act on behalf of myself and three other Members of Congress. The following Members are cosponsoring the Consumer Controversies Resolution Act: Mr. ECKHARDT, Mr. HELSTOSKI, and Mr. CORMAN.

For the majority of Americans, redress of grievances is at best a theoretical concept. Mechanisms for resolving disputes involving consumers are largely unavailable or ineffective. Utilization of the courts, and in particular the small claims courts, is in most cases too expensive.

Although the small claims courts were originally geared to provide speedy and inexpensive justice for litigants, their rules and procedures are somewhat complex and their accessibility to consumers is greatly limited. Other devices, such as arbitration and business-sponsored mechanisms have met with success in some instances, but arbitration remains largely untried and it is fanciful to believe that external business-sponsored forces, like the Better Business Bureau, will cause a retailer, when he believes he is right, to swallow considerable costs in the name of goodwill.

The sorrowful fact is that adequate protections and meaningful remedies are largely not available for the average American consumer. With this in mind, we can begin to understand why there is the danger of a loss of faith, on the part of some Americans, in the free enterprise system.

The purpose of the Consumer Controversies Resolution Act is to assure all consumers convenient access to a consumer controversy resolution mechanism which is effective, fair, inexpensive and expeditious, and which will facilitate better representation of consumer interests. It is based on a 2-year study conducted by the National Institute for Consumer Justice which explored the adequacy of existing procedures for resolving disputes arising out of consumer transactions. The Institute believes that Congress should assist in encouraging the establishment of effective consumer controversy resolution procedures, and, in particular—

That Congress should allocate funds for payment to the States to stimulate the establishment and maintenance of effective small claims courts.

We concur with that recommendation. The legislation which we are introducing would establish a new bureau in the Federal Trade Commission which would administer a program of aid to the States so that they can formulate and effectuate mechanisms for the resolution of consumer disputes. The bill also directs the bureau to conduct experimentation and exploration into ways of better resolving disputes. It is designed to stimulate the reform of the small claims court system

and to advance arbitration and business-sponsored self-regulating mechanisms. It is believed that a modest infusion of Federal funds will stimulate those States which have no systems for resolving consumer controversies to develop and effectuate them, and will stimulate those States which have ineffective systems to establish better ones.

American consumers and American business will be the joint beneficiaries of the Consumer Controversies Resolution Act.

#### OFFSHORE OIL DRILLING ON LONG ISLAND

### HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. RONCALLO of New York. Mr. Speaker, the current energy problems have led several oil companies and independent groups to the conclusion that one of the easiest and most profitable solutions would be to begin drilling for oil and natural gas off the coast of Long Island in New York.

As anyone who has ever been there knows, the coastline of Long Island is some of the most beautiful beach land in the country and destroying that might permanently destroy the ecological and environmental balance of the entire area.

I would like to bring to your attention a very excellent editorial which appeared in Newsday on March 27, 1974. The editorial follows:

#### OFFSHORE OIL: HARD TRUTHS

We've always shared the fear of many Long Islanders that offshore oil drilling poses an unacceptable menace to both the economy and the environment of Long Island. Now a federal report shows that this local apprehension was neither parochial nor ill informed.

In perhaps the most significant development since the potential for offshore oil exploitation became apparent, the federal Council on Environmental Quality has produced a 300-page catalog of reasons why the oil rigs should be prohibited from endangering the Long Island shoreline. Its report concludes: "A major oil spill along the beaches of Cape Cod, Long Island or the mid- or south-Atlantic states could devastate the area affected."

The argument most often raised in favor of exploiting offshore oil resources is that it would produce a larger and cheaper supply of gasoline in adjacent areas. That's a good economic argument, but the council musters an even better economic argument against it. "Commercial fishing may be seriously damaged both by water pollution and mechanical interference," the report warns. "... Consideration must be given to the fact that fisheries are renewable resources and are continuing sources of income, whereas minerals may be depleted in our lifetime."

Further eroding the oil companies' case is the council's new reckoning of the amount of oil and natural gas in the offshore reserve. The report discloses for the first time that the U.S. Geological Survey had decreased its original estimates by more than half. Instead of about 48 billion barrels of liquid petroleum and 220 trillion cubic feet of gas, the estimates are about 10 to 20 billion barrels of crude oil and 55 to 110 trillion cubic feet of gas.

So the bonanza out there is far smaller

than first claimed, and the possible cost to society much higher. And who will have to pay the cost? Every Long Islander. Property values increase here because of the overall environment for delightful living. Endanger the beaches, threaten the fishing and boating, enlarge the chances that heavy industry will flock to meet the fuel supply and everyone's property values are in peril.

In our view the federal report destroys whatever case may have existed for offshore drilling—certainly until the technology of exploitation is foolproof. But while the facts in its report constitute a conclusive case against drilling, the council has yet to make its formal recommendations. These are to be added before the report is delivered to President Nixon next month. We hope the council follows the logic of its own facts and strongly recommends against offshore drilling.

### HON. WILLIAM S. MAILLIARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1974

Mr. EDWARDS of California. Mr. Speaker, as all of my colleagues in the House are well aware, the Honorable William S. Mailliard has resigned from the House of Representatives after 21 years of outstanding and dedicated service. I would like to join my colleagues in paying tribute to this highly respected Congressman from the San Francisco Bay Area.

During Bill's tenure as a Congressman, he worked diligently on his legislative duties as well as being extremely active and helpful in the organization of the California delegation. He has served as the chairman of the Republican delegation and as vice chairman of the entire delegation of the past 4 years.

I have always respected Bill's expertise on foreign affairs. He was the ranking minority member of the Foreign Affairs Committee, and over his many years in the House he has served on numerous conferences and commissions to improve U.S. relations with other countries. I know that all of this experience, combined with Bill's own leadership ability, will confirm the wisdom of his appointment as permanent representative of the United States to the Organization of American States.

I would particularly like to thank Bill for cosponsoring the legislation which created the San Francisco Bay Wildlife Refuge. After years of hard work, the House passed our bill and the wildlife refuge became a reality. The refuge will protect many endangered species that lives in the salt water marshes of the South Bay. It is the only national refuge near a large population center in the entire country and will enable millions of people to visit and enjoy wildlife in its natural setting. The people in the South Bay and in Bill Mailliard's district in San Francisco owe much to him for his help on this bill. In fact, the people in his district, in California and in the Nation are grateful to him for all the fine work he has done in his 21 years of congressional service.

Of equal importance is the sense of loss I feel now that Bill and Millie Mail-

liard will be leaving Capitol Hill. Their friendship, their warmth, and feeling of affection and comradeship will be sorely missed. We rejoice for them, however, in the new friendships they will gain and the large contribution to international understanding they will make.

#### A TALENTED CONSTITUENT

### HON. STANFORD E. PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. PARRIS. Mr. Speaker, I am pleased to bring to your attention the accomplishments of a talented constituent of mine, Mrs. Nancy Thompson of Manassas. In February Mrs. Thompson was the featured artist at the Centreville First Impressions Gallery. Her primary interest is realistic painting, and landscapes and seascapes are among her favorite and most accomplished works.

Being a housewife, a mother of four, and a registered nurse, Mrs. Thompson's days are understandably filled with things to do. This leaves only the evening hours for her artwork. The devotion she displays to her own work as well as to her efforts in aiding fellow artists in her area is indeed much to be admired.

Mrs. Thompson above all else paints not for profit, not for attention, but simply for the love of art itself. Her ability to reproduce the beauty of the world, expressly for others to see, is truly the mark of a dedicated artist, and I at this time would like to insert into the RECORD a copy of the Manassas Journal Messenger of Friday, February 15, 1974, which concerns Mrs. Thompson:

NOKESVILLE ARTIST SAYS HUSBAND BEST CRITIC  
(By Tommy S. Burton)

"I paint for me," says Nokesville artist Nancy Thompson.

Nancy has been painting since her mother gave her her first six tubes of oil paint when she graduated from high school.

Periodically, she has taken courses in oils and watercolors.

She also took nurse's training, became an R.N., got married, and had four children.

Nancy paints late at night when she can be completely absorbed in what she is doing.

For the last year Nancy has been painting seriously and said she just cannot do it between requests for peanut butter sandwiches.

During daylight hours, Nancy says, she referees more than anything else. Her oldest son, Steve, is ten; Jeff is seven; and Doug is five. Her daughter, LeaAnn, is three.

Nancy has just finished what she rates a superb course in portrait painting. Her instructor was Danni Dawson of the Alexandria Art League.

A striking portrait of a mountaineer hangs in the Thompson home. Nancy painted it with a Rembrandt pallet from a newspaper clipping before taking the portrait course.

Many of her landscapes and seascapes have been done from black and white clippings or from memory.

Since the portrait course, her night painting has proved a disadvantage, as some skin tones and color effects cannot be achieved in artificial light.

Blue and red fluorescent lights are the closest approximation.



Nancy has put an order in for the lights with her husband, Corbin, who is building her a special area downstairs in the Thompson home for painting.

Nancy is the featured artist this month at First Impressions Gallery at Centerville on Lee Highway.

She has shown her work in many shows in the area and plans to display some of her work at the new Stage Door Gallery at the Hayloft Dinner Theater.

Every Thursday night Nancy meets with five other area artists for the specific purpose of painting and giving critiques to each other. This has proved to be a big incentive and inspiration.

But, according to Nancy, her best critic is her husband, who does not paint at all.

"He can always see what is wrong and he is always right."

Nancy said she does not do decorator art. Her particular interest is realistic painting and her ambition is to get better, rather than to sell in large quantities.

She does sell her paintings and sometimes does commission work, but is satisfied to just sell enough to support the expense of painting.

Nancy's other interests are sewing, crafts, and gardening. Every summer she has a large flower garden of unusual varieties. Rows of canned vegetables line the shelves near her painting area.

Nancy is also a member of the Manassas Art Guild.

#### RESOLUTION ADOPTED BY THE COLOR COUNTRY CHAPTER OF THE SOCIETY OF AMERICAN FORESTERS

#### HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. OWENS. Mr. Speaker, for the information of the Members, I am inserting in today's RECORD a resolution adopted by the Color Country Chapter of the Society of American Foresters. This resolution expresses strong disapproval for any action taken to eliminate the forest management practice of clearcutting and exhorts Congress to oppose the passage of any such measure.

Clearcutting is defined as the practice customarily used in the timber industry which requires the removal of substantially the entire stock of timber within a particular designated area for the purpose of commercial harvests of timber or silviculture management of timber. It is the contention of the Color Country Chapter that clearcutting is necessary and favorable and that the Forest Service is presently taking adequate precautions against future clearcutting abuses—that have been characteristic of the past.

#### RESOLUTION

Be it hereby resolved by the Color Country Chapter, Intermountain Section, Society of American Foresters that we are unalterably opposed to any Congressional action (specifically Senate Bill 2620 McGee) that would ban clearcutting in the Nation's forests as a management practice. Clearcutting is needed and often necessary as a management prescription for specific tree species and conditions.

Be it further resolved that we strongly recommend that any future Congressional action which may affect the management of the Nation's forest resources first secure the prior involvement and advice of America's professional foresters—the Society of American Foresters.

Adopted this twenty-fifth day of January 1974 at Richfield, Utah.

Adopted by unanimous voice vote at annual Business Meeting, Twenty-fifth Day of January 1974.

#### THE WORKING PEOPLE FIGHT BACK

#### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. RARICK. Mr. Speaker, the working people of America have now become so infuriated at the frequent action of environmental groups in seeking court injunctions and orders to disrupt construction work, that they have now started to fight back by filing their own lawsuits and seeking damages.

It is becoming apparent that the working, productive builders of a better America are not going to surrender to the scheme of a handful of intellectual theorists, funded by tax-exempt organizations and demanding environmental impossibilities. Man is also a part of our environment.

A recent column by the noted writer, Victor Riesel follows:

[From the Baton Rouge (La.) Morning Advocate, Mar. 25, 1974]

#### UNION CHIEFS PLAN ATTACK ON ENVIRONMENTALISTS

WASHINGTON.—Had Marie Antoinette gone to Yale instead of the guillotine she might well have said, "Let them eat oysters." That in effect is what the university and New Haven environmentalists said not too long ago when they delayed a vital harbor-dredging project 17 costly months—costly to construction workers seeking their daily bread, costly to shippers sending tankers in, and costly to the community.

Back in June, 1972, the Army Corps of Engineers had approved the dredging of a deeper harbor channel there. But the university intervened demanding the right to complete tests of the channel bottom, according to Operating Engineers International vice president (dredgman chief) Steve Leslie.

Yale won permission. Then the Engineers Corps reported difficulties with ecology forces who wanted the dredging delayed out of deference to oyster spawning habits. Agreed. Then the environmentalists sued to halt all dredging. Finally work began in October, 1973. Meanwhile, jobs were lost. Money was lost because tankers entering the harbor during the delay had to go in "light loaded" because of the sandbar at the entrance.

Thus it goes, the International Union of Operating Engineers has just learned from a survey of some 70 locals by president Hunter Wharton and general secretary-treasurer J. C. Turner.

At this moment more than a billion dollars in construction is being delayed (or has been blocked in recent months) by the Sierra Club, the Audubon Society (birdwatchers, the building unionists call them), a County Federation of Sportsmen, a Lake Power Boat

Club, a "Save Our Sound Fisheries Assn." and sundry environmentalists with a thousand acronyms across the United States.

"They hold every rock, stream and tree sacred," says one labor chief. "We want balance, a fine country, clean air but we want bread too."

J. C. Turner, who wrapped up the survey's results, reports the ecologists' blocking of a string of vital nuclear power plants, key interconnecting road sections, vital bridges, sewage disposal installations, dam-heightening work, river-deepening and above all, oil refineries. All this despite the need for jobs to absorb the energy-related unemployed, and to provide more gasoline and other fuels in the nation's biggest industry where supplies already are short.

The national operating engineers union dispatched letters to key people throughout the country as a follow-up to a Western (13) State conference last year. At that session the national leaders learned that fully \$500 million in construction projects were being blocked by environmentalists' legal action in those 13 states. It is estimated that as much work is now being delayed by environmentalists' court action in the East. These, according to the union's records, include roads in Western New York and assembly-line floating nuclear power plant production in Florida.

#### DAMAGE SUIT FILED

Typical is the following report from one New England Local: "(This case) involved the removal of material (by dredge) in a 40-foot channel of the Providence River and Harbor in Rhode Island. The contract was awarded to the Great Lakes Dredge and Dock Company and it was given notice to proceed on July 27, 1973. Before any work had begun, however, the company and the Corps of Engineers received a Notice of Violation from the 'Save Our Sound Fisheries Assn.'"

"On Aug. 9 a judge issued a restraining order against the project. On Aug. 14 the Corps of Engineers and the dredging company were named in a damage suit filed on behalf of the Fisheries Association, even though no work had been performed. A series of meetings was held with representatives of the association to no avail . . . In late December no work had been performed or scheduled on the operation."

There you have a case history—one of hundreds—running on a line from the Seattle area to St. Louis (a dam-reservoir project to a Cleveland (nuclear) plant and on to Jacksonville, Fla. Some of these projects were hit by long delays. Some never started.

Some, involving a bridge or highway interconnections, delay road-building work worth tens of millions of dollars which can't be started until the original construction is completed.

#### RETALIATION TEAMS

Frustrated, the construction unions are organizing teams to retaliate with class action suits against the environmentalists personally and organizationally. In Connecticut, for example, the law prevents such labor action. So the unions have united to pressure the state legislature to pass legislation enabling such counteraction.

One such suit, seeking damages for some \$250 million in lost (and potential) wages, still is hovering over the Florida Audubon Society. The full counterattack will be launched after strategy is discussed at the Building and Construction Trades Dept. (AFL-CIO) national legislative conference which brings some 4,000 local business agents and other leaders to Washington April 1.

These union chiefs understand the value of learning how oysters spawn. But they do believe the environmentalists should also learn how bread is made.

# MANDATORY PENALTIES FOR USE OF GUNS TO COMMIT CRIMES NEEDED

## HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. FINDLEY. Mr. Speaker, in 1972, the latest year for which complete FBI statistics are available, there were an estimated 18,520 murders committed in the United States, almost 1,000 more than the previous year. Firearms were the most often used weapon in homicide. Sixty-six percent of the homicides were committed with firearms. Discouragingly, the use of firearms to commit murder is increasing with the number of murders.

In calendar year 1972, there were almost 400,000 aggravated assaults in the Nation. This represents almost 25,000 additional offenses over the previous year. Over 25 percent—100,000—of the serious assaults in 1972 were committed with a gun. Again, the use of guns to commit assaults, like murders, is rapidly increasing.

Bank robberies, chain store robberies, street robberies, robberies in private homes and holdups of other commercial or business establishments are also up. I suppose that only gas station robberies are down because there are not as many open to rob these days.

More than 60 percent of all armed robberies are committed with guns.

In 1968 Congress enacted a new gun control law of sweeping proportions.

The bill provided that anyone who uses a gun to commit any Federal felony, or anyone who carries a gun unlawfully during the commission of any Federal felony, is subject to penalties over and above those prescribed for the felony itself.

Obviously, the increasing numbers of murders, assaults, and robberies in recent years and the increasing propensity of criminals to use guns to commit these crimes indicates that the 1968 gun control law did not control crime. Most probably it did not lessen it at all.

The reason is that the strong penalties in the 1968 and 1970 acts apply only to Federal offenses. And it is not a Federal crime to rob a store or assault or murder your fellow citizen. These are generally crimes against the individual 50 States.

I am introducing a bill today to amend the section of the 1968 Gun Control Act to make it a Federal offense to use a gun to commit a crime where such use also violates State law. This legislation would require a mandatory 1-to-10 year jail sentence for anyone convicted of using a gun to commit a crime, and courts could not make the sentence run concurrently with any sentence for another offense.

In addition, the bill provides stiff penalties for any individual acquiring a firearm by any type of illegal means.

Thefts of firearms, like other crimes, are skyrocketing in the United States at this time. As a result of tightening gun

control, gun stealing has become a natural underworld business with ready markets and high profits. The National Crime Information Center has on file reports of 669,000 stolen guns, and its files are expanding at a rate of over 100,000 stolen firearms a year. Gun theft has become a national problem. It must be dealt with on a Federal level.

This bill places the burden of criminal use of guns on those who use them, not on the law-abiding citizens. When all of our best efforts are unable to deter some from a life of crime, something must be done to protect the innocent citizens who abide by the law in their everyday lives.

Those who would use a gun to bring fear, pain, and even death to their fellow citizens must be made to weigh it carefully against the stiff penalties provided for illegally using a gun. If some still choose to use a gun, they demand too high a price for our toleration.

We must do something to deter the use of guns in committing crimes. And where deterrence will not work, we must make the use of a gun commensurate with the cost in anguish and fear the offender would impose upon his victim.

Text of the bill follows:

H.R. —

A bill to make use of a firearm to commit a felony a Federal crime where such use violates State law, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (c) of section 924 of title 18, United States Code, is amended to read as follows:

"(c) Whoever—

"(1) uses a firearm to commit any felony which may be prosecuted in a court of the United States, or

"(2) carries a firearm unlawfully during the commission of any felony which may be prosecuted in a court of the United States, or

"(3) uses a firearm to commit any felony, or carries a firearm unlawfully during the commission of any felony, which use or carrying for said purpose is unlawful according to the law of the State in which it occurs, shall, in addition to the punishment provided for the commission of such felony, be sentenced to a term of imprisonment for not less than one year nor more than ten years. In the case of his second or subsequent conviction under this subsection, such person shall be sentenced to a term of imprisonment for not less than two nor more than twenty-five years and, notwithstanding any provision of law, the court shall not suspend the sentence in the case of a second or subsequent conviction of such person or give him a probationary sentence, nor shall the term of imprisonment imposed under this subsection run concurrently with any term of imprisonment imposed for the commission of such felony."

Sec. 2. Section 924 of title 18, United States Code, is amended by adding at the end thereof the following new subsection:

"(e) Whoever acquires any firearm in violation of any law of the United States, a State, or a political subdivision thereof, shall be imprisoned not less than one year nor more than ten years. Notwithstanding any other provision of law, the court shall not suspend the sentence of a person convicted under this subsection or give such person a probationary sentence, nor shall the term of imprisonment imposed under this subsection run concurrently with any term imposed with respect to the illegal acquisition of such firearm."

# A VETO-PROOF CONGRESS

## HON. LAMAR BAKER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. BAKER. Mr. Speaker, one of the goals of the big labor bosses is to manipulate the elections this fall so that they will have what they call a veto-proof Congress when the 94th Congress convenes.

Because of the respect I have for the rank and file worker and his family, and his right to work without union domination if he chooses, plus his rights to bargain collectively in the interest of his welfare, I cannot think of anything more detrimental than having big labor in Washington calling the shots and having a majority of the Members of the House and Senate subservient to the labor power structure.

There is need for caution, therefore, in going down the line with the Washington labor bosses in striving for a "loaded" legislative branch. An editorial in the Wall Street Journal of March 26 lists some of the consequences of such an imbalance and all voters should take them into consideration before deciding to go along in making the Congress veto-proof.

I commend this editorial to the attention of my colleagues.

The editorial follows:

A VETO-PROOF CONGRESS

Because of rising expectations among the Democrats, Congress has been drawn into the orbit of the campaign season much earlier than usual. In nonpresidential election years the strutting and posturing on Capitol Hill generally begins no earlier than June, and there is thus at least a half a year for serious legislative work before the politicking begins in earnest.

The difference this year is the anticipation of a Democratic landslide in November and a "veto-proof" 94th Congress next January. It now need only knock out the necessary work on appropriation bills and authorization extensions, with time out for a summer vacation. Better to put off the major issues, according to this thinking, until it is no longer necessary to arrange compromises with the White House. Come January, it will not matter what Republican is in the White House. Congress will be running the country.

No Democrat would admit this kind of treading of the waters is going on, and it is probably not conscious policy. But it is the avowed strategy of one of the major forces that drives legislation on Capitol Hill. The AFL-CIO will do all that it can to keep Congress asleep for the remainder of the year so it can raise the roof with the 94th; the other segments of the Democratic coalition are catching on. The President's national health-insurance bill is going nowhere. Labor prefers to push through something closer to Senator Kennedy's program next year, expecting to be able to sustain it over the President's veto. "Labor is holding to a very tough position," Max Fine of the Committee for National Health Insurance told The National Journal. "We will resist action this year because we need a veto-proof Congress to get a bill past Nixon."

The President is also readying a new version of the Family Assistance Plan that the liberal Democrats managed to strangle every



time Mr. Nixon sent it up during his first term. But it will not make the slightest difference how expensive and grandiose Mr. Nixon makes his new guaranteed-income plan. If the Democrats hold off for a year, they not only can draw it to their own design, they can enact it without having to share credit with a GOP President.

Nor can we see good reason for expecting Mr. Nixon's trade legislation to pass in a form the President can accept. The only reason George Meany submerged his opposition to the trade bill last year, when it passed the House, was his belief in early 1973 that he would have to deal with a strong President for a full four years. The AFL-CIO now says economic conditions have changed, and "It's a totally new ball game." But it is really the political conditions that have changed. Mr. Meany no longer has to do business with a President whose impeachment he is campaigning for. In 1975, with a veto-proof Congress, we could expect to see the Burke-Hartke bill wheeled out for another go.

Even with a bad back, Wilbur Mills can see what's afoot and draw some conclusions. A huge influx of freshmen Democrats in the 94th Congress will be putty in the hands of those liberal party colleagues of Mr. Mills who want to strip the Ways and Means Committee of its power. As far as the liberals are concerned, too many members of Ways and Means understand economics. Better to take its jurisdiction over the substance of health, welfare and trade legislation and give it to committees that don't worry about economics. To pay for such schemes, Ways and Means can be left with the power to raise taxes.

Is it any wonder that Mr. Mills would like Mr. Nixon to resign immediately or sooner? Or that Senator Buckley and Representative Ashbrook are calling on Mr. Nixon to courageously step down? None of these gentlemen fear for their own political hides. Each surely is panicked with the vision of a government run, even for two years, by George Meany, Edward M. Kennedy and Vance Hartke.

It would indeed be an exhilarating period. When before has there ever been a veto-proof Congress controlled by a party other than the President's? At the very least, it would make for interesting history.

But then, we have our doubts that we'll see a "veto-proof" Congress, no matter how many Republicans are run out of Congress this November. To arrive at that ethereal state, the Democrats would have to interpret their success as a mandate for a \$79 billion health-insurance scheme, a \$5,500 guaranteed-income plan and a neo-isolationist trade bill. If they did so, most of them would be gone in 1976.

#### REPRESENTATIVE JACK KEMP WARNS THE OIL COMPANIES AGAINST ANY PRICE RIGGING

#### HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. KEMP. Mr. Speaker, I am not one who believes the energy crisis to have been contrived. The facts, at least at this point, simply do not convincingly support such a conspiratorial view.

The energy shortage was created by a variety of factors, including excessive Government regulation, too great a reliance on that regulation by industry, and an unwillingness among consumers

during the past 15 years to pay the true costs of fuels until the crisis became acute—and then prices went too high.

I believe the free market system to be the most effective way in which to remedy the energy crisis in both the short-term and long-term phases. If we had relied upon the free market system and the principle of supply and demand, instead of relying on regulations and agreements, the problem may never have happened in the first place. All we can do now is to learn from our lessons and not repeat our errors.

I have risen on the floor of the House on a number of occasions to resist Government intrusion and intervention in the allocation of scarce fuels. Such intrusions only intensify the shortages; they do not make scarce resources more plentiful.

But, there is something else as equally antithetical to the free market system—something else which must also be prevented. I speak of alleged price riggings and other unfair practices within the oil industry. Such practices will certainly distort the laws of supply and demand as much as will Government intrusions, and it is the consumer who gets hurt in both instances. This is what I am fighting.

I have viewed my responsibilities as a Congressman as protecting the consumer most effectively by insuring the viability of the free market system. I have never viewed myself or my voting record as being pro-industry or pro-government. I have preferred to stand aside from the promotion of any position other than that which would restore production to an adequate level the fastest—the free market system—and thereby bring relief to the consumer at the earliest point in time. And, we must never forget that the free market system historically produces goods at less cost to the consumer than during periods of control of those goods by Government regulation.

This is why I am most disturbed at the first major disclosures this week that several of the oil companies—by far, not all—have apparently been discovered as being involved in certain price rigging and similar unfair practices. At a minimum, these disclosures raise serious questions as to the role of the major companies in this crisis.

In January of this year, William E. Simon, Federal Energy Administrator, ordered into effect a full audit and review of pricing policies among oil companies. As a result, three companies have already been ordered to roll back prices or take other remedial measures to pass back to the consumers over \$50 million in excessive charges. A fourth company is also under suspicion of similar practices. These excessive prices were allegedly occasioned by price increases having been made effective either before formal approvals for such increases were granted or before approved effective dates came to pass.

An official of the Federal Energy Office has indicated that "only a minority of the major refiners are suspected of wrongdoing." For this, we can all be glad.

Yesterday's edition of the Wall Street Journal reported that at least one major

oil refiner had considered, prior to the Arab oil embargo, actually holding back refinery production in order to bolster prices. No evidence has been presented that there was any collusion between this particular refiner and other companies, but the share of the market on the Pacific coast of this one refiner is substantial. This practice, too, is to be deplored, for, once again, it would have been the consumer who would have been hurt the most, if the plan had been made operational.

Mr. Speaker, I believe a warning must now be transmitted—loud and clear—by Members of this House to the major oil refiners. That warning is that those of us who have argued for the use of a market system will feel betrayed—and so will the consumers who similarly believe in the laws of supply and demand as preferable to Government regulation—if the oil companies distort the market with unfair practices. I deplore such practices. I feel that civil and criminal remedies ought to be pursued in each instance where the facts warrant such litigation. And, I am sure that I am joined by many other Members in feeling this way.

It is one thing to have to pay more for fuels because they cost more to produce—and let us face it, it does cost more to produce fuels today than it used to—but it is quite another thing to have to pay more because refiners are playing games with the people's livelihoods by charging more than they should or withholding crude oil from production and distillates from distribution.

If we are to have a restoration of the market economy in the area of energy supply and demand, it must come from both sides—from Government and from industry. We cannot have industry preaching the virtues of a market system on one hand and yet not living by the principles inherent to that system on the other. Neither Government nor industry must try to take advantage of the other, for it is the consumer who ultimately gets hurt when imbalances are generated.

I do not believe the Congress will stand for any mistreatment of the consumers' interest. I know I will not.

#### HUCK FINN CELEBRATES BIRTHDAY, STILL AN INSPIRATION TO YOUNG

#### HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. HUNGATE. Mr. Speaker, along the Mississippi River about now the first signs of spring appear. There is an excitement in the air; the first symptoms of spring fever mixed with awe as the great river rises and threatens to flood. It is an alive time—a reawakening to a glorious new season that is especially visible on the faces of young boys itching for new explorations out of doors.

It is the sort of atmosphere that kindled the fires of Mark Twain's imagina-

tion to bring his most beloved character to life. It is a good time to call your attention to the 90th birthday of this famous and cherished American—Huckleberry Finn. A livelier 90-year-old is hard to imagine. We can all recall the pleasure he gave us as a boy, and now, as we look back we even mix up Mark Twain's characters and adventures with our own experiences when we were young. Perhaps that is why Huckleberry Finn lives on generation after generation—he represents the spirit of boyhood and adventure—inspiring young boys and recapturing the delights of youth for us to remember.

Conceived in the fertile and brilliant imagination of Mark Twain in 1885, Huck Finn still lives within the covers of the book "The Adventures of Huckleberry Finn," and continues to capture fresh audiences in dozens of languages. I am particularly pleased to announce this birthday not only because Mark Twain's home and young Huck's adventures started in Hannibal, Mo., in my congressional district, but also because in an explanatory note the author draws attention to the "ordinary 'Pike County' dialect" used in the book and which I am proud to possess.

Huck's birthday is being celebrated in a most exciting and entertaining style with the release of a new motion picture, "Huckleberry Finn," a musical adaptation filmed by the same talented people who, last year, gave us, "Tom Sawyer." It is a joint venture of Reader's Digest, United Artists, and the late Arthur P. Jacobs, a brilliant moviemaker, whose untimely passing was a great loss to Hollywood and to the Nation.

"Huckleberry Finn" is a film we will all enjoy, regardless of age. The passage of years has not diminished Huck Finn's appeal as an adventurous rebel, a Missouri teenager of the 1840's who rejected the bigotry of slavery as exemplified by his deep friendship with the runaway slave Jim. Both Jeff East, who plays Huck, and Paul Winfield, who plays Jim, vividly bring these characters to life on the screen. Harvey Korman as the King, David Wayne as the Duke, and a delightful score, songs, and screenplay by Richard M. Sherman and Robert B. Sherman, add immeasurably to the picture's appeal as entertainment for the entire family.

We owe a vote of thanks to the creative team responsible for "Huckleberry Finn." I hope you all will join me in saying congratulations and in belting out a chorus of that great old tune "Huckleberry Finn":

Huckleberry Finn, If I were Huckleberry Finn  
I'd do the things that he did, I'd be a kid again.

You'd always find me out fishing

Beside some shady pool,

And wishing that there'd never been a school  
(If I were only)

Huckleberry Finn, in every mischief I'd be in  
And on my freckled face you'd always find a grin.

I wouldn't put my shoes and stockings on for  
any man.

All I'd ever wear would be a coat of tan  
If I were Huckleberry Finn.

## FISH NEED PROTECTION

## HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. PATTEN. Mr. Speaker, although the fishing industry in New Jersey is not as large in some of the New England States, it is nonetheless an important one which has been in decline for a number of years. This is primarily due to the grossly inequitable competition with our fishing industry by foreign fleets. The drain on the supply of fish for the domestic fishermen is clearly evident, and the effect on the American fishing industry is dramatic. The 12-mile limit should be extended. The News Tribune of Woodbridge, N.J., carried a most appropriate editorial in the March 13 issue on this subject. When the United Nations Law of the Seas conference convenes in Caracas later this year, it is hoped that an agreement will be reached which will protect the U.S. coastline from being violated by foreign fishing vessels. Mr. Speaker, I recommend that my colleagues consider the following:

[From the Woodbridge (N.J.) News Tribune, Mar. 13, 1974]

## FISH NEED PROTECTION

In an effort to curb year-round fishing expeditions by foreign trawlers off the East Coast, the Emergency Committee to Save America's Marine Resources is seeking support nationwide for a 200-mile limit.

Located in Englewood Cliffs at 110 Charlotte Pl., the volunteer committee includes sport fishermen, charter boat captains and commercial fishermen in the state. Their goal is passage of a pending bill in Congress to extend the present 12-mile limit to 200 miles for fishing only.

Later this year, representatives of 135 nations will gather in Venezuela under United Nations sponsorship to discuss laws of the sea. The American committee said it would be willing to accept a compromise if one is agreed upon at the meeting.

Those who are campaigning for the 200-mile limit hope to arouse the concern of all Americans to the dangers posed to America's fishing areas. The overriding fear is that the fishing banks will be wiped out, including those off the New Jersey coast, if giant foreign fishing fleets are permitted to continue their operations without interruption.

The danger is real, according to the U.S. Department of Commerce. In the last decade, the stock of edible fish has been depleted 65 per cent off the New England, Long Island and Jersey coasts because of foreign fishing fleet operations, including huge Soviet fishing fleets.

More often than not, the "fishing" that takes place consists of scooping up everything without any thought to preservation of marine life.

As a result, haddock have all but disappeared off the Jersey coast.

Other species also have been affected.

Fish prices have increased dramatically.

Existing agreements between the U.S. and foreign nations—with the Soviet Union, for example—have been denounced as all but a joke, with the joke being played on the U.S.

If fish stocks are not permitted to sustain themselves, the end result will be the destruction of valuable fishing banks.

Extension of the 12-mile limit to 200 miles—with whatever enforcement measures are needed—will offer needed protection. Congress should act quickly.

## ENVIRONMENTAL PROTECTION THROUGH EDUCATION

## HON. JOHN BRADEMAM

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. BRADEMAM. Mr. Speaker, the importance of environmental education if we are to meet successfully the challenges of burgeoning environmental degradation is vividly illustrated by an excellent article in the March 2, 1974 edition of Science News.

The article focuses, Mr. Speaker, on a project in Ohio's Cuyahoga River, which is so choked with oil that several years ago it burst into flames.

The project, funded by the Office of Environmental Education in the Office of Education and the Environmental Protection Agency, brings youngsters and men and women together to learn about the biology and chemistry of the gunk they find in the Cuyahoga and its tributaries, and to examine the social causes and potential cures of the watershed's ills.

Mr. Speaker, because this article provides an example of the extraordinary importance of the work being supported by the Office of Environmental Education, under its capable Director, Walter J. Bogan, I insert it at this point in the RECORD:

## ENVIRONMENTAL PROTECTION THROUGH EDUCATION

Kids are wading in the Cuyahoga again. Now that the river is much cleaner than the time its oil-polluted surface caught fire, where it flows through Cleveland into Lake Erie. Rather, a unique experiment in environmental education has brought students from elementary school to the master's degree level back to the river most people had abandoned.

With funds from the Environmental Protection Agency, the Office of Environmental Education (OEE) and private local groups, the Cuyahoga Heritage Project is one of a growing number of studies in environmental education designed to get students and teachers out of the classroom and into confrontation with the practical problems of everyday life.

Some of the high-school students that now gingerly wade into the river and its tributaries for samples of scum can remember swimming in clear side streams just a few years ago. And as they learn about the biology and chemistry of the gunk they find in these streams now, they are also inquiring about the social causes and potential cures of the watershed's ills.

But important as it is, a lot more than just the Cuyahoga River is at stake here. Indeed, the issues involved are among the most fundamental of education and democracy—whether or not a generation of concerned and technologically informed citizens can be trained in time to meet the grave challenges of environmental survival that will surely arise within the lifetimes of these concerned students.

Past efforts have failed. The traditional disciplines of science education have long presented the "facts" of ecological fragility and the health hazards of pollution. The encroachment of waste and development on nature has been chronicled by many conservationists, crying from the wilderness. But students were informed, not inspired; above all, they never became involved.

Now, that may change. Environmental education is slowly gaining ground as a spon-



taneous, grass-roots movement. Federal programs from OEE total only a meager \$2 million—enough at best for coordination and initial encouragement of local programs. Yet, in its first year of operation, 1971, the office received more than 2,000 applications and made grants to 173 separate organizations.

Walter J. Bogan is director of OEE, a branch of HEW's Office of Education. He described to Science News what the organization hopes to accomplish in coming years. "Our place is at the cutting edge of environmental studies," he says, funding demonstration projects, synthesizing knowledge gained from these efforts and making it available to groups in other communities. By thus encouraging local initiative and then helping spread the word of particular successes, OEE hopes to coordinate the increasing groundswell of community action for environmental protection through education.

The process may also have other effects, Bogan says. By concentrating on practical problems—like a river so filthy it catches fire—projects stimulate interest and need for other kinds of knowledge among the students who participate. By seeing a need for understanding the chemistry of pollution or the biological effects of pesticides, students who have been turning away from science for lack of "relevancy" may now be drawn back.

Bogan sees environmental studies as a particularly good way to draw students from minority groups into science. "There is more a sense on the kids' part," he says, "of controlling and participating in their own education"; rather than of having school do something to them. A new kind of teacher-student relationship often builds up as both go out to address an external problem together as allies—with the teacher's role becoming one of "resource person" rather than ultimate authority.

In the Cuyahoga Project, that means "teacher training" sessions are shared with student representatives, who help develop programs along with their instructors. It means having students come into contact with other adults in the community, perhaps for the first time, to work on common problems. Most of all, participation, in Bogan's sense of the word, means self reliance—building one's own air-pollution detector out of an old vacuum cleaner, digging up samples of dirt from one's own yard to understand its relation to a neighborhood runoff problem.

Projects vary as much as localities do. The school board of Dade County, Florida, (which includes Miami) was awarded \$30,000 this year to help start a Center for Urban Research and Environmental Studies. The Center will complement other environmental studies, already in progress, concerned with the adjacent ocean and Everglades. In Kaneohe, Hawaii, a "mini-grant" of less than \$10,000 will help start a series of training workshops for citizen-involvement committees and community environmental planning groups. University programs for professional environmentalists are being coordinated with the more broadly based environmental studies programs. In the Cuyahoga Heritage Project, Cleveland State University is offering master's degree credit to some teachers participating.

Unfortunately, environmental studies, and especially OEE, have become a political football. Set up by a companion bill to the Environmental Protection Act of 1970, the very existence of OEE has been consistently opposed by the Administration, which wants to abolish the office altogether. A bill to continue the office has already passed the House, under the guiding care of Rep. John Brademas (D-Ind.). But in the Senate, OEE's fate rests on the progress of two conflicting bills. One, by Sen. Gaylord Nelson (D-Wis.), complements the already passed House version. The other, Sen. Claiborne Pell's Elementary and Secondary Education Act, also con-

tinues the office, but supporters of environmental education fear that inclusion in the larger bill endangers their cause. Pell's act, they say, is almost certain to get bogged down in a protracted, bitter fight over budgeting. Meanwhile, the Administration has quietly left OEE out of the fiscal 1975 budget.

Unperturbed, Bogan's staff is setting about trying to find evaluation criteria on which to judge the performance of completed projects. Some valuable results are readily apparent: In Kent, Ohio, city officials bent on determining the location of soil most suitable for construction of a new sewage treatment plant found that much of the necessary information had already been gathered by junior-high-school students working on one of the Cuyahoga Heritage projects. But judging whether or not OEE's innovative programs have stimulated new student interest in science or whether these students will become the vanguard of a new environmental consciousness may take years to determine.

If such dreams are fulfilled, shock waves could be felt throughout the educational system, as well as throughout those areas of the political establishment that make decisions on environmental issues. OEE is now one of the more obscure agencies of the Government, even overshadowed within the environmental movement by its big brother, EPA. But given a favorable Administration and a few more years of attacking the longer range aspects of an increasingly complex problem, OEE and the educational and social trends it sponsors could become an increasingly powerful force of reform throughout the country.

#### VALUES OF YOUNG PEOPLE

### HON. JOHN DELLENBACK

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. DELLENBACK. Mr. Speaker, one of the things which has impressed me most about today's young people—and I speak as the very proud father of three young adults—is that many of them have taken the time to examine seriously the values of our society and to decide for themselves those things which they will personally hold important in life and the goals around which they will build their lives.

Last month I had the opportunity to talk with one such young man from my district, Curtis G. Fisher, who was here in Washington as a national winner of a Freedoms Foundation George Washington Honor Award. Curtis, a senior at Marshfield Senior High School in Coos Bay, Oreg., won this award for an essay he wrote about his own values and responsibility to live by them. Because I believe it is an excellent essay, I would like to share it with my colleagues and include it here for your consideration.

#### HUMAN GOALS: VALUES FOR LIVING

(By Curtis F. Fisher)

Values do not exist in a vacuum, but are created by need from our environment. Different environments create different values.

A person should spend considerable time studying his environment and determining of what it consists. This will allow us to better understand ourselves and our neighbors; the better we understand each other the more mankind progresses.

The first thing I value is life. This is the only possession we come into the world with.

We constantly strive to make our lives happy and secure without considering why, but people seldom think about an instinct that is in all life, which is survival. I believe God gave us this instinct to guard the precious life He also gave us.

Secondly, I value honor. Honor is something you must earn. Of all possessions honor is the most safe, because it is not a physical thing which can be taken away. I believe that after life on earth there is a soul that continues to live on in harmony or continual torment with our honor.

Thirdly, I value my country. I feel I owe her much and everyone has a similar obligation for their country, regardless of where they were born. It is a proud feeling to say, "I am an American," and know of the heritage of our ancestors who fought to make America a great nation.

The honorable men who fought to make America were men of high moral standards who sensed something more than personal gain in what they were doing. They were ready to give up their lives for their ideals.

Values are not necessarily something that can be taught. They are something an individual contrives on his own by relating his experiences into two categories, good or bad. Those that fall into the "good" category are of "value." The answer to why they are treasured probably lies in the subconscious.

Values are not always readily apparent and sometimes we are not even sure where or on what we have placed values. Sometimes we act in a way contrary to our conscious beliefs. Some values are entirely hidden to us and emerge only in times of emergency. A striking example would be the individual who gives his life to save another.

If a person really honors his values he will not always go along with "the crowd." Some people are so afraid of not belonging they tend to bend their values "a bit." To me it is "the crowd" that must fit in with my set of values.

I feel society may change their rules but values of honor and patriotism are far more concrete than man-made directives and will be with us for a longer period of time.

Albert Einstein, perhaps the wisest man of our time said, "Try not to become a man of success but rather a man of value."

#### HOW IT ALL BEGAN—PART I

### HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. BRASCO. Mr. Speaker, today, America is feeling the pinch of an "energy shortage" which could have been largely avoided had Government not capitulated to effective lobbying by "big oil." Effectiveness of that effort to influence national policy had its real genesis when President Truman was induced to drop vigorous antitrust prosecutions against the burgeoning oil cartel in the year immediately prior to his leaving office. Once recently revealed antitrust suits were replaced by mild civil suits ending in wrist-slapping, the stage was set for consolidation of oil industry influence, which reached its apogee under the totally permissive aegis of President Eisenhower. Here was the golden era of oil industry privilege, when the structure of preference was well and truly laid, setting our energy policies in concrete enduring to this day, guaranteeing massive

profit for big oil, fiscal disaster to independent elements in the industry and energy deprivation for the overwhelming mass of Americans. It should be noted in passing that this state of affairs had little or nothing to do with American policy toward Israel, which enters much later, and certainly not as a prime cause.

Today, big oil (Exxon, Mobil, Gulf, Texaco, BP, Shell, Arco and Standard of California) enjoys a uniquely broad and profitable range of tax preferences unmatched even remotely by any other sector of American business. Granted by a Congress dominated by oil interests over the years, these questionable privileges cover drilling costs, foreign taxes paid, depletion allowances and a host of other benefits. In turn, these "truckholes" have helped create a situation whereby we are unable to meet our own oil demands, lack adequate refinery capacity domestically, and are gripped by a growing dependence upon foreign (Arab) crude oil sources.

For years, it was impossible for moderate-to-liberal Democrats to attain seats on criminal committees of the House and Senate dealing with tax matters, that is, Finance in the Senate, and Ways and Means in the House. A cursory glance at these bodies reveals them heavily weighted with conservatives. There is a growing, but still thin, rank of liberals at the bottom, as a result of growing national liberal democratic strength in recent years.

Freshmen Members of Congress were required to undergo interviews with party leaders before committee assignments were handed out. Vital questions dealt with how a newly elected Member felt about oil's tax preferences, such as the then 27½-percent depletion allowance. Negative answers meant assignment to committees where a member's philosophy could never influence that structure of tax privilege. In the House, this had double impact, because members of the Ways and Means Committee on the Democratic side also double as the Committee on Committees, making final decisions on where any Member will serve. Today, new loopholes are carved in tax laws for special interests and old ones preserved because of the cumulative power such Members have obtained and still guard jealously.

Two external factors have added to this burden: Prorationing and oil import quotas, recently discontinued. Prorationing is a system adopted by major oil producing States, such as Texas and Louisiana, which of course provide much of the membership serving on the previously mentioned committees of Congress. Under this system, oil production is limited at the wellhead, then matched to monthly demand. In this manner, surpluses are carefully controlled and prevented, and a desired result achieved: an artificially high price for domestic crude oil of all types. Another accomplishment of this system was to make our own domestic crude oil quite a bit more expensive than foreign oil, which domestic tax benefits made so lucrative for big oil to exploit abroad.

In 1959, big oil scored one of its most dramatic, successful, and little-known

coups. Eisenhower signed a series of Executive orders, without congressional approval or active participation, setting up artificial barriers to import of cheap foreign crude. Oil imports were limited to about 12.2 percent of domestic production. Other Presidents following him in office, in spite of repeated requests for relaxation of these barriers, maintained them. In effect, then the U.S. domestic market became a captive sales area for big oil, allowing it to charge and receive the highest prices for their products anywhere in the world.

American consumers paid out an estimated \$5.2 billion extra annually for gasoline, heating oil, and other petroleum products. As protests mounted, one rationale was consistently trotted out to excuse maintenance of import quotas—national security. Consumers should bear the burden to keep Americans from being overdependent on foreign oil. Meanwhile, oil company cash registers rang away merrily as one critical report after another was quietly filed away, including one from a cabinet-level Presidential Task Force in 1970.

Meanwhile, however, Government handed big oil a spectacularly lucrative tax break on foreign oil. Major companies—for our purposes: Texaco, Mobil, Gulf, Exxon, Standard Oil of California, BP, Shell, and Arco—were allowed to deduct from American taxes all royalties paid on foreign oil. Further, the companies were notably successful in having Arab regimes label a variety of expenditures as royalties or foreign taxes. Royalties paid by them on U.S. oil production were treated as common business expenses. Royalties or taxes paid Arab sheiks were treated as a direct tax credit. In many cases, both the State Department and Internal Revenue Service knew foreign governments were aiding the companies by calling royalties taxes, yet said and did nothing. In fact, a series of special, little-known and still often concealed rulings by IRS and the Securities and Exchange Commission benefited the majors still further. In 1971, for example, the four U.S. companies making up Aramco won a ruling from SEC and IRS to conceal specific Saudi Arabian profits. As a result, in their reports, it is today impossible to discern what dollars were made in Saudi Arabia and what dollars were turned as profits elsewhere.

One final outcome of this treatment was that big oil paid, and pays, a tax rate so low as to be virtually nonexistent, a unique revelation today becoming widely known for the first time.

In the interim, big oil, spurred on and enabled to invest by vast profits and tax benefits, went all out in searching for foreign oil, developing vast oil resources abroad. Little could be brought into the U.S. because of quotas. But foreign markets were burgeoning, particularly in Europe, and big oil set up the same network of facilities, pipelines, refineries, distribution and retail outlets it had brought into being here. These markets today are even larger and more profitable than the U.S. marketplace, yielding greater profits to big oil than America. To cater to such

markets, the companies went on a refinery capacity construction spree, investing massive sums, largely deductible here at home, in up-to-date refining capacity. In the interim, the constantly enlarging U.S. market, needing more refinery capacity, was being shortchanged by the majors in terms of new refining facilities. Further, because of the tax situation, big oil found it far more worthwhile to search for and develop foreign sources than to continue major exploration and development efforts at home. As the Middle East sprouted forests of oil rigs, new drilling in the United States dropped 43 percent between 1959 and 1970.

Most illogical of all, as Arab oil flowed to Europe courtesy of major oil companies, and the U.S. market was in significant ways short-changed, the companies were writing off most foreign investment at the expense of America's taxpayers. What Government failed to collect from the companies had to be made up by individual American consumers at tax time. Today, that some consumer is paying for this in daily travail.

In short, quotas were a flop for consumers, but a boon for major companies. By 1970, the outcry against them was nationwide. Under oil industry pressure, President Nixon maintained quotas until May 1973, when their abolition came, too late to change the emerging energy equation.

By then, U.S. demands, aided and abetted by wasteful practices such as Detroit's cars and successful activities of the highway lobby in stifling mass transit growth, had outstripped declining domestic production. No matter how our own oil pumping was stepped up, refinery demand could not be met.

Major oil companies, loathe to yield tax privileges, pay more taxes or even sustain any blame, saw in this emerging situation a chance to edge even closer to a long-cherished goal—killing off much of any remaining competition. Small independents exist on every level, from refining and distribution to gasoline station operators. In most cases, they are dependent upon majors for supplies, which are most reluctantly made available, mainly because they have simply not dared eliminate all competition. However, whenever an opportunity emerges, they will take it. Such a chance came in the summer of 1973, when gasoline shortage struck.

#### COLLAPSE OF THE SKYLINE HIGH-RISE BUILDING 1 YEAR AGO

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. BROYHILL of Virginia. Mr. Speaker, at the request of James H. Frye, whose son, Michael James Frye, was killed in the collapse of the Skyline high-rise building construction 1 year ago, I would like to insert the following material into the Record:



## STATEMENT FOR INSERTION INTO THE CONGRESSIONAL RECORD BY JAMES H. FRYE

One year ago in March of 1973, the Skyline highrise building under construction at Baileys Crossroads, Virginia, collapsed. Fourteen workmen were killed and an undetermined number were injured. My dear son, Michael James Frye, was among those killed. It took two weeks to find his body. "Lest the Congress and the public forget this horrible tragedy", I submit the following information for all to know and remember in the hope, that some action will be taken that will lead to the truth, so that others in the future may be saved.

## STATEMENT FOR PRESENTATION OF MICHAEL JAMES FRYE MEMORIAL AWARD, MADISON COLLEGE, NOVEMBER 30, 1973

Coach Vanderwarker, Members of the Championship Soccer team and Guests, I am here tonight because of a common bond between us. Some of us probably do not realize that this wonderful relationship existed. We are privileged to know a truly outstanding young man who possesses one of the most valuable abilities known in a human being. That is the ability to respect with dignity other human beings and also communicate this respect to them. His Mother's guidance was the primary factor that influenced this rare ability to communicate this feeling of human respect and understanding. To feel it and not be able to communicate it results in frustration for the giver and nothing for the receiver. Michael possessed both abilities. It was the perfect joy to hear him carry on a telephone conversation with another person (in spite of knowing that you had to pay the bill). My wife and I received many notes and letters from many people which attest to Michael's respect for others and I would like to quote an example for you: Dear Mr. and Mrs. Frye: "Mike was always a source of encouragement and inspiration to me. Through the urging of my sister, Fran, and with the cheerful guidance of Mike, I was introduced to the sport of Soccer. Soccer has been a great source of pleasure to me. It is an activity in which I have been able to meet many new friends and to experience the joy of competition and accomplishment. I owe so much to Mike for his interest in helping me to begin. But above this, Mike was a good friend. I will always remember his warm gregarious nature, the gratifying friendship for everyone who knew him. Sincerely, John Olsen, William and Mary College."

I have had Chronic Osteomyelitis (bone and blood stream infection) since I was fifteen years old. During the early months of my illness, I began to write music, and had visions of making a lot of money and starting a Cripple Children's Clinic of my own. From 1945 to 1947 I made trips to New York City in an effort to promote and sell some of my songs. Then came marriage and nine children in ten years so the Clinic had to be pushed aside for these new obligations. Several years ago, I made some speeches to Rotary clubs to raise money for Cripple Children's Clinics. I would like to quote a poem my wife wrote for one of these speeches that later turned out to be a perfect example of Mike's feelings and respect for others:

"I built a clinic long ago  
When pain was new and keen  
My life was fresh, and big, and bold  
And there was much unseen.  
It grew by day, by face, by year  
So big and shiny bright,  
That it could help each one in need  
And comfort day or night  
I ran a ward for children  
With tender loving care  
With always songs and laughter  
And always parents there

The way I grouped my nursing  
Seemed simple to behold  
For to the young, I gave the young  
And to the old, the old.  
My babies all had Mothers  
My doctors would not sleep,  
There was always one to help you  
And charts, I did not keep.  
Life pushed me on—from wards to work  
From boy to Daddy dear,  
There was little time for dreaming  
Or time to count the years.  
The dream pushed back to wait its turn,  
But now I've come to know—  
That you are carrying out my plans  
And I will watch them grow."

After watching Michael develop into such a fine young boy, this poem took on a new meaning and the last verse changed as follows:

"The dream pushed forth to meet its goal,  
For I had come to know—  
That Mike was carrying out my plans  
And I could watch them grow."

People talk of peace among men—but there is no peace. There is a law of human nature that dictates "Guns beget guns" or "Hate begets hate". These laws are negative. Michael knew these laws were self destructive and his principles were simple and rational—he practiced the law of nature that dictates "Respect, compassion and human understanding begets respect, compassion and human understanding." There is no other way for peace to exist on this earth except by Michael's law of nature. I believe Michael respected every human being that he ever knew. Just think what a wonderful world it would be if one out of every ten practiced this law of nature—the numbers would multiply and the result would be respect for each other and peace among men.

Michael really enjoyed playing Soccer and he had great respect for all his team mates and the players of the opposing team also. He certainly enjoyed winning but that was secondary to him. The primary joy he got from playing Soccer was "how you played the game" and for Mike that was "good conduct", reflected in the respect for the rights and feelings of the other players. This was Michael—this was the way he lived—and I never knew anyone who enjoyed life more than he did. He had the ability to accept in a very graceful way those things that he could not change.

Knowing Mike, as I do, I'm sure that he would present this award to each member of the team, individually. I probably would do the same. However, Coach Vanderwarker had the real difficult task of selecting one of you. And Michael and I thank him for performing this most difficult task. It is indeed a great pleasure for me to present the "Michael James Frye Memorial Award" to a very deserving young man—Mr. John "Chico" DiGuardo. Congratulations to you "Chico". I hope this honor will remain with you always and be of assistance to you in all your relationships with others.

(NOTE.—Due to Mr. Frye's grief and health, this statement was read at the Presentation by Coach Robert Vanderwarker with tremendous success.)

## COUNTY OF FAIRFAX,

Fairfax, Va., December 27, 1973.

Mr. JAMES H. FRYE,  
North Madison Street,  
Arlington, Va.

DEAR MR. FRYE: Attached is a memo requesting that the material you sent me be included in the "Board Package" which goes every week to the Supervisors and members of the press.

My heart goes out to you in your loss—particularly with the kind of reaction you have seen from your government.

I wish it could have been otherwise, and that I knew that the government had learned

from this so that this kind of tragedy would not happen again. In all honesty, I cannot say this is so.

Sincerely,

AUDREY MOORE.

[From the Northern Virginia Sun, Mar. 2, 1974]

FRYE FAMILY SEEKS THE TRUTH IN SKYLINE DEATH OF MICHAEL  
(By Sue Stone)

ARLINGTON.—For a nightmarish 13 days last March, the family of Michael James Frye waited as demolition crews hauled tons of rubble from the collapsed 24-story apartment building at Skyline Center.

Michael was working alone on the 14th floor of the building last March 2—one year ago today—when shorings were removed from freshly poured concrete, 12 floors above. At 2:15 P.M. that Friday, the concrete gave way, sending slabs, beams, and a heavy crane crashing down, floor by floor. Michael is officially listed as among the 14 workmen who died in the collapse.

The Frye family has never received workman's compensation as a result of Michael's death. The family will file suit next week, according to the elder Frye and a member of the family law firm, for \$75,500. "It's not the money, but the principle," said Frye yesterday. "We'll take it to the higher courts if we have to, for the sake of future workmen injured or killed."

The days, weeks and months after the collapse have been a "nightmare" of agonized waiting, despair and frustration for Michael's family, according to his father, James.

James Frye, after writing dozens of letters to officials asking for help in his search for the "truth" about his son's death, yesterday said with tears in his eyes "I will search the rest of my life if I need to."

For James Frye the search has led through a labyrinth of county, state and federal offices. Frye said yesterday he has been treated "horribly and callously" by those he has written, not because letters they sent back were purposely cruel, but because the responses were "form letters, uninformed, ignorant," and lacking for any real sympathy for the Fries' loss.

Michael, 22, had completed his student teaching in December of 1972. While workers searched for his body in March, job interview appointments passed unmet. He would have graduated from Madison College in May. His father received his posthumous diploma, saying at the ceremonies, "Mike was one of the greatest individuals I have ever known. His integrity and respect for the feelings and rights of others was truly outstanding."

Frye wrote to state officials asking what Virginia intended to do about the collapse and the deaths of 14 workmen. When no satisfactory response came back from anyone, Frye returned his son's Virginia tax refund, saying "Virginia can just keep the money." An aide to then Governor Linwood Holton sent it back to the Fries' Arlington home. Other examples of official callousness in the face of James Frye's deep concern and frustration are legend, according to Michael's father.

When Michael was listed among the missing on the afternoon of the collapse, his sisters and brothers searched the woods around the construction site as rescue workers searched in the rubble for the injured and dead.

James Frye was not allowed to search at the site for his son that Friday and the family waited in a church across the street from the collapse site. The church closed up at 3 a.m. Saturday morning, and the Fries went home. "We expected Mike to walk in the house that first night," said Frye yesterday. "We just couldn't believe he might be dead."

What had started as hours of waiting stretched into days, and then weeks and the rescue mission gradually became a search for bodies.

A week after the collapse, Fairfax police investigator Ronald F. Yeager called James Frye and told him if he "didn't come get the car that Mike had driven to work March 2, . . . it would be impounded." Frye said yesterday that this was his first unsolicited phone call from Yeager during the Skyline search mission.

Michael's body was one of the last found. On March 15, police called the Frye home, and brother James, 18, went to Fairfax Hospital to identify the body. He could only bear to look at Michael's shoes, according to the elder Frye.

[From the Washington Star-News, Mar. 18, 1974]

#### TO THE MAT

With Virginia's top industry-labor official vowing to go all the way to the U.S. Supreme Court, the state and the federal government apparently will air their differences over occupational safety and health regulations in a formal hearing. Background: Asst. U.S. Secretary of Labor John H. Stender says Virginia's enforcement procedures fail to meet the standards set by the federal Occupational Safety and Health Act of 1970. State Commissioner of Labor and Industry Edmund P. Boggs maintains they do, and in a meeting at New Orleans recently told Stender that the state would stand fast. That prompted a Feb. 14 letter from Stender to Boggs saying the federal government would "initiate formal proceedings" if Boggs wouldn't change his mind. Boggs replied Friday that he wouldn't and demanded a formal review of the brouhaha.

#### GAO REPORTS ON U.S. AID TO SOUTH VIETNAM

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES  
Thursday, March 28, 1974

Mr. HAMILTON. Mr. Speaker, I recently asked the General Accounting Office to prepare a report for me on total U.S. funds expected to be expended in, and proposed for, South Vietnam for fiscal years 1974 and 1975. I have just received that report, and thought it worth while to bring to my colleagues' attention prior to the votes on H.R. 12565, the Defense Department supplemental authorization bill for fiscal 1974.

I should point out that the total in the report for the current fiscal year, \$1.852 billion, does not include the supplemental requests for an increase of \$474 million in the military assistance ceiling for South Vietnam and Laos and \$54 million in appropriated funds for economic assistance to Vietnam. Nor do the totals include the costs of operating the Defense Attaché's Office in our Saigon Embassy, a huge office that, according to Embassy figures, employs 50 military personnel and 1,150 civilians. These cost figures were not available in time for inclusion in the report.

The complete report follows:

#### COMPTROLLER GENERAL

OF THE UNITED STATES,

Washington, D.C., March 27, 1974.

HON. LEE H. HAMILTON,

House of Representatives.

DEAR MR. HAMILTON: This report is in response to your request of February 21, 1974, that we provide you with data on U.S. funds going to and/or expended in South Vietnam during fiscal year 1974 and the estimated U.S. costs of activities planned for fiscal year 1975.

The Department of State at our request identified the agencies that are funding activities in South Vietnam during fiscal year 1974. We contacted the officials in each of these agencies, who, in turn, provided us with the data in the enclosure. The Department of Defense did not provide fiscal year 1975 information in time for inclusion in the report. Fiscal year 1975 Military Assistance Service Funded data was taken from the President's fiscal year 1975 Budget, and the remaining fiscal year 1975 data was provided by the Agency for International Development.

We did not obtain information on U.S. funding of Central Intelligence Agency activities or U.S. contributions to multinational organizations.

The amounts set forth for fiscal year 1974 represent funds expected to be obligated or estimates of costs expected to be incurred in that year for the programs of the respective agencies. Obligations incurred in fiscal year 1974 may not necessarily be expended in that year. Also, part of the money is expended by some of these agencies in the United States and the resulting goods and services are provided for use in South Vietnam.

The amounts shown for fiscal year 1975 represent the agencies' estimates of funds required for their programs in that year, taken from their respective fiscal year 1975 congressional presentations or estimates provided to us by agency officials.

Time did not permit us to obtain comments from the agencies involved. If we can be of further assistance please do not hesitate to contact us. We do not plan to distribute this report further unless you agree or publicly announce its contents.

Sincerely yours,

ELMER B. STAATS,

Comptroller General of the United States.

#### FUNDS FOR U.S. PROGRAMS IN SOUTH VIETNAM FOR FISCAL YEARS 1974 AND 1975

[In thousands of dollars]

	Fiscal year—	
	1974 programed	1975 proposed
<b>DEPARTMENT OF DEFENSE</b>		
Military assistance service funded (MASF):		
Army:		
Operations and maintenance	355,900	304,800
Procurement	80,400	473,800
Military personnel	40,400	24,000
Total	476,700	802,600
Operations and maintenance	247,100	250,400
Procurement	278,400	341,700
Military personnel	0	0
Air Force:	525,500	592,100
Navy:		
Operations and maintenance	19,900	19,200
Procurement	0	36,100
Military personnel	0	0
Total	19,900	55,300
Total MASF	1,022,100	1,450,000
Defense attaché's office	(1)	(1)
Excess defense articles	35,000	35,000
Local currency purchases	63,600	(1)
Department total*	1,120,700	1,485,000

	Fiscal year—	
	1974 programed	1975 proposed
<b>DEPARTMENT OF STATE</b>		
Direct expenses	5,086	5,086
Shared administrative expenses (Department of State portion)	2,611	2,586
Total	7,697	7,672
<b>AGENCY FOR INTERNATIONAL DEVELOPMENT (AID)</b>		
Indochina postwar reconstruction assistance (IPR):		
Technical assistance	40,000	(1)
Humanitarian assistance	35,000	(1)
Commercial import program	190,000	(1)
Undistributed	35,000	(1)
Total	*300,000	(1)
Narcotics control	205	(1)
Population control	750	(1)
Development loans	110,000	(1)
Total	410,955	602,640
Public Law 480 shipments:		
Title I	309,027	182,550
Title II	500	553
Total	309,527	183,103
Total	720,482	785,743
<b>U.S. INFORMATION AGENCY<sup>1</sup></b>		
U.S. Information Service, South Vietnam:		
Direct costs	1,887	2,059
Support costs	574	595
Total	2,461	2,654
Regional post equipment:		
Officer (administrative servicing)		
Direct costs	48	49
Saigon correspondent staff (Voice of America): Direct costs	41	39
Total	2,550	2,742
<b>DRUG ENFORCEMENT ADMINISTRATION (DEPARTMENT OF JUSTICE)</b>		
Salaries, benefits, foreign allowances	125	125
Shared administrative expenses (payable to Department of State)	20	22
Operating expenses	19	20
Total	164	167
<b>FEDERAL SUPPLY SERVICE (GENERAL SERVICES ADMINISTRATION)</b>		
Salaries and related expenses	39	0
Travel (in country)	1	0
Total	40	0
<b>DEPARTMENT OF THE TREASURY</b>		
Exchange stabilization fund—Assessment of South Vietnam's financial and economic development	100	109
Total	100	109
<b>INTERNAL REVENUE SERVICE (IRS)</b>		
Salaries and related expenses	31	(1)
Administrative expenses	14	(1)
Total	45	(1)
<b>U.S. GENERAL ACCOUNTING OFFICE</b>		
Salaries and other personnel expenses	281	0
Shared administrative expenses (payable to Department of State)*	57	0
Total	338	0
U.S. Government total	1,852,116	2,281,433

<sup>1</sup> Not available.

\* On Mar. 18, 1974, the Department of Defense submitted a request to have the fiscal year 1974 spending ceiling of \$1,126,000,000 for South Vietnam and Laos raised to \$1,600,000,000. No breakdown is available showing the portion of the \$474,000,000 increase that would be spent in South Vietnam. The Department of Defense told us that the increase in spending would be financed by funds appropriated but unobligated in prior years.

\* On Mar. 18, 1974, AID submitted a request for a \$54,000,000 supplemental appropriation for fiscal year 1974 in South Vietnam.



\* Public Law 480 funds are from a Department of Agriculture appropriation.

\* Excludes personnel and other costs of Voice of America direct broadcasting in the Vietnamese language. Broadcasts go to both North and South Vietnam and are transmitted from outside Vietnam.

\* IRS's Saigon office may not be in operation in fiscal year 1975. However, a firm decision is not expected until April 1974, and no figures will be available until then.

## TAIWAN'S CONTINUING SUCCESS STORY

### HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. CRANE. Mr. Speaker, when, in an act of gross hypocrisy, the United Nations expelled the Government of the Republic of China on Taiwan and replaced it with the Communist Chinese regime of Mao Tse-tung, there were many negative predictions about Taiwan's future.

Increasingly, the Republic of China found itself isolated diplomatically, with the United States remaining the only major power to extend it full diplomatic recognition. The Communist Chinese demanded that, as a price for extending diplomatic and trade relations, any nation seeking such a relationship with Peking must break its relationship with Taipei. The nations of Western Europe, and many of the nations of Asia, gave in to the Communist demands. More and more, Taiwan appeared to stand alone.

Such diplomatic isolation has not produced the negative result many predicted. Instead, Taiwan has proven its determination to maintain its freedom and to permit the ancient Chinese culture which the Communists are destroying, to continue to flourish and to thrive. Its economic successes are notable. After breaking diplomatic relations with Taipei, the trade with the Republic of China on the part of nations such as Italy, France, and West Germany increased, rather than decreased. Life for the people of Taiwan continues to improve dramatically.

Recently, Time magazine discussed the economic miracle which has occurred on Taiwan, as well as the increasing political democracy being enjoyed by its citizens.

#### Time notes that:

The island's most outstanding achievement . . . has been its remarkable economic growth . . . after Japan, Taiwan is Asia's greatest success story. Foreign trade in 1973 rocketed to \$8.3 billion up from \$5.9 billion the year before. In some industrial products, such as television sets and transistor radios, Taiwan has already surpassed Japan as the main foreign supplier of the United States.

Discussing the political changes which are occurring in Taiwan under the leadership of Chiang Ching-kuo, Time reports that:

One of his first acts was to crack down on corruption and inefficiency. In an attempt to win support among the often disgruntled natives of Taiwan . . . he has brought many Taiwanese into positions of responsibility, raising two to major Cabinet posts. . . . He has also permitted a relaxation in the K.M.T.'s . . . demand of blind obedience.

Thus, while democracy is retreating in many parts of Asia, it is increasing in

Taiwan. Also increasing is the living standard of the people and the determination of the leadership to remain both strong and free.

I wish to share with my colleagues the article, "Chiang's Surprising Success," which appeared in the March 11, 1974, issue of Time magazine, and insert it into the RECORD at this time:

#### CHIANG'S SURPRISING SUCCESS

Only 2½ years ago, the future of Taiwan, last bastion of Chiang Kai-shek's Republic of China, seemed gloomy indeed. Within a few months of the mainland's opening outward with Ping Pong diplomacy, tiny Taiwan found itself practically isolated. It was expelled from the U.N. and lost the recognition of 33 of 88 countries, including such important allies as Japan and Australia. But since those dark days, the island of 16 million has not only survived, it has prospered.

Much of the credit for Taiwan's remarkable buoyancy belongs to Generalissimo Chiang's tough and respected son, Chiang Ching-kuo, 63, who became Premier early in 1972; his ailing, octogenarian father retains the titular position of President. Once a Communist revolutionary who lived in Russia for twelve years, the younger Chiang has brought a fresh approach to the patrician politics of Taiwan. Responding to criticism that the government had become isolated from the people, he has adopted such egalitarian practices as stumping the island's small cities and farm villages and talking directly to the people. "If I stayed in my office year round, I would not stay as healthy," he told Time's Hong Kong Bureau Chief Roy Rowan in Taipei last week. "Getting around the countryside is my responsibility and my pleasure."

One of his first acts was to crack down on corruption and inefficiency in the Kuomintang's old guard, even clapping his father's former secretary in prison. In an attempt to win support among the often disgruntled natives of Taiwan, who make up 90% of the island's population, he has brought many Taiwanese into positions of responsibility, raising two to major Cabinet posts. He has also permitted a relaxation in the K.M.T.'s ruthless demand of blind obedience. The government these days comes in for lively scolding from youthful and dynamic critics such as Chang Chun-hung, 34, editor of *The Intellectual* magazine, and Kang Ning-hsiang, 34, a former gas-station attendant elected to the legislative assembly as an independent. But critics can only go so far: one of the most notable of them, Writer Li Ao, remains in prison (since 1971) for his harassment of the regime.

The island's most outstanding achievement by far under Chiang's leadership has been its remarkable economic growth. Moving away from his father's obsessive stress on military preparedness, Chiang has based Taipei's continued survival on economic strength. Indeed, after Japan, Taiwan is Asia's greatest success story. Foreign trade in 1973 rocketed to \$8.3 billion, up from \$5.9 billion the year before. In some industrial products, such as television sets and transistor radios, Taiwan has already surpassed Japan as the main foreign supplier of the U.S. One gloomy note in this otherwise bright picture is the prospect of curtailed foreign markets in 1974—a likely result of the energy crisis and a 30% increase in consumer prices between January and February. The price rise was intentionally designed "all at once and once and for all" by Finance Minister Li Kwong-ting to meet the increasing costs of such imports as soybeans and gasoline.

On the diplomatic front, there has been good news. Veteran diplomat and Old Asia Hand Leonard Unger was named U.S. Am-

bassador to Taipei, dispelling rumors that the new U.S. trade center opening in Taipei later this month would soon substitute for an embassy. Taipei is painfully aware of Peking's demand that the U.S. drop its recognition of Taiwan as the price for the complete normalization of relations with the P.R.C., but Unger's appointment is regarded, perhaps overoptimistically, as a guarantee of three more years of U.S. recognition.

"Just from the standpoint of your own interest," Chiang told Rowan, "it is more important for the U.S. to continue relations with the Republic of China." Some foreigners in Taipei have speculated that Chiang's comparatively flexible stewardship might eventually produce cultural exchanges between Taiwan and the mainland. But for now Chiang adamantly rejects that idea. "There is absolutely no possibility of any contact with the Communists," he said. "They would use that kind of contact for propaganda purposes only."

#### WISHFUL THINKING

Asked about stirrings on the mainland reminiscent of the Cultural Revolution, Chiang said: "The current turbulence is a result of increased contacts with the outside world and the consequent exposure of the weakness of the regime. The struggle is an attempt to eradicate the aftereffects of such contacts. The Communists are doing everything possible to suppress the people. I am confident the people will rise up and overthrow the Communists."

While that is wishful thinking, Chiang's rhetoric is far more moderate and realistic than the calls for an invasion of the mainland 100 miles away that used to emanate endlessly from Taipei. Yet the dreams of past glories die hard. Chiang insists that his is the legitimate government of all of China. "We maintain that there is only one China," said Chiang flatly. "That is the basic policy of the government of the Republic of China."

#### MINIMUM WAGE BILL

### HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mrs. HECKLER of Massachusetts. Mr. Speaker, the minimum wage bill before the House today is a significant step in support of the efforts of the American wage earner.

The past several years have seen inflation eat away at the income of the American worker. While the Consumer Price Index has shown an overall increase as of January 1974 of 139.4 percent over the base year of 1967, the last minimum wage amendments were enacted 8 long years ago. For too many Americans this has meant close to a decade with little or no increase in wages while the buying value of the dollar has dropped precipitously.

In addition to raising the minimum wage to \$2 an hour on May 1, 1974, with step increases thereafter, this legislation increases coverage from 49.4 to 56.5 million workers. Five million State, local, and Federal government employees will be covered in addition to 1.2 million household workers and over a half million employed in retail and service jobs. I am most encouraged by this broadened coverage.

Mr. Speaker, I commend the House-Senate conference committee for its

speedy consideration and urge the House to give this legislation its strong support. The American laborer has waited far too long for this increase and is most deserving of it.

**RABBI ROLAND GITTELSON EX-  
PLORES NEW DIMENSION TO  
ANTISEMITISM**

**HON. ROBERT F. DRINAN**

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. DRINAN. Mr. Speaker, I would like to share with my colleagues a sermon recently delivered by Rabbi Roland B. Gittelsohn at Temple Israel in Brookline, Mass., entitled "Strange Bedfellows." Rabbi Gittelsohn, a distinguished educator and scholar, is the past president of the Central Conference of American Rabbis and is presently serving as vice president of the Union of American Hebrew Congregations.

In this sermon, Rabbi Gittelsohn explores the reasons why a variety of peace organizations in which Jews have been prominently active have taken a pro-Arab stance in the Middle East crisis. He carefully examines several of the themes promoted by the Arab propagandists and the peace movement in support of their beliefs, and shows how patently false they are.

Rabbi Gittelsohn, in examining the motives of these strange bedfellows, comes to the unhappy conclusion that:

Anti-Zionism and anti-Israelism sentiment have become the new, socially acceptable form of anti-Semitism.

I highly commend this thought-provoking statement to my colleagues:

**STRANGE BEDFELLOWS**

The hardest blow for any of us to survive—individually or collectively—is betrayal by a friend. From an enemy, we expect rejection, attack, even malicious slander. When a presumed friend turns these weapons against us, we are likely to be shattered.

These opening reflections will explain my title tonight, *Strange Bedfellows*. Nothing that Arab propaganda has said about Israel and the Jewish people will shock us. We consider the source and react accordingly. We are horrified, however, when Daniel Berrigan joins the refrain. Especially those of us in the Jewish community who have defended and supported him, often at considerable risk to ourselves, as we worked with him in the cause of international justice.

What compounds our consternation is that, with less coarseness and vulgarity, to be sure, the peace movement in general has agreed with Fr. Berrigan's views on Israel. His infamous libelous address of 19 October to Arab graduate students might never have become widely known had it not been reproduced in *American Report*, the official publication of Clergy and Laity Concerned. The United World Federalists have publicized a statement of their youth division which is blatantly anti-Israel and has already motivated my resignation. Seldom do I pick up a peace periodical these days without finding either a snide or a vicious attack on Israel.

What I propose to do now is to examine several of the themes shared by these strange bedfellows: the Arab propagandists, the Catholic priest who may yet become the Fr.

Coughlin of the 70s, and the peace movement. Then we shall look into their motives. There will be time only for a few of the many falsehoods they are so assiduously spreading. First, the charge that Israel, by its very existence, perpetrates a gross injustice against a national entity known as Palestinians. What are the facts? There have been Arabs living in Palestine for many centuries; there has never been an independent Palestinian nationality. Even during the very limited periods of time when the country was under Arab rule, it was not Palestinians but Arabs from the surrounding powerful nations who were in control.

Our sympathies have been solicited on behalf of Arabs in great number who allegedly have lived in Palestine for centuries, who owned the land and controlled their own national destiny, and who, since 1948, have been rudely expelled by rapacious Jews.

A simple exercise in arithmetic will dispel this illusion. In 1922 the total Arab population of the territory which later became the State of Israel was 184,000. Between that date and 1949—enticed from neighboring lands by higher living standards, by dramatic improvements in cultural and medical conditions, all resulting from Jewish settlement—the Arabs had increased to 750,000. Which means that three of every four Arabs living within the boundaries of Israel at its inception had been there not for thousands or even hundreds of years—as we are asked to believe—but for a generation or less. Their claim to the land—legal and emotional—is at best no better than that of Jewish immigrants who were arriving in large numbers at the same time. If we remember, moreover, that something like 250,000 Arabs remained in 1948 to become citizens of Israel, both the historic background and the numbers of refugees involved are reduced from the realm of fiction to that of fact.

A second charge reiterated endlessly by our strange bedfellows is that morally Israel is no better than the terrorists who would obliterate it. Again and again the incident at Deir Yassin is described as an example of Jewish brutality. I suppose we really ought to take it as a compliment that in more than 25 years of warfare this seems to be the only case of its kind our enemies can adduce. But even this is not what it superficially appears to be.

Deir Yassin was a small Arab village located at the bitterly contested western approach to Jerusalem. Both Jews and Arabs died in large numbers during the 1948 battles covering that area, so crucial to the control of Jerusalem. It was originally believed, even by Ben Gurion, that the death of many among Deir Yassin's inhabitants was caused by massive Jewish brutality against civilians. Larry Collins and Dominique Lapierre, in their book *O Jerusalem*, paint a ghastly, lurid picture of wild murder, wanton robbery and wholesale rape. They describe in brilliant and scintillating phrases what we now know never took place.

Subsequent sober research has established that Deir Yassin, far from being the innocent, peaceful village it purported to be, was used as a base for attacks against Jewish forces not only by Palestinian Arabs but also by a company of Iraqis. Unnumbered Jewish soldiers had lost their lives because of military initiatives emanating from this place. When it became necessary, in the view of Israel's military leaders, to clear the area of Arabs in order to protect the convoys headed for Jerusalem, clear warning was given to all civilians to leave. If Arab civilians died needlessly at Deir Yassin, this was due not to Israel's ruthlessness, but to the victims' refusal to heed the protective warnings given them.

I don't ask you to believe this just because I say it. Yunes Ahmed Assad was himself an inhabitant of Deir Yassin in 1948.

Seven years later he wrote the following in a Jordanian daily paper: "The Jews never intended to hurt the population of the village, but were forced to do so after they met enemy fire from the population . . ." The most thorough piece of historical research done yet on Deir Yassin concludes: ". . . there was no massacre and no semblance of a massacre at Deir Yassin. What happened there was the normal tragedy of a village that became a battleground—neither more nor less."

Dr. A. Roy Eckardt, scholarly Protestant minister who heads the Lehigh University Department of Religion and who has studied every piece of evidence available reports: ". . . Deir Yassin was a legitimate, though bloody and unauthorized, battle for a village being used by Iraqi and Palestinian soldiers as a place from which to attack convoys headed for Jerusalem." So the one case of alleged Israeli brutality in a quarter-of-a-century disappears. To ask for evenhanded moral choice between Arabs and Jews is to ask that the murderer and his victim be treated as equals!

This brings us to the third accusation shared by our strange bedfellows: that Israel is an aggressive, militaristic state which seeks to expand at the expense of its neighbors. The "evidence" most often cited in this connection is Israel's refusal to withdraw to its pre-June 1967 borders, as UN Resolution 242, we are repeatedly told, ordered it to do. UN 242 ordered Israel to do no such thing. True, it does call for withdrawal from occupied territories, but with deliberate intent and after explicit negotiation the phrase used is "occupied territories," not "the occupied territories," and not "all occupied territories." These alternate wordings were considered, discussed, and deliberately rejected by the UN.

Israel's ultimate surrender of some occupied lands, moreover, is clearly part of a package, in which UN 242 also orders safe borders and guaranteed security for all states in the area. This also was done with deliberate intent. After the 1956 Sinai campaign, Israel was forced to withdraw with the expectation, but with no explicit assurance that peace would follow. Not only was there no resultant peace then, but every one of the assurances given to Israel as bait for withdrawal was betrayed. The UN hasn't learned much, but it did learn between 1956 and 1967 that any further insistence on withdrawal by Israel must be coupled with safe borders and a specific plan for peace. This is precisely what UN 242 demands. It isn't Israel which acts in contemptuous defiance of this understanding; it's the Arab world.

One more thing needs to be said on this matter of Israel as a greedy, expansionist state. Even granting that the Arabs—certain Arabs—have rights in Palestine, granting that conflicting promises were made during World War I, what does the record show since then? Who has been expansionist and who has compromised? The Balfour Declaration spoke of a Jewish homeland in the whole of Palestine, on both sides of the Jordan. In the early 1920s that was reduced by more than half when everything east of the Jordan River was separated, given to the new, independent Arab kingdom of Transjordan. We Jews acquiesced. In 1948 the remainder of Palestine, the portion west of the Jordan, was further truncated, with only a minor portion of what had been originally promised now assigned to a Jewish state. Again, we Jews accepted the inevitable. Reluctantly, to be sure, and with heavy heart, but we accepted. It wasn't we who reached out to grab land set aside for Arabs; it was they who tried to kill the Jewish State even before it had been born.

Even if occupied Sinai be included, the Arabs today occupy and govern territories totaling 130 times the area of Israel and



larger than all of Europe combined! I repeat: who is in fact expansionist? Who has consistently compromised for the sake of peace?

Time rushes on, but at least one more bed-fellow theme must be briefly discussed or I shall have trouble sleeping tonight. Counterposed to the alleged bellicosity of Israel, we have been reassured to the point of tedium that all the Arabs want is the return of the occupied territories, after which they will live in brotherhood and peace with their Israeli neighbors.

What do the Arabs really want? Not what do they say for purposes of public relations, but what is their honest aim? Nasser stated it very well on 29 May 1967: "If we were able to restore conditions to what they were before 1956, God will surely help and urge us to restore the situation to what it was in 1948." But that was Nasser. And Nasser is dead. Surely we must allow for the possibility of growth and change by Arab leadership. These are the objections which would undoubtedly be raised by our strange bedfellows if they were here. Very well. Has Arab leadership grown? Have they learned and changed? Let's see.

On 4 February 1971 Egyptian President Sadat, in justifying his so-called moderate policies before the Palestinian terrorists, said that the struggle against Israel must be mounted in stages. I quote him exactly: "The liberation of the territories is what we have chosen for this stage. Revolutionary Arab thought must define the stages of a consistent and diligent policy out of the necessity that all the various strategies used in the confrontation with the enemy should flow out of one grand strategy." The second stage, Sadat then explained, will be "the restoration of the national aspirations of the Palestinians."

Any doubt as to what the "national aspirations of the Palestinians" entails for Israel was removed a few weeks later by Hassanain Heikal, Sadat's friend and advisor, editor of the semiofficial Egyptian newspaper, *Al-Ahram*. He wrote and published the following: "There exist only two defined objectives in the Arab world today: (1) The objective of removing the results of the aggression of 1967 by the withdrawal of Israel from all the areas it occupied in that year; (2) The objective of removing the results of the aggression of 1948—by destroying Israel itself. Some of us have committed the error of starting with the second phase before they start the first." Not even Adolf Hitler in *Mein Kampf* charted his aims and methods with greater exactitude than this.

We have accomplished the first of our essential tasks for tonight. We have examined four of the themes elaborated and reiterated by our strange bedfellows and have seen how patently false they are. There has never been a Palestinian nation, with sovereignty over its own soil. The notion that immorality and terror are to be found equally among Arabs and Jews in the Middle East is a preposterous lie. Israel is not an expansionist, militaristic state. And the true aim of Arab policy, far from being peace, remains the destruction of Israel.

But a second and even more important responsibility confronts us. How can we explain the persistence of such arrant nonsense?

Especially the fact that it emanates from such ostensibly liberal sources as Fr. Berri-gan and a variety of peace organizations in which we Jews have been preeminently active? The answer is not simple. It involves deep-seated, even unconscious motives which are both psychological and theological and which it is absolutely imperative that we understand.

Basic to everything I shall say now is the ugly reality that anti-Zionism and anti-Israelism sentiment have become the new, socially-acceptable form of anti-Semitism.

The nasty excesses of Hitler and his Nazis placed naked anti-Jewish prejudice out of bounds for anyone pretending to even a semblance of decency. This does not mean, however, that such prejudice ceased to exist. Submerged beneath the surface of consciousness, it became more explosive than ever. In previous sermons, as well as in my book, *The Meaning of Judaism*, I have explained why anti-Semitism is indigenous to Christianity, why, indeed, there could have been no Christianity in the first place without a strong substream of antagonism against the people of Jesus.

With the change of only one word, the scenario being played out now is exactly the one enacted in the first and second centuries. Let me remind you that the earliest followers of Jesus were Jews who believed him to be the messiah their scripture had predicted. When it became evident that only an infinitesimal number of Jews were so inclined, that a new faith would have to be established in the name of Jesus if the doctrine of his divinity were to spread, the next inevitable and ineluctable step was to downgrade both Judaism and the Jewish people in order to justify the new enterprise.

It would have been too gauche, however, to denounce Jews directly while attempting to propagate the doctrine that a particular Jew was in fact the messiah. Hence hatred was directed by the new testament not at Jews as such, but only at Pharisees. Scholars recognize today that the overwhelming masses of Jews in the first two centuries of the Common Era were Pharisees. Yet those who initiated the attack were able to assert that they were not against all Jews, only against one particular sect of Jews. Pharisee was the code word then; Zionist is now. Except for a tiny, sick fragment of self-haters, all Jews today are Zionists. When Zionists are castigated, we know who the real targets are. It is time for the gentile world to know also. Those non-Jews who, on the conscious level, are too intelligent and humane to acknowledge prejudice against Jews as such find a psychologically convenient way out by professing to resent only Jews who are Zionists or Jews who are Israelis. It should be self-evident that liberals are especially prone to fall into this category.

Is my reasoning in these last paragraphs only an example of Jewish paranoia? Not at all. Dr. Franklin H. Littell of Temple University's Department of Religion, has written: "Anti-Zionism is an easy way of self-deception; you can no more be an anti-Zionist and a friend of the Jewish people than you can be a constant and carping enemy of Christianity and be a friend of the Christians." He added that anti-Zionism is "the new form of anti-Semitism."

A final word. It may be suspected by some that this sermon is narrowly pro-Israel. Not so. It is instead broadly pro-world. The League of Nations perished because it ducked the manifest moral issue when Mussolini attacked Ethiopia. The United Nations will also disintegrate if it remains blind to the moral distinctions existing in the Middle East. Selling Czechoslovakia down the river did not gain peace for the world of my youth. Selling Israel down the river will not buy peace for our world today. The real threat to peace comes not from Israel, but from Arab states crazed by their newly discovered oil power and encouraged toward further mischief by their Soviet sponsor.

Two thousand years ago our rabbis proclaimed: "The sword comes into the world because of justice being delayed, because of justice being perverted, and because of those who render wrong decisions." They were right. The only way to achieve peace is to act morally, to abjure prejudice and embrace truth. Amen.

## GENERAL ACCOUNTING OFFICE REPORTS DISC TAX LOOPHOLE "NOT CONSIDERED TO HAVE HAD MUCH INFLUENCE TOWARD INCREASING U.S. EXPORTS"

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. VANIK. Mr. Speaker, following the devaluation of the dollar on August 15, 1971, the President requested a new tax provision to encourage exports. Instead of relying on the devaluation and world currency flotation to solve our balance-of-payments problems, the administration and the Congress created a new tax loophole known as Domestic International Sales Corporations—DISC's. The DISC tax provision cost the Public Treasury about \$100 million in 1972 and will be draining some \$240 million from the Treasury by 1975.

In essence, DISC's are dummy corporations set up to handle regular business export accounts. When certain conditions are met, the tax on these corporations is deferred and allowed to accumulate in the DISC's account. Presumably, by avoiding tax, the exporter can lower the price of the goods he is exporting, thus becoming more competitive in the world markets. He is also encouraged to be more aggressive in making export sales, since the income from such sales can avoid tax for a considerable period of time.

### DOES DISC WORK?

Is the taxpayer receiving any benefit from this tax subsidy? Is the Nation's balance of payments being aided by new exports? On November 6, 1973, I requested the General Accounting Office to do, in essence, a cost benefit analysis. I asked that the GAO conduct a study of 100 corporations which had elected to become or to establish DISC's and to determine the level of exports of these corporations before and after they became DISC's. If there was a remarkable increase in the level of exports, it might be argued that the Nation as a whole benefited—in terms of increased jobs and better balance of payments—from this tax preference for private corporations.

Treasury refused to make necessary information on DISC's available to the GAO. Therefore, an adequate study was impossible to conduct. The GAO investigators did discuss DISC with Department economists:

We learned that the program is not considered to have had much influence toward increasing U.S. exports to date. Neither has it resulted in exporters lowering their prices to meet competition.

The Treasury economists believe that the full impact of DISC will not be realized for another 3 to 5 years. But because of the devaluations, the floating of world currencies and domestic price controls, it is almost impossible to determine whether DISC has made an iota of difference in our level of exports. It

is clear, however, that DISC is costing the Treasury hundreds of millions in lost revenue.

#### IS DISC A TAX LOOPHOLE?

There can be absolutely no doubt that DISC is a classic tax loophole. If anyone questions this statement, they should read this March's issue of the *Journal of Taxation*, which includes an article entitled, "With proper planning, deferred ordinary income of a DISC need never be recaptured." The article is written by Arnold Fisher, Benedict M. Kohl, and William T. Knox, IV. It is worth quoting at length from the tax journal article:

The Committee Reports indicate that . . . provisions were enacted in order to "prevent this tax deferred income from being converted into capital gain . . ." However, the taxpayer's goal in the DISC end game will in most cases be far more ambitious than merely converting the deferred ordinary income into capital gain but, rather, to avoid any recognition of the deferred income by the DISC shareholder.

DISC is a game—played at the public's expense, and the DISC always wins. It is my understanding that "tax advisors" are now considering DISC one of the finest stock option tax avoidance devices ever created.

Again, quoting from the *Journal of Taxation*:

For those who do not have the patience to wait for the end game, the DISC provisions offer earlier opportunities to avoid any recognition of the deferred ordinary income. One striking aspect of a DISC is that unlike other corporations, it need have no substance. The tax law, as in the case of corporate law, has generally recognized the corporate fiction provided that the individuals deal at arm's-length with the corporate entity. But Congress, in enacting the DISC provisions, intended the DISC to be a container for a mere bookkeeping account, without necessarily having its own employees, business facilities, or independent economic justification. The DISC's income, in effect, can merely be assigned to it in a transaction that need have no economic substance or reality so long as it is within the formula amounts permitted by the DISC pricing provisions.

#### DISC VIOLATES INTERNATIONAL LAW

Finally, DISC is a violation of international agreements. Specifically, it violates the provisions of GATT. It is ironic that our Nation would have instituted a DISC at the very time we have been complaining about export subsidies by other countries. The problem of foreign export subsidies is clearly discussed in the House Ways and Means Committee Report on the Trade Reform Act which passed the House last December 11:

Moreover, the Committee believes that a tool, in addition to that available in the counter-vailing duty statute, should be available to deal with the problem of subsidized exports to the U.S. market, particularly where the subsidization also affects sales of U.S. goods in third country markets. Since the United States has tried and failed repeatedly in recent years to achieve agreement on subsidy practices, a more forceful approach is called for. H. Rept. 93-571, p. 67.

Your Committee also believes that GATT provisions on tax adjustments in international trade should be revised to ensure that they will be trade neutral. H. Rept. 93-571, p. 67.

Our position in opposition to foreign

subsidies has been eroded by the creation of DISC. Foreign nations have filed complaints with GATT concerning U.S. violations created by the DISC tax loophole.

We know that DISC is a tax loophole; it appears that it is not effective and we can be sure that it will be copied or imitated by other countries. For example, in the budget message submitted to the Canadian Parliament in January, 1973, the Canadian Government requested business tax relief for Canadian industries to meet competition caused by foreign imports, and in particular, the threat of increased American exports, which might result from DISC. It is likely that the nations of the world will enact a series of business tax subsidies to meet the imagined or real impact of the American DISC. The result will be that all our Treasuries will suffer, while a few individuals receive a tax bonanza.

As a result of the failure of DISC, the high level of American exports due to devaluation, the abuse of DISC as a tax loophole, and its violation of international law, I am today introducing legislation to repeal the DISC provision.

Finally, Mr. Speaker, I insert in the Record at this point, a copy of the GAO letter to me on the cost/benefit ratio of DISC:

#### COMPTROLLER GENERAL OF THE UNITED STATES,

Washington, D.C., February 15, 1974.

HON. CHARLES A. VANIK,  
House of Representatives.

DEAR MR. VANIK: Your letter of November 6, 1973, requested that we conduct a study of 100 corporations which had elected to become Domestic International Sales Corporations (DISC's) pursuant to the provisions of the Revenue Act of 1971 (Public Law 92-178, dated December 10, 1971). You expressed particular interest in a comparison of exports by these firms both before and after they became DISC's, trends in their levels of exports, and the Federal revenue lost as a result of their taking advantage of the DISC provisions.

After consultation with your staff, we notified the Assistant Secretary for Tax Policy, Department of the Treasury, of your request and asked for his cooperation in obtaining information necessary to fulfill the assignment. We subsequently discussed with Treasury officials the nature of the information needed, and it was concluded that no meaningful review of DISC's could be made without access to tax return information. We were then told such information could not be made available. This refusal was later confirmed by a letter dated December 20, 1973, from the Department's International Tax Counsel. A copy of his letter is enclosed.

As suggested in the Department's letter, we met with Department of the Treasury officials including the economist responsible for preparing the first annual report, due April 15, 1974, on the DISC program. From that meeting we learned that the program is not considered to have had much influence toward increasing U.S. exports to date. Neither has it resulted in exporters lowering their prices to meet competition. The economist pointed out, however, that the impact of the program would be gradual and would not be fully appreciated until 3 to 5 years had elapsed.

Statistics for the annual report are being provided by the Internal Revenue Service and Department of Commerce to the economist

in summary form without identification of individual DISC's. It is contemplated that comparison of export statistics will be shown in the report by groups of DISC's layered according to the size of their asset values. There will also be analyses of exports according to product line. For example, 24 DISC's exported fertilizer in 1972. These figures will be compared with the DISC's 1971 fertilizer exports and both year's figures will then be analyzed and compared with total fertilizer exports of all firms over the same period.

The impact on U.S. exports by such factors as devaluations of the dollar, domestic price controls, and instances of higher inflation rates abroad make it exceedingly difficult to evaluate the effects of the DISC program. In this regard, the economist acknowledged that his conclusions in the annual report will be qualified and, at best, will represent educated guesses.

Because of our lack of access to needed information, we are unable to provide a more meaningful response to your request.

Sincerely yours,

ELMER B. STAATS,  
Comptroller General of the United States.

#### OFFICE OF THE

SECRETARY OF THE TREASURY,

Washington, D.C., December 20, 1973.

Mr. VICTOR L. LOWE,  
Director, General Government Division, General Accounting Office, Washington, D.C.

DEAR MR. LOWE: Mr. Hickman has asked me to reply to your letter of November 20, 1973, by which you requested our cooperation in obtaining information necessary to study 100 corporations which have elected to become Domestic International Sales Corporations.

Richard A. Gordon of my office has conferred with representatives of your office, including Mr. Thompson, to discuss the request. I understand that it was agreed that the best source of information would be the returns filed by the corporations which have elected to be treated as DISC's. The DISC returns are income tax returns and as such are subject to the rules of confidentiality provided for by Section 6103 of the Internal Revenue Code of 1954. As there is no special provision for allowing G.A.O. to inspect returns, we regret that we cannot allow such an inspection.

The legislation which included the DISC provisions provided that the Treasury must report annually to Congress on the effectiveness of DISC. The first such report will be filed by April 15, 1974. It is expected that the report will be quite detailed, although of course no specific taxpayer will be discussed. It is possible that this report might be of assistance to you in complying with Congressman Vanik's request. Should you desire more information in this regard, we would be pleased to arrange for your representatives to confer with the economists who are charged with the preparation of the report. In any event, we feel that a separate study would be premature as Congressman Vanik may very well decide that the Treasury report will make the additional substantial expenditure of time and money required to conduct a separate study unnecessary.

Sincerely yours,

ROBERT J. PATRICK, JR.,  
International Tax Counsel.



## THOUGHTS ON FOOD

## HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1974

Mr. OBEY. Mr. Speaker, in the past several months there has been a great deal of public discussion about food in this country, and most of that thought has centered on the question of price. There has been less thought, however, about the problem of quantity, and the need for some type of food reserve system that will insure a sufficient quantity of food in future years for our people at home and for those abroad who need and want it.

As an editorial in the New York Times pointed out yesterday, the administration has finally—if belatedly—begun to prepare for a world food conference to be held next November.

And, I am pleased to see that Secretary of Agriculture Earl Butz, in testimony before the Senate Agriculture Committee, has at least put himself on record in favor of grain and food reserves.

I hasten to add that I disagree with the Secretary on almost all of his specifics. I find totally inadequate, for example, his proposal for an international sharing of production, supply, and stock information, but without any system of actual stock accumulations. Information of food stocks and demands is necessary, just as that information is essential for such things as oil, minerals, and timber. And we do not have enough of that kind of information. But how much solace is it to someone who is already hungry to know there is a shortage of food.

Mr. Speaker, I fully support an international agreement to establish food reserves, and a series of mutually beneficial international agreements on other resources. But for several years, at least as far as food is concerned, we have not been able to get the administration to even talk of reserves. So, the Secretary's testimony at least means that we have our foot in the door. The question now is whether we have the capacity to build reserves at a time when the world seems hungry and affluent enough to buy all we produce.

The Times editorial follows:

## THOUGHT FOR FOOD

Everything relates to everything. From shortage of energy comes shortage of chemical fertilizers, produced by energy-intensive technology. And from shortage of fertilizer comes shortage of food the world over.

Whether thus simplified or spun out with intricate sophistication, a new doomsday scenario is evolving. The question is whether the experts' assessments can be translated soon enough into effective action by governments to avert—literally—mass famine.

In many ways the slow perception of an emerging food crisis bears a disturbing similarity to the equally slow perceptions of the energy crisis several years ago: the warnings of a few prophets in the field going unheeded until serious hardships hit, the lack of a sense of urgency for nations to work together to alleviate what will surely become an acute and common problem across national frontiers.

When pressures on prices and supplies of

basic food-stuffs, notably grains and sugar, are added to the uncertainties of the weather, the result for populous, less developed countries is obvious. The problem is most dramatic, though far from unique, in India. The World Bank estimated recently that instead of the self-sufficiency in food which could be foreseen only three years ago, India will have to import over ten million tons of grain in the next five years, and will need an unanticipated \$12 billion in foreign aid to pay the bill.

It is one thing for consumers in the United States and other rich countries to absorb a rise in expenditure on food, and quite another for a billion or so people who already spend 80 per cent of their paltry incomes on the food they need to keep them alive.

Paying for basic foodstuffs is only the start of the problem; the bigger question is whether the world can actually produce enough to meet the anticipated demand. As in so many resource problems, the trade offs are agonizing. It has been estimated that one acre's corn production requires the energy equivalent of 88 gallons of gasoline. Affluent Americans could soon be faced with the choice of consuming energy on highways and in air-conditioned rooms, or permitting the production of food to feed whole populations in Africa and Asia.

After months of foot-dragging, the United States is finally taking the lead in preparing for a world food conference to be held in Rome next November. One of the first tasks, in the American view, is to build up a more reliable system of food stockpiles so that one or two bad harvests in the larger grain producing countries will not create critical shortages. But after years of surplus conditions, demand is already pressing against production capacity, leaving little scope for building reserves against future needs.

It took years for sovereign-minded governments to understand the need for joint planning and ingenuity in providing energy—and even now the pace of progress in this direction inspires something less than awe. Similar delay on the related and equally urgent matter of organizing world food production will surely take a tragic toll in human life.

## HOOSIER HYSTERIA

## HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. ROUSH. Mr. Speaker, Hoosier hysteria reigned in my district this past week as Northrop High School brought the State basketball championship trophy home to Fort Wayne for the first time in 16 years.

I am sure my colleagues in the House would agree that nowhere is high school basketball played with more determination than in the State of Indiana, nor followed by more dedicated fans.

Winning a State basketball championship in Indiana is the dream of every player, coach, and fan. The feat seems all the more incredible when one considers this is only the third year the new Northrop High School has fielded a team.

I have already sent my congratulations to the team and to Coach Bob Dille, but I would like to have inserted into the CONGRESSIONAL RECORD the names of the boys who brought such an honor to their school and to my part of Indiana.

Seniors on the team were Tom Mad-

den, Tony Casso, Neal Putt, Craig Klein, Dennis Hetrick, Walter Jordan, Mark Fredricks, and Mike Muff. Juniors were Willie Spencer, Mike Suttle, James Wimbley, and Maurice Drinks.

These boys put together an impressive 28 to 1 record for the season, a record that will long be remembered throughout the State.

High school sports competition has helped make this country great, and this team must now be counted among the best in that tradition.

## BAN THE HANDGUN—XXXVII

## HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. BINGHAM. Mr. Speaker, in Richardson Tex., an 11-year-old boy committed four irrational acts of murder, shooting his entire family, and then taking his own life. This tragic case speaks for itself.

Congress must act and act quickly to get the handguns out of the home, and out of the hands of all but the police and military.

The appended article appeared in the March 26 edition of the New York Post:

## BOY, 11, SLAYS FAMILY, SELF

RICHARDSON, TEX.—Police say an 11-year-old boy apparently killed his parents and sister and then killed himself.

The four shooting victims were Robert L. Nickols, 47, editor of a trade publication; his wife, Jeannie, 51; their daughter, Debra, 12; and their son Kevin, 11.

"It's really strange," said a police sergeant. "We don't have a motive of any kind. Neighbors all say the boy was highly intelligent."

Condition of the bodies, the sergeant said, indicated all four persons had been dead three or four days.

## 11500 BANANAS ON PIKE'S PEAK

## HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. HOSMER. Mr. Speaker, the Nation urgently needs more coal to meet its energy load growth. The Nation's policy is to shift the energy load from petroleum to coal.

Yet, H.R. 11500 would essentially abolish surface coal mining operations under the pretext of regulating them.

The bill combines elaborate new mining permit systems with next-to-impossible reclamation requirements which no State now has. It factors in delays of months and even years before new mines can be opened.

With a well conceived surface mining regulation measure you can have coal and respect for the environment, too. With H.R. 11500, when the lights go out you could call on Congress, but not on coal.

That makes about as much sense as trying to grow bananas on Pike's Peak.

HON. WILLIAM S. MAILLIARD

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 25, 1974

Mr. RODINO. Mr. Speaker, I was pleased to learn that my distinguished colleague, Hon. William S. Mailliard,

has received an appointment as the Permanent Representative of the United States to the Organization of American States. Bill and I have been fellow representatives in the House for over 2 decades now, and I as well as many other Members of both parties will miss his legislative acumen as we struggle with the difficult problems that lie ahead. But it is this same diplomatic skill he is taking, coupled with his long experience in

international affairs, that will enable Bill to gain the respect and confidence of his new Pan-American colleagues. I am confident, therefore, that he will meet this new challenge with the same degree of accomplishment that he now leaves in the House. And so, I want to congratulate and wish the best of luck to Bill in his new role of representing the United States in this important hemispheric organization.

## SENATE—Friday, March 29, 1974

The Senate met at 10:45 a.m., on the expiration of the recess, and was called to order by Hon. JENNINGS RANDOLPH, a Senator from the State of West Virginia.

## PRAYER

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

Eternal God, whose love is unfailing and embraces all Thy children, in reverent mood and with thankful hearts, we pause in the sacrament of memory to honor the men and women living and departed, who when called to the Armed Forces, responded with youthful energy and sacrificial devotion, to fulfill the mission of this Nation in the world. Forgive us for any indifference, carelessness, or callousness for those whose hearts and minds and bodies bear the scars of battle in faraway Vietnam.

Give comfort and courage to those families whose sons and brothers have not returned. May we have loving hearts and generous treasures for all who need help and healing.

May the people in the lands where they fought live in peace and freedom.

With clean hands and pure hearts, with malice toward none, with charity toward all, with firmness in the right as God gives us to see the right, may we finish the work, bind up the Nation's wounds, care for all who need our care, and do all which may achieve a just and lasting peace among ourselves and with all nations.

We pray in the name of the Prince of Peace. Amen.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The second assistant legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, D.C., March 29, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JENNINGS RANDOLPH, a Senator from the State of West Virginia, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,  
President pro tempore.

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

## MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the following bills in which it requests the concurrence of the Senate:

H.R. 69. An act to extend and amend the Elementary and Secondary Education Act of 1965, and for other purposes; and

H.R. 12412. An act to amend the Foreign Assistance Act of 1961 to authorize an appropriation to provide disaster relief, rehabilitation, and reconstruction assistance to Pakistan, Nicaragua, and the Sahelian nations of Africa.

## HOUSE BILL REFERRED

The bill (H.R. 12412) to amend the Foreign Assistance Act of 1961 to authorize an appropriation to provide disaster relief, rehabilitation, and reconstruction assistance to Pakistan, Nicaragua, and the Sahelian nations of Africa, was read twice by its title and referred to the Committee on Foreign Relations.

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Thursday, March 28, 1974, be approved.

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

## COMMITTEE MEETINGS DURING SENATE SESSION

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

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

## EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations placed on the Secretary's desk.

The ACTING PRESIDENT pro tempore. Without objection, the nominations placed on the Secretary's desk will be stated.

## NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

The second assistant legislative clerk read sundry nominations in the National Oceanic and Atmospheric Administration, 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 request that the President be 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 ask unanimous consent that the Senate resume the consideration of legislative business.

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

Does the Senator from Texas seek recognition?

Mr. TOWER. I do not seek recognition, Mr. President.

## ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the the previous order, the Senator from Rhode Island (Mr. PASTORE) is recognized for not to exceed 15 minutes.

(The remarks Senator PASTORE made at this point on the introduction of S. 3271, to establish a joint committee on energy, are printed later in the Record under Statements on Introduced Bills and Joint Resolutions.)

The PRESIDING OFFICER. Under the previous order, the Senator from Kentucky is recognized for not to exceed 15 minutes.

Mr. MANSFIELD. Mr. President, if the Senator wants additional time, he may have it.

## DEVELOPMENT OF DOMESTIC NATURAL RESOURCES

Mr. COOK. Mr. President, I invite the attention of my colleagues to the results of this week's bidding by oil companies to drill on the Outer Continental Shelf in search for oil and gas. A record \$6.46 billion was offered for the leases at this one sale. As there are to be two more lease sales this year, the total to be paid to the U.S. Treasury from this source