

clusion of which period the Senate will resume consideration of S. 2310, a bill to assure the availability of adequate supplies of natural gas during the period ending June 30, 1976.

The pending amendment by Mr. KENNEDY will be set aside temporarily on Monday until the hour of 2 p.m. on the next day, October 21. But in the interim—meaning Monday the 20th and on Tuesday up until the hour of 2 p.m.—other amendments may be called up to S. 2310 and voted upon. Rollcall votes, therefore, may occur on Monday, October 20, on amendments and/or motions in relation to S. 2310. Rollcall votes conceivably could also occur on other measures that have been cleared for action by that time. Keeping in mind that conference reports are privileged, it is quite possible, of course, for votes to occur also on conference reports.

There is an agreement, whereby action will be taken finally on S. 2310 at 12 noon, Friday, October 24. So, there is assurance that there will be some action, one way or the other, finally on that measure, and the Senate will have worked its will on amendments thereto during that week.

Consequently all Senators will be able to return home and report to their constituents that the Senate has acted on

the Sinai resolution and has reached an agreement to act on a bill to assure the availability of adequate supplies of natural gas. I hope that the Senators will come back on October 20 fully restored, with their spirits high, fully rested and fully knowledgeable of the viewpoints, complaints, admonitions, advice, criticisms, approbations, and plaudits of their constituents. Senators have worked hard, and the leadership thanks and compliments them all. The Senate has acted on a great deal of business before going home. The calendar is not quite as bare as old Mother Hubbard's cupboard, but it is pretty clean. Considering the fact that we do now have an agreement to act on the natural gas bill, I feel that all Senators may go home tonight content within themselves, thankful to the good Lord, and looking forward to meeting with the people whom they serve in their respective States next week.

ADJOURNMENT UNTIL MONDAY, OCTOBER 20, 1975

Mr. ROBERT C. BYRD. If there are no other Senators who wish to comment or take the floor at this time, I move, in accordance with the provision of House Concurrent Resolution 424, as amended, that the Senate stand in adjournment

until the hour of 12 noon, October 20, 1975.

The motion was agreed to; and at 10:19 p.m., the Senate adjourned until Monday, October 20, 1975, at 12 o'clock noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate October 9, 1975:

FEDERAL ENERGY ADMINISTRATION

William G. Rosenberg, of Michigan, to be an Assistant Administrator of the Federal Energy Administration.

SECURITIES AND EXCHANGE COMMISSION

Roderick M. Hills, of California, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1977.

DEPARTMENT OF THE INTERIOR

Thomas S. Kleppe, of North Dakota, to be Secretary of the Interior.

(The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.)

THE JUDICIARY

Ralph G. Thompson, of Oklahoma, to be U.S. district judge for the western district of Oklahoma.

EXTENSIONS OF REMARKS

SYNTHETIC FUEL PROGRAM

HON. ALLAN T. HOWE

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 8, 1975

Mr. HOWE. Mr. Speaker, I would like to take this opportunity to commend my colleagues in the House for initiating hearings yesterday on a synthetic fuel production program. I consider this program, to create a synthetic fuels industry within the United States, another wise and important step on the road to energy independence in the foreseeable future.

The provisions of S. 598 for a loan guarantee program for synthetic fuels is an excellent start in the establishment of an integrated synthetic fuel industry. It is designed to produce by 1985, the synthetic equivalent of 1 million barrels of oil a day, or 365 million barrels per year, from coal and oil shale, abundant within the continental United States. The program, which permits the Federal Government to guarantee \$6 billion in loans to private industry, should be authorized by Congress as a quick development incentive for plant construction.

Viewed economically, the synthetic fuel program is particularly encouraging and acceptable. Rather than massive new Federal expenditures, as suggested by Mr. ROCKEFELLER for an Energy Independence Agency, the plan simply designates \$6 billion in Federal Government loan

guarantees for synthetic fuel production plants.

The program would promote increased employment immediately when we desperately need help in this area, particularly considering the unemployment rate of 8.3 percent. Any assistance in reducing this figure, through public or private measures, should be encouraged. With quick congressional approval of the synthetic fuel programs, or a similar revised plan, a number of synthetic fuel plants could be under construction early next year. Proposed sites include Montana or Wyoming; Illinois or Ohio; Colorado; and the four corners area of Arizona, New Mexico, Colorado, and Utah, regions rich in untapped coal and oil shale reserves. The plant construction will be immediately beneficial to these areas, and ultimately the Nation, by offering alternative sources of energy.

The prospects for industrial conversion of coal and oil shale appears to be an excellent, profitable venture for both the industry and ultimately the American consumer. Continued underutilization of these valuable resources, when the technology is already available for large scale conversion, is senseless. Congress should promote and support such development in the Nation's interest by encouraging immediate provisions to maximize industrial investment of talent and effort.

As we are well aware, the family of carbon fuels is neither the ultimate energy source nor existent on the Earth in unlimited quantities. When we speak in

terms of fueling our future needs, we must recognize these facts. At this time, we must take stopgap measures in order to guarantee meeting our immediate energy needs while developing the technology to meet the needs of the future. We are an industrial nation. Our economic situation and employment potential depends on industrial growth which, in turn, depends on increased energy supplies. Until the technology for solar, geothermal, and nuclear energy has been developed to support our extensive fuel demands, we must approach the problem pragmatically. A synthetic fuel program will contribute significantly in meeting our energy needs.

Eventually, we must break free of OPEC's strangulation of energy resources through their price-fixing monopoly. We have already taken a number of steps in that direction. This new and innovative approach, of coal and oil shale conversion, must be encouraged to continue the trend. We can be independent, but we must more aggressively pursue this goal.

ON RIGHT TRACK OR BUYING TIME?

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 8, 1975

Mr. MIKVA. Mr. Speaker, I wish to bring to the attention of my colleagues

an excellent article by Congressman PAUL SIMON on the U.S. Railway Association which appeared in the Chicago Daily News, September 20, 1975. Congress is going to have to make some decisions of a short-term nature on railroad service by November 9. What Congressman SIMON recommends in this article are some essential steps for improvement of our railroad, the most energy-efficient transportation system our Nation has.

The article follows:

[From the Chicago Daily News,
Sept. 21-22, 1975]

U.S. RAIL ASSN.—ON RIGHT TRACK OR
BUYING TIME?
(By Paul Simon)

WASHINGTON.—The U.S. Railway Assn.—the body created by the federal government to salvage some of the rail lines in the most desperate financial straits—has presented its plan to Congress, but more fundamental answers must be produced.

The most basic decision yet to be made is whether railroad service will be improved or permitted to continue to deteriorate. The wealthiest nation on Earth would do well to celebrate its 200th anniversary by getting our rail system on the right track.

Whatever decision Congress makes on the recommendation of the U.S. Railway Assn.—a decision that must be made by Nov. 9—it will be little more than a Band Aid when the national rail system needs (perhaps major) surgery.

The association has recommended that 5,700 miles of track be abandoned as a new corporation, Conrail, operates the remaining lines now in deep trouble in the Northeast and Midwest.

Under the proposal, Consolidated Rail Corp., a railroad company sponsored by the federal government, would take over approximately 15,000 miles of track now operated by the shaky Penn Central and six other bankrupt railroads. It calls for \$1.85 billion in bonds to be sold to the public for use by Conrail, plus a \$650-million direct subsidy to Conrail.

It is an expensive package—expensive not only to the taxpayers, but to the rural areas served by the 5,700 miles of railroad track that would be abandoned.

In southern Illinois, for example, thousands of citizens no longer can board a train and make a trip to Springfield, Champaign and Chicago. In 1923, Carbondale, with a population of 6,300, was served by 40 passenger trains a day; today, with a population more than 27,000, it is served by only 4 passenger trains daily. This has a special impact on 22,000 students at Southern Illinois University—18 times the number in 1923.

What Congress must determine by the middle of November is what type of short-term answers are needed to stop further erosion of the nation's railroads. One answer is that presented by the railway association. Another being talked about is a two-year freeze on all lines while Congress looks for long-range answers.

Our railroads must be turned into a greater national asset, not a greater liability. It is ironic that we spend hundreds of millions to keep up waterways and airports, billions to maintain our highways, and then hold hearings on discontinuing some of the most energy-efficient transportation the nation has, our railroads.

In addition to recognizing the need for good railroad service, and resolving that we want to do something, these steps should be taken:

Demand that railroads invest in themselves. We require this of many utilities. One of the reasons for the rapid rundown of

railroad service and properties is that some of them have found it more profitable to put their money into Pepsi Cola stock or a cotton farm or a pantyhouse factory or some other investment. Except for reasonable savings for emergency situations, we should require railroads to concentrate on railroading, not draining off the receipts in other attractions.

Along with this, we should offer to any railroad that wants to sell its right of way an option for government purchase of the tracks, paying for them over a period of five years, then charging the rail line for the use of the tracks. That is the way we operate for trucks, changing them for the use of the highways. That is what we should be doing for barges, charging a small fee for the use of the waterways, which are maintained by the federal government.

If we did this for the railroads, then the federal government could take 50,000 men and women now unemployed and put them to work fixing the rail beds. It would make these people more productive, make our transportation system more efficient and give the railroads substantial sums of money to invest in the improvement of their service.

The second step cannot be taken unless we take the first step, because if we purchase the track without demanding that this money be invested in railroad service, much of the money will slip away for other things.

There are a variety of modifications of these ideas, but there appear to me to be the basic ones.

My choice is for an improvement and upgrading of our present system. It's going to cost money, but no more than our present inadequate approach and perhaps less.

But the go-ahead signal for an approach like I have suggested here will not take place as long as we continue to live in a dream world, believing a few loans and subsidies, plus cutting track mileage here and there, will solve our problems.

They only will add up to more money down the drain and increasingly poorer railroad service.

The people of this country have a right to expect something better.

IF THEY COULD SEE US NOW

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 8, 1975

Mr. DERWINSKI. Mr. Speaker, as the Bicentennial spirit develops across the country, it will, in my judgment, give all of us an opportunity to restudy and reemphasize the great traditions of our country.

It will also permit us to analyze the changes that have occurred over the past 200 years, and perhaps provoke thought to reinstating some of our American traditions rather than the radical philosophy that is preached in many circles these days.

A very thought-provoking commentary on our Constitution and its relevancy by Lyn Daunoras, feature editor and columnist of the Times, an Enterprise Publication, of Lyons, Ill., appeared in the October 1 edition of this publication.

The commentary follows:

IF THEY COULD SEE US NOW!

(By Lyn Daunoras)

With the bi-centennial in the offing, some of the interpreters of the Constitution

should take some time to re-study the motivation of the colonists who fought a war for liberty.

They would find that the Revolution was the result of a culmination of actions taken by the English crown which forced colonists to pay taxes they did not feel were just.

There was the stamp act, in which the English sought to have their American subjects pay for the seven-year French and Indian war by paying an exorbitant tax on imports. The colonists resisted, refusing to be forced into anything. They boycotted the imports and won that preliminary skirmish.

Then came the tea tax and subsequent rebellion, again stemming from a refusal to be pushed by colonists who stood gallant and challenging, ready for war rather than give in, though anguished at having to fight their mother country.

So what?

So look around today and look at the many things Americans are being forced to do, not by a country whose possession we are, but by the government we have elected.

There is forced busing. The racial slurs are unfortunate and not to be condoned. Other than that, the frustration of the people at being forced to accept busing for the sole reason of integration is understandable. If they have their own school and pay taxes to maintain that school, why should they be ordered to allow children from any other districts to go there?

The answer is to provide good education at all city schools, not force people to be bused or accept busing at the whim of the government. Ironically, it's happening in Boston, site of the tempestuous tea party over a tax the people would not accept.

There are the Amish people who, by their religious beliefs, live apart from others, follow their own rules and regulations and hurt no one. They ask only that they be left alone, yet the government persists in forcing them to have their children educated in public schools rather than their own Amish schools.

And we have the Jehovah Witnesses, who do not believe in blood transfusions and cutting. When a member of the family is dying, the government again steps in and orders a transfusion or operation.

While I'm not in agreement, I feel that if these are the beliefs of these groups and they hurt no one else by them, who is some judge, probably an atheist at that, to play God and force them to go against their religious dictates? If they were a fighting minority group, they would have all sorts of fuzzy-minded liberals fighting their cause, but no one bothers with religious groups trying to live their own lives in dignity.

And there is the "forced" testimony of one Mr. Bonk, who was acquitted by a jury and now is ordered by the government to testify against others. What price acquittal?

Probably the greatest example of "force" is in employment. A man owning his own business no longer has the right to interview applicants for a job and choose the one he finds most promising. He has to consider sex and race or he's in trouble with the government.

He may find just the man he's looking for, but he needs a quota of women and minorities and if the man he wants to hire puts him out of balance, woe be to him. New employment applications do not even allow one to ask if an applicant is a citizen. A war was fought and won against great odds by courageous men to give us certain "unalienable" rights.

Imagine trying to force Howard Hughes to appear in court or be declared dead, just because he prefers to be a recluse?

We had them—what happened to them? Surely those fearless colonists would shrink at their gutless descendants.

HOW SECURE IS THE INTERNAL SECURITY OF THE U.S. CONGRESS?

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 8, 1975

Mr. ASHBROOK. Mr. Speaker, while Congress whittles away at eliminating its own internal security facilities, recent remarks of Senator BARRY GOLDWATER of Soviet infiltration on Capitol Hill are both ironic and alarming. It seems that Vice President ROCKEFELLER told Senator GOLDWATER that either seven or nine senatorial offices had been discovered infiltrated by Soviet agents or other Soviet elements and a few committees were suspected. If the sources providing this information to the Vice President and Senator are providing a true representation of the existing facts, the public's low opinion of Congress could well sink lower.

It will be remembered that the House on the first day of this Congress voted to abolish the House Committee on Internal Security through a parliamentary sleight of hand and without a direct up-or-down vote on the committee's merits. The House in March refused to instruct the Judiciary Committee to set aside \$300,000 for internal security purposes. No subcommittee has been established to handle security work, and the staff has been, with eight exceptions, disbanded.

On the Senate side the Senate Internal Security Subcommittee has had its budget reduced twice in the last several years. Efforts will be made next year to see that this subcommittee receives no funding, thereby effectively abolishing it. Thus the two congressional units which have been by far the most involved and experienced in the area of Soviet espionage may be just a matter of history come next year, our Bicentennial.

One must wonder if, with future Congresses as irresponsible as the present one, we will ever live to see our Tricentennial.

A brief summation of Senator GOLDWATER's remarks in the October 11 issue of Human Events follows:

HAVE COMMUNISTS INFILTRATED SENATORIAL STAFFS?

Sen. Barry Goldwater (R.-Ariz.), who sits on the Senate Intelligence Committee, said last week that "Soviet espionage in this country is so fantastically larger than what we do that there's no way" to compare the two. "They have our country absolutely infiltrated," he said on Martin Agronsky's Evening Edition TV program. "I would say every major industry, every major business; they know what's going on in the committees of Congress. Every once in a while in the Armed Services Committee, I'll see the Russian equal sitting out there. Once in a while someone will go say, 'If there's anything you're not understanding'—just want to make him feel at home."

The Arizona senator also suggested that the Soviets may have placed Communist spies on senatorial staffs. Responding to a question from syndicated columnist John Lofton, Goldwater said he was told by Vice President Nelson Rockefeller—either flying to or from Chiang Kai-shek's funeral—that the Rockefeller panel on the CIA "had learned of instances where the offices of senators had been infiltrated by Soviet agents." "Some seven or nine" Senate offices, said Goldwater.

When Lofton asked Goldwater whether he meant these agents were "actually working in offices" and "supplying information, presumably to the Soviets," Goldwater responded: "Well, working in offices, reporting, helping in the drafting of legislation, the writing of reports, and so forth and so on. But I have no idea what offices they might be."

"But I would put myself in the position of the KGB, and I think one of the first things I would try to do would be to place as many people in clerical positions on the Hill as I could place."

Rocky originally told Goldwater that his panel would print the information, but when the panel's report came out, nothing about this appeared. Goldwater said Rocky had been "requested" to leave it out, though he did not know by whom.

The Vice President, through a press aide, confirmed to Human Events last week that such a conversation between him and Goldwater had taken place, though he could not recall every detail. The question now is: Will Sen. Frank Church (D.-Idaho), who heads the Senate Intelligence Committee, probe this rather startling information?

GAO REPORT SHOWS FEDERAL GOVERNMENT FAILS TO ENFORCE ANTI-DISCRIMINATION LAW AGAINST MENTALLY AND PHYSICALLY HANDICAPPED

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 8, 1975

Mr. DODD. Mr. Speaker, earlier this year I asked the GAO to report to me on the extent to which Federal agencies have taken steps to implement sections 503 and 504 of the Rehabilitation Act of 1973.

Although the Rehabilitation Act became law more than 2 years ago, GAO's report clearly shows that Government agencies have failed to enforce these provisions which prohibit Federal contractors and programs receiving Federal financial assistance from discriminating against the mentally and physically handicapped.

Representatives MURPHY of New York, ROYBAL, DRINAN, and BEARD of Rhode Island have joined me in writing the President, the Secretaries of Defense and Labor, and the Director of the Office of Revenue Sharing about their failure to implement the law. When I receive their responses, I will introduce them into the RECORD.

At this time, Mr. Speaker, I insert in the RECORD the text of the GAO report in order that my colleagues may be aware of this situation. The text of the report follows:

U.S. GENERAL ACCOUNTING OFFICE,

Washington, D.C., August 14, 1975.

Hon. CHRISTOPHER J. DODD,

House of Representatives.

DEAR Mr. DODD: Your May 15, 1975, letter requested an investigation into the extent to which Federal departments and agencies have implemented sections 503 and 504 of the Rehabilitation Act of 1973 (Public Law 93-112, September 26, 1973), and the impact of these two sections on alleviating discrimination in employing the mentally handicapped and the formerly mentally handicapped.

We contacted officials at the Departments of Labor; Health, Education, and Welfare (HEW); Housing and Urban Development (HUD); Transportation (DOT); Defense (DOD); and Agriculture; the General Services Administration (GSA), and at selected State vocational rehabilitation and employment service offices. We found that only limited progress had been made in implementing section 503 and that, in essence, section 504 had not yet been implemented as of June 30, 1975.

Because of the limited progress in implementing sections 503 and 504, and because major revisions were being made to the regulations for the implementation of section 503, an in-depth, comprehensive review of the implementation of these sections, including reviews of actions taken by contractors and grantees, would be more meaningful at a later date. Therefore, we did not visit or obtain information from contractors and grantees.

SECTION 503—IMPLEMENTATION

Implementation of section 503 has been limited for the most part to Labor's issuance of implementing regulations and complaint handling. Neither Labor nor the other cognizant Federal agencies had established enforcement mechanisms to assure Government contractor compliance with section 503 requirements, and coordination of section 503 activities between Labor and other agencies had been very limited. Factors contributing to this condition included weaknesses in Labor-issued regulations, staffing shortages, problems of individuals obtaining certification of their handicaps, and the failure of many complainants to respond to Labor inquiries. These matters are discussed below.

ESTABLISHMENT OF LABOR TASK FORCE

Section 503 requires each Federal contractor with a contract exceeding \$2,500 to take affirmative action to employ and advance in employment qualified handicapped persons in carrying out such contracts.¹ Executive Order 11758, dated January 15, 1974, gave Labor overall authority and responsibility for implementing section 503, including the development of implementing regulations. The order also required that the Federal Procurement Regulations; the Armed Services Procurement Regulations; and, to the extent necessary, any supplemental or comparable regulations by any Federal agency be amended to require contracts subject to section 503 to require compliance with the section and regulations issued thereunder by Labor.

In January 1974, Labor established the Handicapped Worker Task Force within the Employment Standards Administration to administer section 503. The Task Force was to develop regulations and guidelines for use by Federal agencies in implementing section 503. It is located at Labor's headquarters in Washington, D.C., and as of July 7, 1975, consisted of 11 members of which six were professionals who devote full time to section 503 activities. To carry out field activities, one person in each of Labor's 10 regional offices was directed to temporarily devote part of his time to section 503 activities until a specific program could be established.

ISSUANCE OF REGULATIONS

Labor issued regulations (20 C.F.R. 741) on June 11, 1974, to implement section 503. Although the regulations became effective on that date, compliance with some of the provisions was not required until later.

The regulations require, in part, that:

¹ The term "handicapped" as defined in the Rehabilitation Act of 1973, as amended, means a person who (1) has a physical or mental impairment which substantially limits one or more of such person's major life activities, (2) has a record of such an impairment, or (3) is regarded as having such an impairment. The same definition is used for section 504.

Federal agencies include an affirmative action clause (set forth in the regulations) in contracts exceeding \$2,500 executed after October 11, 1974.

Federal contractors and subcontractors with contracts exceeding \$2,500 take affirmative action to employ and advance in employment qualified handicapped persons, including appropriate outreach and recruiting activities and actions to accommodate physical and mental limitations of employees.

Contractors and subcontractors with contracts exceeding \$2,500 prepare written affirmative action programs indicating steps to be taken to employ and advance handicapped persons and disseminate these to all employees.

Contractors and subcontractors with contracts exceeding \$500,000 submit a copy of their affirmative action programs to Labor within 90 days after being awarded a contract or subcontract and an annual summary report by March 31 of each year showing affirmative action efforts and results.

IMPLEMENTATION OF REGULATIONS

In issuing its section 503 regulations of June 11, 1974, Labor commented: "We find that notice of proposed rulemaking and delay in the effective date would be contrary to the public interest in view of the need for prompt implementation of the affirmative action requirements contained in the Rehabilitation Act * * *"

Despite this statement on the need for promptness, limited progress has been made by Labor and other agencies in implementing section 503 requirements. Aside from the issuance of regulations, implementation, for the most part, has been limited to Labor's investigating complaints.

MONITORING AND ENFORCEMENT ACTIVITIES

Officials on the Task Force and persons designated responsible for section 503 activities in several of Labor's regional offices advised us that no routine monitoring and enforcement activity by Labor was being carried out on contracts exceeding \$2,500, but less than \$500,000. Labor officials stated they lacked staff for such monitoring and enforcement activities.

Information available at Labor showed that on contracts of \$500,000 or more, as of July 7, 1975, the Task Force received about 100 written programs and about 20 annual summary reports from contractors. We were advised by a Task Force official, however, that the Task Force had attempted neither to identify all contractors required to submit written programs and summary reports, nor enforce the reporting requirement. Furthermore, this official told us that the Task Force had not evaluated the adequacy of the written programs and summary reports submitted. Task Force officials attributed these conditions to the lack of staff, the short time the regulations had been published, and the fact that they had not provided instructions to contractors on what specific information was to be included in their summary reports.

Officials of HEW, HUD, DOD, DOT, and Agriculture advised us that the agencies had not taken specific action to enforce section 503. However, an official at GSA told us that inquiries about section 503 activities are sometimes made during other program reviews of contractors.

In addition, the Armed Services Procurement Regulations had not been amended as of July 1, 1975, to require contracts awarded by DOD and subject to section 503 to include a provision for compliance with section 503 and regulations issued by Labor. The Chairman of the Armed Services Procurement Regulations Committee would not specify why affirmative action provisions for employing the handicapped were not in the regulations but stated that the Committee was waiting for Labor to revise its regulations.

Although the affirmative action requirement had not been placed in the Armed Services Procurement Regulations as of

July 1, 1975, under Labor regulations the affirmative action clause is considered by Labor to be a part of every contract subject to the act and the regulations, whether or not it is physically incorporated in such contracts.

COMPLAINT HANDLING

Labor's regional staffs were investigating complaints made under section 503, and were, to some extent, informing contractors of the requirements of section 503. As of April 18, 1975, Labor had received about 262 section 503 complaints (one region provided an estimate of 100 complaints rather than an actual number). Of 162 actual complaints reported by nine regional offices, 67 had been resolved and 95 were still open. Labor's records showed that most of these 95 were open due to (1) problems in obtaining appropriate certification that a complainant was handicapped, (2) the lack of time and staff to investigate, and (3) the failure of many complainants to respond to Labor inquiries. Labor's regulations provide that it may either investigate complaints or refer them to other agencies which are required to institute a prompt investigation of each referred complaint. Despite the backlog of complaints under section 503, a member of the Task Force told us that no complaints had been referred to other agencies for investigation because their personnel were not trained for such investigations.

Task Force records showed that the 162 complaints from the nine regions included 12 from mentally handicapped persons. However, based on information furnished to us by Labor regional representatives, only 6 of the 12 complaints involved mentally handicapped persons under section 503. Of the 6 others, 2 were inquiries and not complaints, and 3 were from persons with epilepsy, which is a physical handicap. The remaining complaint involved a contractor who did not have a Federal contract, and section 503 did not apply.

COORDINATION ACTIVITIES

Some activities have been coordinated between Labor and other agencies and programs, but coordination appears to have been limited. Except for a half-day's orientation by the Task Force, no formal guidance or instructions had been provided by Labor to agencies on their roles and responsibilities in monitoring and enforcing section 503. According to a Task Force member, additional training or guidance was not given because of the lack of staff and because of anticipated major revisions to the regulations. Labor's lack of activity in this regard contrasts sharply with its statement during fiscal year 1975 appropriation hearings, that primary responsibility for implementing section 503 rests with the agencies.

In January 1975, Labor's Manpower Administration sent a memorandum to all State Employment Security Agencies describing some ways the Employment Service offices can assist employers and applicants under section 503. As set forth in this memorandum, the Employment Service can assist employers by

Serving as a source of qualified handicapped individuals to fill contractor job orders;

Providing technical assistance to contractors in making reasonable accommodations to the physical and mental limitations of an employee or applicant; and

Utilizing the mandatory listing obligation of contractors, as set forth in Public Law 92-540, to refer qualified handicapped individuals to jobs after honoring the priorities accorded disabled and other veterans.

The memorandum further stated that the Employment Service can assist applicants and employees by informing them about section 503, the regulations, and the complaint procedure.

The Task Force has not specifically coordinated the affirmative action for the handi-

capped program with the Comprehensive Employment and Training Act or vocational education programs.

WEAKNESS IN REGULATIONS

The limited manner in which section 503 has been implemented appears attributable in part to certain weaknesses in the Labor-issued regulations. These weaknesses are discussed in the following paragraphs.

Labor's regulations impose no implementing enforcement responsibilities on other Federal agencies, except that the agencies are required to (1) incorporate the affirmative action clause in their contracts, (2) designate a person to be responsible for implementing section 503 in the agency, and (3) investigate complaints referred by Labor. An official of GSA told us that although occasional inquiries are made of contractors' section 503 activities, GSA has no mandate under Labor's regulations to monitor or enforce contractors' section 503 activities.

Labor regulations currently also require that persons be certified as handicapped when filing a complaint against a contractor and that certification must be obtained from State vocational rehabilitation agencies or a facility listed by Labor. Labor, however, had not compiled this list, and some State vocational rehabilitation agencies had either been reluctant or had refused to certify persons as handicapped for section 503, unless such persons had participated in their program. Labor placed the certification provisions in its regulations before it reached formal agreement with HEW, which administers the vocational rehabilitation program. An HEW official told Labor that State vocational rehabilitation agencies would certify a complainant who participated in or could participate in their program.

In addition, the regulations require State employment security agencies to use listings of job openings filed with State employment offices in accordance with 41 C.F.R. 50-250 to refer qualified handicapped persons to contractors. However, as of January 1975, this list was required to include only job openings of contractors with Federal contracts exceeding \$10,000. Consequently, State vocational rehabilitation and employment services personnel may be unable to refer persons to contractors with contracts between \$2,500 and \$10,000 because they may not know who these contractors are.

Finally, the regulations for section 503 do not require contractors who must submit affirmative action programs and annual summary reports to Labor to also send them to the agencies.

EFFORTS TO IMPROVE REGULATIONS AND IMPLEMENTATION

Labor has recognized many problems relating to the regulations for implementation of section 503. According to a Task Force official, they have initiated efforts to make substantive revisions to the regulations. Task Force members also told us that the revised regulations would be aimed at correcting some of the problems we identified above and would provide more guidance to agencies and contractors. However, we are unable to comment on revised regulations because the Task Force did not make a draft of them available to us.

In addition, during the latter part of fiscal year 1975 Labor reorganized some of its activities. It established the Office of Federal Contract Compliance Programs (OFCCP) to consolidate and improve implementation of three separate affirmative action programs: veterans, minorities and women, and the handicapped. Included in OFCCP are the activities of Labor's former Office of Federal Contract Compliance. Labor is currently recruiting persons to fill the 75 position authorized OFCCP for section 503 implementation. As of July 31, 1975, Labor had staffed 7 professional and 8 clerical positions at its regional offices, and 10 support positions at headquarters.

SECTION 504—IMPLEMENTATION

Section 504 provides that no otherwise qualified handicapped individual shall, solely by reason of his handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

We contacted grants, management, equal employment opportunity, or civil rights officials in HUD, HEW, GSA, DOD, Labor and Agriculture to determine what actions had been taken to implement section 504. We found that, with a few exceptions, this section had not been implemented by these Federal agencies. Specifically, we found that:

No agency had been assigned overall responsibility for implementing section 504.

Officials at HUD and Agriculture told us that they were unaware of the requirements of section 504. Therefore, they had not taken any action to implement it.

HEW was developing specific regulations for section 504; had published on June 4, 1975, proposed regulations for consolidating administration and enforcement procedures for several civil rights laws and authorities, including section 504; and had requested an Executive Order giving it overall authority and responsibility for implementing the section. As of July 2, 1975, HEW had received 16 complaints under section 504. According to HEW, two had been closed and two may involve mentally handicapped persons. One of these latter complaints involved alleged employment discrimination.

Labor has developed regulations for section 504 for its programs but has not published them because it was waiting for an Executive Order on the section. Labor, had, however, incorporated a provision in its Comprehensive Employment and Training Act regulations requiring compliance with section 504.

Two of the complaints received by HEW involved Federal revenue sharing funds, and were referred to the Department of the Treasury. Officials at the Office of Revenue Sharing, Department of the Treasury, however, did not consider revenue sharing funds to be subject to section 504 because they didn't consider it "Federal financial assistance."

We trust that the information in this report will be useful to you in considering legislation concerning employment discrimination against the mentally handicapped and the formerly mentally handicapped. As requested by your office, we did not obtain agency comments on this report.

Sincerely yours,

GREGORY J. AHART,
Director.

QUESTIONING BUSINESS-AS-USUAL AT THE CIA

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 8, 1975

Mr. HARRINGTON. Mr. Speaker, two articles in the October 4 issue of the New Republic should serve as warnings to House and Senate investigators of the CIA that we will miss the most important questions about the Agency's behavior if we limit our attention to isolated cases of insubordination or incompetence. What is needed is not just an exposé of the widely condemned aberrations from Agency routine but a critical look at the routine itself. In the case of covert action, for example, we must not be content with asking whether an assassination attempt

or effort at bribery was carried out with Presidential approval. We must ask whether such actions should be carried out at all by a country that holds itself out as a model of democracy and decency.

I am inserting the articles by Morton Halperin and Roger Morris in the RECORD at this point for the attention of my colleagues:

CIA: DENYING WHAT'S NOT IN WRITING

Nine months after it was set up to investigate the abuses of the intelligence community and weeks after its final report was originally due, the Senate Intelligence Committee finally held its first public hearing. There was an effort to recapture the excitement of the Watergate hearings held in the same Senate caucus room two long years ago. The public broadcasting system provided live TV coverage and nightly summaries, the reporters who covered Watergate were out in force, and the committee chairman, Sen. Frank Church, promised important revelations of CIA lawlessness.

By the third and last day of the hearings the main question was why the committee had chosen to begin its public inquiry with this tale of the unlawful retention of a biological toxin. The spectator section of the hearing room was half empty, many of the reporters had gone to the House committee that was fighting with the White House about the right to release classified information and the senators and committee staff were going through the motions of examining witnesses from the Army Chemical Corporation.

Beneath the surface, however, the three days of hearings were the beginning of a public education into how the CIA functions, how it is controlled from the top, and what might be done to ensure that in the future it is responsive to presidential and congressional directives.

It was Sen. Howard Baker, the only veteran of the Watergate Committee on the intelligence panel, who first raised these issues in questioning CIA Director William Colby about the lack of a paper trail to determine what had happened.

The bare outlines of the story were clear. In 1970 President Nixon ordered the destruction of all biological weapons in the possession of government agencies. Before the materials held at Fort Detrick were destroyed, enough shellfish poison to kill tens of thousands of people was shipped to the CIA and placed in a little-used storeroom. There it remained until a short time ago when its existence was called to the attention of CIO Director Colby who in turn notified the Church Committee.

Subsequent investigation revealed that no written order had ever been issued within the CIA directing the destruction of biological weapons and no senior official had ever asked for or received confirmation of their destruction. All that the committee could establish in its investigation and public hearings was that a middle level official had decided not to destroy the toxin because of its great potential value and because it was not in his view clearly covered by the presidential order. That official, Dr. Nathan Gordon, who was responsible for biological material within the CIA technical services division, told the committee that he had received no written directive from his superiors to destroy the toxins.

That was as far as the committee could get. Former Director of Central Intelligence Richard Helms and his Deputy for Covert Operations, Thomas Karamessines, told the committee that they had agreed that the toxins should be destroyed and had passed the order orally to Dr. Sidney Gottlieb, director of the technical services division. Dr. Gottlieb was reported by the committee counsel, F.A.O. Schwarz III, to be planning to take the Fifth Amendment and he was not called to testify.

As one frustrated senator after another noted, the committee was left in maddening uncertainty. Did Helms order the toxins to be stored away in a written directive (since destroyed) or orally? Did his deputy? Did they want them destroyed? Did they assume they had not been? Was the CIA lax in not seeing that a presidential directive, subsequently affirmed in an international treaty, was carried out or was this a deliberate policy?

With amazing discipline the senators and the staff stuck to the subject of biological weapons, resisting the temptation the Watergate Committee often succumbed to, of asking questions on other subjects. Only Sen. Baker strayed once to provide a revealing glimpse into the months of secret hearings that the committee has held on assassinations. The Tennessee Republican noted that the absence of a paper trail had been characteristic of all of the committee's investigations of possible assassinations. Did this, he asked Colby, reflect the agency policy of plausible denial? Did not the agency's own inspector general's report indicate that it was not possible to determine who was responsible for assassination plans because written records did not exist? Colby sought to turn the question aside noting that plausible denial was used in reference to foreign governments—the agency had to be able to deny to the world that it had a role in a particular operation. Like many CIA procedures, "plausible denial" has now been imported to the United States.

The failure to destroy the biological toxin may reveal one classification of relations between junior and senior officials of the CIA in operations that are illegal or at best highly questionable. Consider how it must have looked in early 1970. The President has ordered the destruction of all toxins. CIA officials at all levels react with caution. Many presidential decisions are meant to apply to the overt agencies of government and not to the CIA. When the United States, for example, agreed in the Rio Pact not to interfere in the internal affairs of Latin American governments, no one in the White House or the CIA meant that to apply to the agency. Perhaps this is a similar case. Clues from the White House are studied carefully. The director of Central Intelligence gets a copy of the National Security Council decision memorandum ordering the destruction of all stocks of biological weapons but the memo directs him and others to look to the Secretary of Defense for implementing directives. None is sent to the CIA. There is not a second memorandum from the White House in intelligence channels saying that the NSC decision does or does not apply to the CIA. Was there a phone call from a White House official to Helms saying no one would be angry or surprised if the CIA kept some of this stuff? There is no way to know.

Thus the senior officials of the agency are left, intentionally or not, with ambiguous signals from the White House. They know that this President or some future one may suddenly confront them with an assignment that can be most effectively carried out with biological weapons and yet they are reluctant to violate an order.

At a lower level the official having physical control of the material faces the same problem. What to do his bosses want him to do and what should he do? He too looks for clues. He receives no written directive to destroy; regrets no request for an accounting of the material and a report of its destruction. On the other hand, there is no written directive to hold the material. There is no way to tell if there was an oral directive or clear hint, but the lack of instructions to destroy is enough. The "assignment" is to preserve the material; he decides to accept it.

We should not be surprised to learn that the middle level officials considered covering

themselves by forcing the director to take responsibility for keeping the toxins. The most interesting document the committee was able to produce was a memorandum drafted to be from Karamessines to Helms but reportedly actually written by Gordon. The committee had only an unsigned carbon and Helms and his deputy both claimed that they had never seen the memo. That it could have been written tells us a good deal about the attitude of agency career officials to obeying presidential orders.

The memorandum begins by noting the presidential order to destroy biological weapons including toxins. It notes that the CIA supply is at Fort Detrick and that, even though it is not on the official inventory list, it might be destroyed when the army destroys its own stocks. The memorandum notes that the CIA program is currently funded at \$75,000 and then ends with this revealing paragraph:

"If the Director wishes to continue this special capability, it is recommended that if the above DoD decision is made (to destroy their stocks), the existing agency stockpile at SO Division, Ft. Detrick be transferred to the Huntington Research Center, Becton-Dickinson Company, Baltimore, Maryland. Arrangements have been made for this contingency and assurances have been given by the potential contractor to store and maintain the agency's stockpile at a cost no greater than \$75,000 per annum."

The violation of presidential orders can be carried out within the budget and should be done.

What kind of a monster has America created in which memoranda are written calmly describing for the directors the contingency plans that have been made to violate a presidential order, an agency that's able to violate an order without anybody learning about it for five years? It is an agency that practices plausible denial against the President, the Congress and the public as well as against foreign governments; an agency in which junior officials learn to disobey laws because they think they've received subtle signals from the top. Nothing is in writing so that everything can be denied.

All of this should be kept in mind when we get the long awaited Church Committee report on assassinations and are told that there is no firm evidence of White House or even high agency involvement, and when the committee later in the year holds its hearings on remedies.

Former CIA Director Richard Helms was asked by the panel what could be done to avoid a repetition of this failure to destroy the biological toxin. Helms's answer was delivered so smoothly with such casualness that the committee failed to grasp the extent of the deception. Here was a man who was described in the Rockefeller Commission report as warning Henry Kissinger to treat a document with care because it violated the CIA charter, who wrote memos about the agency's 20-year mail opening program noting that it was a violation of the law, who admitted to the Senate Foreign Relations Committee that he had not been completely candid in describing the CIA role in Chile. What was this man's answer to the question of preventing abuse? There was nothing, he said, that could be done about the "odd mistake." If there was a pattern of misbehavior something might be done but nothing could prevent a patriotic man from on one occasion failing to obey orders. That was the price, the American ambassador to Iran suggested, of having honorable patriotic men in charge.

The senators showed by their questions that they were having none of that. They knew that they were confronting massive lawlessness. But their questions revealed also that they remain baffled about how to get at the truth and how to prevent abuses in the future. The manner in which they meet those challenges will determine whether this

opening round was pure circus or the beginning of the serious and purposeful inquiry (leading to reform) that the Senate directed, and that the country needs.—MORTON H. HALPERIN.

(Mr. Halperin directs the Project on National Security and Civil Liberties jointly sponsored by the American Civil Liberties Union Foundation and the Center for National Security Studies.)

THE "COMPANY"—BANALITY OF POWER

With the recent revelations of myopic US intelligence on the outbreak of the October 1973 Middle East war, congressional investigations of the Central Intelligence Agency may be on the scent of one of the agency's most important secrets: its bureaucratic banality. Behind the imperial manner and machinations, the CIA has always belonged more to Max Weber than to Ian Fleming, a hostage to clients, careerism, inertia and root mediocrity.

Understanding the banality as well as the outrages of the CIA (the two are often synonymous) seems essential to authentic reform of US national intelligence operations. Bureaucratic influences account for some of the more serious and ridiculous mistakes of what CIA minions call the "Company." Moreover, legislative prohibitions of specific acts such as assassination may be unavailing in the larger policy sense if Congress does not confront at the same time underlying organizational motives which may only reappear in new abuses.

The missed signals on the October war were largely the result of a common bureaucratic phenomenon. Like the Foreign Service, in whose embassy precincts they masquerade, CIA stations abroad are heavily dependent on "client" relationships with their counterparts in host countries. Up to a point, sharing intelligence with friendly powers is simply maximizing channels of information. But as so often happens in the Foreign Service, these relations may tend to obscure the critical boundary between US interests and the client's.

The strength and accuracy of the client's views can affect the standing of the Americans dealing with him, can influence the rationalizations of US officials abroad and the scramble for attention and money in Washington. The CIA has other problems: the credibility of shared intelligence in the past, and the sheer laziness that grows with such dependence. The dangers are worst when the client is also "targeted" at the Soviet Union and thus able to provide information of great interest to Washington. By several accounts, all this made CIA reports from the Middle East in the fall of 1973 particularly vulnerable to the flaws and neglect in Israeli intelligence, whose nearly fatal miscalculations were almost identically reflected in US estimates.

Israel is hardly unique in this respect. For many of the same reasons, US intelligence in the Cyprus crisis was crippled by reliance on the Greek junta, while officials were skeptical of less "reliable" contacts among a more independent Makarios government in Nicosia. If an international race war broke out tomorrow in Southern Africa, CIA intelligence in the region would be similarly blinded by the cozy relations cultivated over the years with the Rhodesian and South African security services, the outgrowth less of overt racism than of CIA's amoral operational affinity for technically sophisticated clients who also worry (or at least say they do) about Russian trade delegations and Chinese textile engineers. Obviously there is ideology in this problem. Yet if they probe deeply enough, congressional investigators will probably discover the CIA's zeal often owes as much to the "professional" seductions of clency as to cold war passion.

Ideology may be most easily jettisoned at the agency's higher levels in Washington,

where the fate of whole sections, and the careers in them, can depend on staying in the action, often regardless of the political niceties. This constant bureaucratic search for a *raison d'être* is another time-honored motive for policy throughout Washington, and the CIA, however bizarre its methods and purposes, is no exception.

As a member of Henry Kissinger's National Security Council staff in 1969, I was once invited to a lunch at CIA headquarters where a high official discreetly sounded me out about the receptivity of the Nixon White House to a little CIA mercenary operation to save a failing side in a distant civil war. There had been "inklings," as the official put it, that the President actually disagreed with prevailing State Department policy. A quiet operation could be mounted, at minimal cost, of course, to see that the President's "side" got at least an even break—and Secretary of State Rogers and his boys need be none the wiser.

It was a classic twist, worthy of John Le Carré. The CIA, we both knew, was already supporting the *other* side through the auspices of a friendly intelligence system; and the people the agency official was now proposing to help were getting aid from the Chinese Communists and were opposed by most of our allies. The whole war lay far beyond any political or military interest of the US. The unspoken point was that his colleagues were busily reporting successes and perils to the director at staff meetings, while this man, graying heir to a swashbuckling tradition, ran a section that hadn't toppled a government in almost a decade. My impression was that in his condition, he could have been persuaded to turn operation on London or Ottawa; the political stripe of the "target" was of next to no importance.

The episode illustrated another prosaic bureaucratic drive in the CIA, one that the current congressional inquiry has too frequently ignored. For all its arrogance and license, the CIA has also been, like other bureaucracies, anxious to cash in on the momentary policy whims of the White House, and there have been abundant opportunities in the last 15 years. The official who came to lunch ready with his mercenaries would have been, after all, serving "national policy" if he had been given a presidential go-ahead, which was not impossible. Similarly the CIA did not embark on its own on a decade of ruthless meddling in Chilean politics. That intervention proceeded from the paranoia of Presidents Johnson and Nixon about the impact of left wing electoral successes on the fragile order in Latin America. Though it exploited and often distorted policy for its own purposes, the CIA did not originate the embroilment in Laos, the commitment to autocracy in Iran, the preference for repressive if pro-American regimes throughout Latin America and Africa, the myth of Fascist "stability" in Portugal and Spain.

As Congress and the public recoil from many of the CIA's past actions, from murder to political mayhem, they are also seeing a faithful, albeit sordid reflection of American foreign policy over the last quarter century. Nor is there any wonder that so many CIA officials, past and present, are said to be bitter about the current attacks on the agency while, they argue, responsible State and Defense Department officials of past administrations, men who sanctioned or applauded the most savage covert actions, now sit unsummoned and uncharged in foundation, law or Wall Street sanctuaries. It is in this sense too that the CIA must be seen as one more bureaucracy, part of a larger problem. For liberal congressional critics of the CIA, this unacknowledged dimension of the investigations will demand much more courage and wisdom than the burial of a discredited cold war zealotry among lesser, largely anonymous officials. To blame and purge the failed James Bonds will be too easy; to finger their numerous high-ranking Democratic cohorts around

Washington at the time will test Sen. Church and his colleagues severely.

None of this should diminish or cloud the sinister quality of the CIA record. No government organization in American history has operated with such pervasive contempt for the democratic basis of public policy, nor, up to this point, with such shocking collusion from the Congress and the rest of the Executive. But the absurdities and dangers of the past will not be dispensed with until there is an awareness that much of the outrage is simply the way of life in Bicentennial Washington. The anxious claimant on dwindling budgets, the victim of clients and careerism, the leading but hardly the lone participant in government-wide disdain for Congress and obeisance to presidential power and secrecy, the CIA has also been a bureaucracy in search of a mission, not unlike NASA gambling its last thrust on the dubious scientific virtues of the Space Shuttle, or the navy hustling to extract from Congress nuclear aircraft carriers ("You can't strut on the deck of a submarine," said one observer.)

There will no doubt always be a need for a sizable national intelligence apparatus, in machines if not in men. But there seems no question either that with political and technological change, the CIA has lost a good part of the reason for its bloated bureaucratic being. And the real stopper to genuine reform is not some stentorian guard of cold war assassins, but rather what mires reform all over Washington—that legion of little people, whose cloaks are knit suits and daggers are government-purchase cafeteria butter knives, with suburban mortgages, children in college, and lives invested seemingly beyond return. When Congress faces up to the humane purge demanded by that problem, it will not only begin to bring intelligence under better public control, but also will chart the way toward needed reform in other areas of government.

Falling surgery on the bureaucratic heart of the problem, however, the prospect seems inescapable that the CIA, like its fellow bureaucracies, will improvise new ways to justify its size and perquisites, to establish its worth, whatever the structural, nominal changes contemplated by the Ford administration.

The possibilities are interesting. In an era where scarce resource is power and where spreading international corporate control and price manipulations can topple regimes faster than troops around the presidential palace, covert action will turn from jungles to boardrooms and stock exchanges. It will no longer be the minister of defense or the police chief we must own, but the director of minerals or the economics professor close to the premier. And there still should be a chance for some old-fashioned fun; pipelines to be blown, refineries to be sabotaged, strikes and demonstrations to be mobilized. Even assassination might be easier to justify when that oil potentate is trying, as Kissinger put it, "to strangle the industrial world."

The catch in all this is that an anarchistic, overpopulated CIA finding its outlet in international economics will expose its own customarily unwitting public to reprisals in kind. There is no reason to assume that such a CIA will be more discreet or more successful than in the past, and there is ample precedent to predict that its newly powerful adversaries in the developing world would retaliate with embargoes and their own price fixing. The cost of CIA adventures then goes beyond national embarrassment to the pocketbooks of families in Duluth and Dallas.

Whatever the plausibility of this speculation it is clear that the world of the 1970s is far too diffuse in power and delicate in allegiance to afford the bureaucratic impulses toward intervention we have learned to expect from the present incumbents in the CIA.

The Congress now has the CIA in one of the rare moments of public censure and presidential diffidence in which genuine re-

form is at last possible. But the moment is fleeting. The investigation must dig deeper and wider than Congress has been willing to go thus far, and the senators and representatives must be prepared to confront not only generally condemned aberrations, but also equally repulsive products of business as usual. The banality of the CIA is a searing commentary on the whole structure of government. There will never be a better place—or perhaps another time in this generation—to begin the reconstruction.—ROGER MORRIS.

THE NEW YORK DOMINO THEORY

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Thursday, October 9, 1975

Mr. HARRY F. BYRD, JR. Mr. President, on September 30, the Wall Street Journal published an excellent editorial debunking the theory that a default on the part of New York City would shatter the finances of municipalities all across the Nation.

Pressure is building for a Federal bailout of New York City, whose politicians have created the mess from which they now seek relief. An orchestrated outcry from mayors of other major cities is part of the campaign being carried out to persuade the Federal Government to come to the rescue.

I believe that the President and the Congress must stand fast against this bailout proposal. Once the Federal Government establishes the precedent of shoring up financially troubled cities, the door will be open for other cities to adopt the same reckless financial practices as those followed in New York, the officials of those other cities being secure in the knowledge that Uncle Sam will cover the losses.

Speaking of the appeal made by the mayor of New York City to the Federal Government, the Journal has this comment:

What Mayor Beame is really asking is that the taxpayers of San Francisco, New Orleans, Milwaukee and Denver pay the bills he and his predecessors have run up on credit, and save him from having to tighten the city's belt.

I think this is an accurate analysis, and I ask unanimous consent that the text of the editorial, "The New York Domino Theory," be printed in the RECORD.

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

[From the Wall Street Journal, Sept. 30, 1975]

THE NEW YORK DOMINO THEORY

The big-city mayors went to Washington last week to plead for New York City, each of them telling the Joint Economic Committee of Congress that unless Uncle Sam bails out the Big Apple the economic turbulence that would spread from a default would spread far and wide.

San Francisco Mayor Alioto says his city's bankers are "convinced" San Francisco wouldn't survive a New York City bankruptcy. Mayor Landrieu of New Orleans, president of the U.S. Conference of Mayors, says New York's default would be a "catastrophe" that would cause "serious new economic burdens" for local govern-

ments. Milwaukee's Mayor Maier says a default would have a "chilling" effect on his city's tax base.

The most graphic metaphor, kind of a towering inferno, came from Denver's Mayor McNichols: "Every city in the country is like a tenant in a big building. If you heard that a third-floor tenant's floor was going to collapse, you can't think it isn't going to hurt you."

All right, we'll agree that if your third-floor neighbor's floor is about to collapse, you go to any lengths to shore it up. But Mayor McNichols has the wrong metaphor. As a second-floor tenant, what do you do if you hear that your third-floor neighbor, who on an income of \$10,000 a year has been throwing wild parties, spending like there was no tomorrow and putting it all on credit cards, suddenly finds himself insolvent? Do you and your fellow tenants rush to the landlord and demand that the spendthrift be extended indefinite credit, saying that you will pay the bills? In the alternative, what happens to you if your third-floor neighbor can't pay his bills, sticking Carte Blanche, American Express and BankAmericard with the losses?

It is with this latter picture in mind that Treasury Secretary Simon can discount the effects of default, saying it would cause "little, if any" damage to the nation's financial structure and would have a "tolerable and temporary effect" on capital markets.

The banks would be left holding the bag, which is why they are helping perpetuate this domino theory, hoping to panic the Ford administration into making good their potential portfolio losses through federal loan guarantees. But it is inconceivable that the banks have been doing business for the last year as if the New York City paper they hold was gilt-edged, whether or not they've officially discounted it on their books. Thus, the capital markets already reflect most of the damage of a default, and there would be no abrupt shock to the system.

To the degree the market believes Uncle Sam will step in at the 11th hour to save the spendthrift tenant, we would expect the risk premium on all municipals to rise a bit if Washington does nothing. There, too, it's likely that most of the accommodation has already taken place, thereby putting the municipal bond market on a sounder, more realistic footing.

If the big-city mayors really want lower interest rates on municipal bonds, they should be concentrating less on the narrow risk premium and more on the enormous inflation premium in those rates. Yes, the cost of credit to the second-floor tenant is bound to go up when Carte Blanche is stuck with the third-floor tenant's insolvency. But his credit costs will go up much faster if, to stave off insolvency, the profligate tenant is given access to a federal printing press that manufactures money.

True enough, the mayors don't go quite that far in their proposal to have the U.S. government guarantee only taxable municipal obligations. And the city would have to show that its budget will be balanced by real revenue for a number of years and that its revenue will cover the repayment of principal and interest on the guaranteed securities. But if New York City could meet all these requirements it wouldn't need any guarantees. Private capital would be delighted to come home to New York paper if it could see that kind of light at the end of the tunnel.

What Mayor Beame is really asking is that the taxpayers of San Francisco, New Orleans, Milwaukee and Denver pay the bills he and his predecessors have run up on credit, and save him from having to tighten the city's belt. Our advice to the mayors is to forget about the third-floor tenant, go home and take a hard look at their own credit cards.

IMPACT OF NEW YORK CITY DEFAULT ON THE NATIONAL BANKING SYSTEM

HON. ANTHONY TOBY MOFFETT

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. MOFFETT. Mr. Speaker, yesterday one of the subcommittees on which I serve heard testimony from the Honorable James E. Smith, Comptroller of the Currency, concerning the impact of a New York City default on the national banking system. The subject of his statement is of serious concern to all of us. And while I am not sure I share his feeling that a serious dislocation of the national banking system can be avoided in the event of default, I would like to insert his testimony for the benefit of my colleagues. The statement follows:

STATEMENT OF THE HONORABLE JAMES E. SMITH, COMPTROLLER OF THE CURRENCY

It is a pleasure for me to appear before you today to present my views on the impact which the default of New York City will have on the national banking system.

Our Office has conducted during late summer and early fall of this year a multi-faceted survey of national banks which hold obligations of New York City and New York State.

On July 24, 1975, I directed each of the 14 Regional Administrators to obtain from their examiners the name of each national bank investing in New York City obligations and the total par value amount of these obligations held by the bank. The examiners compiled this information through a review of their working papers relating to the most recent examination of each bank.

We thus determined that 1,746 national banks held New York City obligations with a par value of \$1,753,525,000. We identified within this list 153 banks which were holding New York City obligations which exceeded 20% of their gross capital funds. These tabulations were verified during the week of August 18, 1975, with these banks by telephone.

By September 5, 1975, we had analyzed each national bank which held New York City obligations in an amount exceeding 40% of gross capital funds. In addition, selected banks under that cut-off percentage were also analyzed. Altogether fifty-three banks were reviewed by both regional and Washington personnel.

We attempted to appraise each bank's financial capacity to absorb the potential loss and to isolate those banks which could face insolvency or liquidity problems and which would require outside assistance from private sources or from the Federal Reserve and/or the FDIC. The banks analyzed were rated in four groups.

Group I banks are the most critical with insolvency a distinct possibility in the event of a New York City default. These banks would lose substantial portions of capital. Once publicly known, losses in such amounts could trigger significant deposit withdrawals and thus force these banks to seek long-term liquidity support from the Federal Reserve. Ultimately, FDIC assistance also might be needed in the form of a loan or an assisted sale.

Group II banks appear financially capable of absorbing initially the write-down of New York City obligations, but most would be left seriously undercapitalized and would have to pursue recapitalization, sale, or merger possibilities. Many of these banks have serious asset problems, poor sales prospects, negligible support from owners, directors, or officers, and nebulous support from parent holding companies. During the period immediately following default, short-term liquidity assistance from the Federal Reserve may be a necessity. Most of these banks appear to have good prospects for survival, but some may require extended assistance depending on local reaction and a myriad of other factors.

Group III banks should be able to absorb the initial write-down. Some may require additional capital, but others may be able to survive without outside assistance. In addition, most of these banks appear to have minimal asset problems combined with good prospects for sales and support from wealthy owners, directors, and parent holding companies. Losses to these banks, however, still will be significant, and some liquidity assistance may be necessary.

Group IV banks appear to be able to absorb the losses in their own right or with some help from financially capable and responsible parents or other ownership groups. Our initial review indicated that a New York City default would have the following impact on the banks analyzed:

TABLE 1.—53 BANKS

Group rating	Number of banks	Assets of banks within group (millions)
I.....	9	\$898
II.....	18	737
III.....	22	2,251
IV.....	4	145
Total.....	53	4,031

A further breakdown is helpful in clarifying these findings:

TABLE 2.—53 BANKS DISTRIBUTION MEASURED BY HOLDINGS OF NEW YORK CITY OBLIGATIONS AGAINST GROSS CAPITAL FUNDS

New York City obligations/gross capital	Number of banks	Assets of banks within category (millions)
Under 40 percent.....	5	\$596
40 percent to 50 percent.....	8	1,232
50 percent to 100 percent.....	29	1,777
100 percent to 150 percent.....	9	383
150 percent to 200 percent.....	0	0
Over 200 percent.....	2	43
Total.....	53	4,031

Our appraisal of the impact upon each bank was done on a pre-tax basis. Any of these banks which has taxable income over an eight-year period, beginning three years before any losses are realized, will be able to mitigate substantially the effect upon the bank of such losses through a reduction of federal income taxes. Such mitigation of possible losses has not been taken into account in our analysis.

On September 9, 1975, I directed national bank examiners to visit each of the banks in Groups I and II to verify holdings of New York City obligations, to analyze each bank's exposure and financial capacity to absorb the substantial losses which would be evident in the case of default, to prepare a liquidity analysis, and to appraise the bank's ability to raise additional capital from inside and outside sources. These special examinations were completed by September 16, 1975, and reviewed in Washington. However, the only material change made in the Group Ratings assigned above was the removal from Group II to Group IV of one small bank with assets of \$33 million, because most of its New York City holdings had matured in August and had been redeemed.

On October 3, 1975, a limited survey was conducted to ascertain the amount of New York State obligations and New York State Housing issues held within the national banking system. This survey, conducted by

telephone through the fourteen regional offices, focused on the largest fifty national banks plus all other banks whose holdings of New York City obligations exceeded 20% of their gross capital funds. Following is a summary of the results of this survey. All figures represent carrying value at book.

[In thousands]

New York State obligations:	
Bonds	\$577,558
Notes	185,712
Total	763,270

New York State Housing (11 issues):	
Urban rental housing.....	86,064
Nonprofit housing.....	73,314
Hospitals and nursing homes.....	52,322
Medical care facilities finances agency	19,616
All other	359,058
Total	590,374

Total 1,353,644

As additional information, the following table shows the number of banks in each category when the combined holdings of New York City and State obligations are taken as a percentage of gross capital funds:

New York City and State obligations/gross funds	Number of banks	Assets of banks within category (millions)
Under 40 percent.....	2	\$295
40 to 50 percent.....	21	861
50 to 100 percent.....	50	6,086
100 to 150 percent.....	17	1,083
150 to 200 percent.....	3	86
Over 200 percent.....	2	43
Total.....	95	8,454

We are in the process of evaluating the potential impact upon individual banks of these holdings.

At this point, I would like to explain our procedures for examining investment securities. Although mechanical procedures will vary with the size and the equipment of the bank, every issue of bonds held by each national bank as an asset is reviewed during each examination.

Examiners analyze the credit quality of a bank's investments and detail their findings in a schedule grouping bonds by type, book value, market value, and individual and aggregate appreciation or depreciation. Because an investment account serves as a secondary liquidity reserve, the examiner's report also schedules holdings by type and maturity. Listings of secured liabilities and pledged assets round out the report.

An examiner also reviews and comments upon the attention given an investment account by the bank's board of directors. He evaluates procedures followed for approval of purchases and sales, for delegation of authority to committees or to individual officers, and for regular appraisal and audit. If the banks hold undesirable investments, the examiner will note what action, if any, the board contemplates.

Under 12 U.S.C. 24 the Comptroller has been authorized by Congress to prescribe limitations on the purchasing of investment securities by national banks and to define the term "investment securities." Our regulations on this subject apply not only to national banks, but also to State banks which are members of the Federal Reserve System.

The term "investment security" is defined at 12 C.F.R. 1.3(b) as a marketable obligation in the form of a bond, note, or debenture which is commonly regarded as an investment security and does not include investments which are predominantly speculative in nature. Thus, while bankers may extend credit to their customers by making loans or purchasing bonds and while they

I am proud to have an organization like the Junior League of Erie in my congressional district and am happy to honor them in the House of Representatives on its 50th birthday.

TWO HUNDRED AMERICAN VOLUNTEER TECHNICIANS

HON. JOHN Y. McCOLLISTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. McCOLLISTER. Mr. Speaker, I support sending 200 American volunteer technicians to the Sinai as an essential ingredient in promoting peace in the Middle East. Both the Egyptians and the Israelis requested such an American non-military presence, and I am convinced that adequate safeguards exist to evacuate the technicians in the event of another outbreak of hostilities.

It would be wrong to interpret my support for sending the technicians and, I suspect, the support of many of my colleagues as well, to be a blanket endorsement of the administration's position. Let the record clearly show that as we vote to send the technicians, Congress is making no promises of huge new handouts to Egypt or Israel.

The United States is not rich enough to buy peace in the world. Our foreign aid handouts do not cement alliances with our friends nor prevent those whose national interests are contrary to ours from proceeding their separate ways. All that foreign aid giveaways have brought is contempt from those who have been the degraded clients in that relationship and the unenviable "ugly American" image throughout the world.

Moreover, the bestowal of unappreciated American largess abroad is also resented by the American taxpayers who have been asked time and again to ante up to buy acceptance for our policies abroad. It would not work and I would not be party to another such attempt to buy peace in the Middle East.

Sending this 200 technician contingent to the Sinai represents America's continuing commitment to a permanent settlement in the Middle East. The success of this and the preceding administration is stabilizing the Middle East must certainly rank high among its important achievements. We must avoid, however, any permanent institutionalization of temporary measures. This compromise is no more the final answer to the Arab-Israeli problem than was the creation of the Palestinian refugee camps 25 years ago.

Let us continue to demonstrate by our actions as well as our words that the United States has accepted a responsibility to achievement of peace in the Middle East. But in our efforts as peacemakers, let us avoid the mistakes of past years in connection with foreign giveaways.

THE PROBLEM OF PCB'S

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. REUSS. Mr. Speaker, environmentalists are becoming increasingly concerned about a group of highly toxic, nonbiodegradable chemicals known as polychlorinated biphenyls—PCB's. PCB's are primarily used in the manufacturing of electrical equipment, and they enter the environment as part of the industrial waste dumped into our Nation's waterways. As one result, the commercial fishing industry in many parts of the country has been dealt a severe blow.

The Environmental Protection Agency and the Food and Drug Administration, along with several State agencies, have been monitoring the effects of PCB's, and both EPA and FDA have imposed strict tolerance levels for these chemicals. In addition, Federal legislation to regulate the interstate commerce of PCB's has been proposed by my colleague, Congressman LES ASPIN.

The October 6, 1975, issue of Business Week contains an article on the PCB problem and the reasons for environmentalists' concern about these chemicals:

A FRESH FIGHT OVER PCB POLLUTION

The bass swimming in the Hudson River and the salmon wending their way through Lake Ontario probably do not know that the fatty tissues in their bodies are rife with a toxic, nonbiodegradable substance called polychlorinated biphenyl (PCB). But several environmental officials are saying that PCBs flowing into waterways from electrical equipment plants are making the fish unsafe to eat and that people who ingest high levels of PCBs run the risk of stillbirths, miscarriages, and dermatological problems. Environmental agencies are pushing for stringent effluent discharge rules that the industry says cannot be met.

The industry is not taking the onslaught meekly. It claims that further restrictions on PCBs, which are widely used as insulating fluids in industrial capacitors and distribution transformers, would mean trading a dubious health hazard for almost certain safety and economic problems. And they resent the tendency of many environmentalists to condemn all PCBs in one swoop. "Everyone talks of PCBs as if they were one chemical, but each commercial mixture can have 60 or more isomers," complains William Papageorge, manager of product acceptability at Monsanto Co., this country's only PCB producer. Each separate PCB is differentiated by the number and positioning of chlorine atoms on the molecule.

It is the chlorine content that makes the PCBs fire retardant—a prime selling point for the chemicals as insulators. But it is also the chlorine that causes the pollution problem.

The dispute when General Electric Co. clashed with the New York State Dept. of Environmental Conservation over levels of PCBs flowing from GE's Hudson Falls and Fort Edward plants into the Hudson River. But New York is not alone in its war on PCB users. Wisconsin is in the midst of hearings on PCBs, and Representative Les Aspin (D-Wis.) just introduced a bill to control the chemicals in interstate commerce. The fed-

eral Environmental Protection Agency, which made an abortive attempt to set stringent PCB pollution rules in 1973, is planning to reintroduce proposed regulations in February that would severely limit discharges into rivers and streams. EPA spokesmen admit they may have opened a can of worms. "This is a very confusing and complicated issue," sums up Thomas Kopp, a chemist in the EPA's toxic substances office.

NO GUARANTEE

Although environmentalists are pushing for controlling PCB discharges into the waterways rather than banning the substance outright, electrical equipment manufacturers say it amounts to much the same thing. In New York, the state will convene hearings on Oct. 6 with an eye toward ordering the GE plants to attain zero discharges of PCBs into the Hudson by Sept. 30, 1976. "There is no way we can say now we will achieve this," says Edward L. Simmons, GE's manager of environmental protection. He says the company has sealed off drains that might allow spilled PCBs to get into the river, has changed its methods of filling capacitors, and is either recycling PCB-contaminated waste water or drumming it and sending it off for disposal by incineration or landfill. "But we use tens of thousands of pounds of PCB each day," Simmons says. "It is impossible to guarantee no runoff at all."

Other electrical equipment makers, although not now involved in hassles with environmental groups, are tacitly supporting GE's position. "We have encountered no problems with the EPA concerning discharge of PCB compounds, but we are working with them to establish proper levels of allowable discharge," notes M. J. McDonough, a Westinghouse Electric Corp. executive vice-president. McDonough says that Westinghouse has three plants that use PCBs and that they are discharging less than 0.004% of the total amount of PCBs processed.

Both Westinghouse and GE have for years been using PCB mixtures containing only 1% of atoms with more than four chlorines attached. They claim that this mixture is for the most part biodegradable and that the PCBs showing up in fish today are leftovers from several years ago. Monsanto's sales figures support this contention. In 1971 it introduced Aroclor 1016, a low-chlorinated PCB mixture for capacitors. It could replace Aroclor 1242, which has high chlorine concentrations. By last year sales of Aroclor 1242 had plummeted from 22-million lb. to 6.2-million lb., while Aroclor 1016 sales hit the 22-million-lb. level. Still, the EPA adamantly rejects the idea of eased standards for the newer PCBs. "It is difficult to tell what mixture you started out with once you analyze PCB concentration in the waters," Kopp maintains. "And less chlorinated PCBs are still highly toxic."

THE SAFETY FACTOR

Interestingly, GE is downplaying the economic effects of a switch from PCB and is stressing the safety angle instead. PCBs are actually more expensive than non-flame-retardant substitutes such as mineral oil, Simmons contends. "But PCBs are still the most ideal insulating fluids because they conduct heat without conducting electricity, and in the event of equipment failure, they will not cause fires," he says.

Although Dow Chemical Co. has come up with an experimental fluid for capacitors that it says is less toxic than PCB, and Japan's Nippon Petrochemicals Co. is selling various types of naphthalenes as replacements, no one has yet developed a non-flammable substitute for transformers.

Even if the industry could live with flammability as a hazard, a switch to substitutes would be inflationary, the Electronic Industries Assn. says. Because mineral oils and

other insulating fluids do not have the good electrical properties of PCBs, larger transformers and capacitors would be needed, says Tyler Nourse, the EIA's vice-president of the parts division. "A halt in the manufacture of PCB-impregnated transformers and capacitors would require the expenditure of \$500 million a year in additional electrical equipment," Nourse says.

Monsanto is maintaining a surprising calm in the face of the furor. According to Papageorge, the company has long stopped selling PCBs for nonessential uses—carbonless paper, paints, coatings, and the like. And it has made available to its electronics customers a high-temperature incinerator to dispose of spent PCBs or PCBs that have been accidentally contaminated during the manufacture of electrical equipment.

However, Papageorge bristles at an accusation made recently by Glenn E. Schweitzer, director of the EPA's office of toxic substances, that some of its customers may be reselling PCBs for unauthorized uses. "There are some PCBs still coming in via imports, and there are probably still some unused products from long ago that still find their way into the environment," Papageorge says. "But our customers have too much at stake to do this." The EPA claims the signs point elsewhere. Although he would not name sources, Kopp says, "We have received several letters confirming Schweitzer's charge."

Meanwhile, all eyes are turning to Japan, where PCB production has been banned since 1972. Some PCBs are still imported, but their use is tightly regulated. So far, Japan's experience may put the safety argument on shaky ground. According to the Ministry of International Trade & Industry, there have been no accidents directly related to the PCB ban.

MARSHALL McGRATH

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. MICHEL. Mr. Speaker, I am saddened, as I know many Members will be, by the passing of Marshall McGrath. Marsh was director of corporate affairs for the International Paper Co. here in Washington.

He died at his home in Arlington after suffering a heart attack. He was only 46.

Throughout his career in Washington, he worked diligently on behalf of good government, and was a leader in forest industry-Government relations. He was a good friend to many of us on the Hill, and a friend of sound policies affecting the wood and paper industry.

He was born in Danville, N.H., and educated in Massachusetts and Connecticut. He joined the International Paper Co. in 1951, working first at a mill in Maine. Later he moved to the corporate headquarters in New York, and in 1971 established the Washington office.

He approached his duties here with a commitment to the highest standards, with great ability, and with a warmth and friendliness that endeared him to all with whom he came in contact. I knew him well, and was very fond of him. He did his profession proud, and his death, at so young an age, is a great shock and a grievous loss.

I know that all Members will want to join with me in offering our most sincere

sympathy to his lovely wife Carolyn and his daughter, Cheryl. We share their tragedy, their grief, and their fond remembrance of a fine, fine gentleman—Marshall McGrath.

GEN. THADDEUS KOSCIUSZKO

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. HELSTOSKI. Mr. Speaker, as we prepare to celebrate the 200th anniversary of the birth of our Nation, it is very important that we pause to reflect upon the prominent participants in the American struggle for liberty and their great contributions to the victory which gave us our precious independence.

In this vein, I recently read an exceptionally stirring and eloquent account of the outstanding accomplishments of Gen. Thaddeus Kosciuszko in behalf of attaining our freedom. General Kosciuszko was a brilliant engineer and military tactician who earned the acclaim and deep admiration of all who served with him.

The following inspirational article which appeared in the October 1975 issue of the Saturday Evening Post was written by the noted writer and syndicated columnist, Maj. Ernest L. Cuneo, who has vividly captured the dedicated character of this great patriot and chronicled his remarkable career in the pursuit of liberty both in America and in his native land, Poland. I wish to share this excellent article with my colleagues and place it forthwith in the RECORD:

GEN. THADDEUS KOSCIUSZKO: MASTER MILITARY MIND OF THE AMERICAN REVOLUTION
(By Maj. Ernest L. Cuneo)

It is one of the ironies of history that had General Thaddeus Kosciuszko been born with a name as easily pronounced as General Robert E. Lee, Ulysses Simpson Grant or John J. Pershing, his name would resound throughout Western civilization as one of the foremost military geniuses of all time.

But a name which is difficult to pronounce is almost impossible to remember. Phonetically, the name is pronounced Kos-Choose-Ko.

He was of the towering stature of a Hannibal, or a Caesar. Most Americans are quite unaware of the fact that the military genius of this man is largely responsible for the victory which gave America its independence. There are thousands of memorials throughout these United States to General Lafayette, General Pulaski, and General von Steuben; but the military giant who towered over them all goes unnoticed. Though the military was his first profession, Thaddeus Kosciuszko was a Renaissance man. He was a painter, an architect, a composer, a scholar and a philosopher. He was accepted as an intellectual equal by Jefferson; he was also a mystical visionary of human rights scarcely second to Abraham Lincoln.

One would think that the life of a man who was the master military mind of the American Revolution would have received the closest attention of historians. Actually, his papers have not yet been fully collected, much less an authoritative biography been written.

Thaddeus Kosciuszko did not come by these talents accidentally. His life confirms

the maximum that genius is the talent for infinite pains. He was a prodigious toiler all of his life. He burned the midnight oil; then sentries awakened him so that he might study before dawn.

He was born in the Polesi district of Poland, of the landed gentry. He was descended of a famous line of valiant Polish officers. However, they were not of the Polish grand nobility, as was Count Casimir Pulaski, youthful Chief of Cavalry of the Continental Army. The father of Thaddeus Kosciuszko owned a small village in this district. As a boy, Kosciuszko had as playmates the sons of the peasants of the village. There, he developed a love for the common people, as deep as that of Abraham Lincoln.

Technically, belonging to neither the titled aristocracy nor the peasantry, he proved to be the common denominator in uniting them in the cause of Poland. His immortality in Poland is roughly comparable to a montage of General George Washington and Abraham Lincoln in the United States. In Poland the name of Kosciuszko is an abbreviation for the soul of Poland and the determination that it will never die.

His brilliant career in the American Revolution was followed by an even more spectacular one as the single world figure embodying the exalted spiritual qualities of both the American and French Revolutions. The roots were in his childhood. His mother had given him Plutarch's *Lives* to read. The lad's imagination was fired by the heroic battle against tyrants by Timoleon of Corinth. It proved to be his life model.

His essential military talent which brought victory to the American Cause was his magnificent insight into the use of terrain as a natural defense. His decisive service to the American Revolution was in defeating the key British strategy of severing New England from the rest of the Colonies by control of the Hudson Valley. Colonel Kosciuszko prevented this at the Battle of Saratoga in the north and by his impregnable fortifications of West Point in the south.

The Battle of Saratoga, fought in October of 1777, is unanimously called one of the ten most important battles in recorded history. The reason is that when British General "Gentleman Johnny" Burgoyne surrendered, both France and Spain were convinced that the Continental Army could win, and thereupon entered into the war as allies of the Colonies.

The campaign of "Gentleman Johnny" was brilliantly conceived. It was a three-pronged offensive. Colonel Barry St. Leger was to come down the Mohawk Valley from Lake Ontario, in a flanking movement; General Burgoyne was to hammer down Lake Champlain and Lake George to Albany; and General Clinton was to come up the Hudson from New York City, to provide the anvil for "Gentleman Johnny's" descending hammer on the Continental Army. Obviously enough, the hammer and anvil had to be prevented from meeting.

Only twenty miles north of Albany, Colonel Thaddeus Kosciuszko selected a natural fortress in the terrain, and he made it both an invulnerable fort and a trap by his brilliant engineering.

In briefest terms, Colonel Kosciuszko found a little mount which controlled the narrow road between it and the river and he crowned it with artillery. He had carefully selected the mount; it was just below Mill Creek, flowing into the Hudson. His selection provided a water barrier which prohibited the famed bayonet charge of the Redcoats on the American Right flank. Moreover, Mill Creek's tributaries had formed four deep ravines running from northeast to southwest, natural breastworks which made infantry attack on the American center impossible. Thereafter, to crown the masterpiece, General Kosciuszko placed the heavy-

est concentration of American artillery on the higher Bemis Heights, commanding both the river and the ravines.

"Gentleman Johnny" had no alternative but to attack the American left flank. This movement had been foreseen by Kosciuszko and the Continental sharpshooters were waiting. Brigadier Fraser, the soul of the British forces, was shot, and when that noble soldier pitched from his saddle, the British Crown in the Colonies fell with him.

General Horatio Gates, Commanding General of the American forces, attested that the genius of Thaddeus Kosciuszko was the decisive factor in these words: "Let us be honest. In war as in medicine, natural causes not under our control do much. The great tacticians of the campaign were hills and forests, which Colonel Kosciuszko was skillful enough to select for my encampments."

His masterpiece of strategy was at Saratoga; but his greatest work of military art was the creation of West Point. As at Saratoga, it was in the selection of the site. In all of the vast Hudson Valley Colonel Kosciuszko selected the one point where the river bends around a high promontory controlling both angles of the stream. On a grand scale, he chained the river, then placed his controlling batteries on the high plateau. Thus, the all-powerful British Navy was blocked from the south; never again could the British pincer off New England. Colonel Kosciuszko's intellectual triumph at West Point was greater than at Saratoga. This, because the fortress was too formidable to attack.

The British were forced to revise their grand strategy. They abandoned the North and the Hudson Valley to open operations in the South. Thus, Colonel Kosciuszko's greatest victory was at West Point, the battle his Majesty's forces dared not fight.

Incidents during his tour of duty at West Point afford some insight into his heart. In personal habits, he was abstemious to the point of asceticism.

But, when even beyond this he began to appear emaciated, his concerned brother officers discovered that he was giving his rations to sick British prisoners of war. Again, his quarters were so spare that his brother officers astounded him one day by insisting that he accept a manservant—a slave named Agrippa. Colonel Kosciuszko protested that he had no idea of what to do with a slave. Told that he might do as he wished, he turned to Agrippa and told him he was a free man.

Asked by General Washington why he was drawing no pay, he answered simply that the unpaid enlisted men needed money more than he. He refused offered promotions to Brigadier General. He was so self-effacing that General Washington remarked at West Point, "You are too modest." Perhaps the best insight into his spirit is his remote rock garden down from the main battlements. It was on a broad ledge jutting out from the living rock of the granite cliff. At the north end of it he diverted a sparkling brook to form a splashing fountain. This retreat suggests that, beneath his military genius, lay the brooding stoicism of Marcus Aurelius and the compassion of St. Francis of Assisi.

When the British switched their offensive to the Carolinas, Colonel Kosciuszko was made Engineer of the South. His commanding generals, Gates and Greene, relied on him completely in the selection of campsites, transport and fortifications. The Continental Army waged the same Kosciuszko guerrilla-engineering tactics that it did against "Gentleman Johnny" on his march to Saratoga. Again, the joining of the British forces was prevented. They retired to Yorktown to await reinforcements by sea.

The expected relief by the British Navy of General Cornwallis was thwarted by the

victory of the French West Indies Fleet in the Battle of the Chesapeake Capes. The French Fleet and the Continental Army closed in on the surrounded British. Cornwallis surrendered. After the surrender but before news reached the southern theater, Colonel Kosciuszko led the action against James Island at Charleston, in which bloody foray the last shot of the Revolution was fired.

Thaddeus Kosciuszko was not just another lucky General. His professional military qualifications stood out like a lighthouse as he arrived with letters from Prince Czartoryski to General Washington's second-in-command, General Henry Lee. As a youth, he was first in his college. He was first King's Cadet at Poland's West Point and he was first at the advanced Ecole Militaire in Paris. General Washington's staff, like the generals of Mr. Lincoln's Army, were to receive their training in battle.

He had scarcely unpacked his bags before the anxious authorities begged his assistance in devising a defense for the city. In doing so, Colonel Kosciuszko planned and effected a defense against amphibious warfare for a young nation which had no navy at all.

A sea-hand pincer was closing on the Continental Army. General Washington, badly beaten in the Battle of New York and driven north to White Plains, was falling back across New Jersey to Philadelphia. Lord Cornwallis relentlessly pursued. Out at sea, off the Delaware Capes, His Majesty's Fleet, under command of Admiral Howe, made ready to sail up the Delaware River to attack Philadelphia by sea. Washington retreated across the Delaware. Cornwallis gloated that he had trapped the fox at last. But down at the narrow turn of the Delaware, Colonel Kosciuszko designed and built, by Herculean effort, throughout that autumn, forts on Billingsport Island, which controlled both banks of the Delaware. The river was corked. The British sea-land pincers couldn't close.

General Washington, falling back across the Delaware just above Trenton, was not fully apprised of this. With his back to the wall, he sent orders to Philadelphia to build fortifications in preparation for a last-ditch siege. It must have been with enormous relief that he learned that Colonel Kosciuszko had protected the rear of the Continental Army. The rest is dramatic history, how on Christmas Night Washington recrossed the Delaware to smite the Hessians at Trenton and followed it up with the blow at Princeton which sent Cornwallis reeling back to New Brunswick. Down in the Delaware Bay, Admiral Howe, after evaluating the cost of reducing the Kosciuszko forts, stood out to sea. Colonel Kosciuszko had held Philadelphia by making its river approaches too formidable to attack.

Colonel Kosciuszko was rushed north. The strategic key to the Hudson Valley was between Lake Champlain and Lake George, at Fort Ticonderoga. Colonel Kosciuszko at once outlined full defenses, but the Kosciuszko plans were shelved. "Gentleman Johnny" Burgoyne seized the very heights Colonel Kosciuszko had regarded as controlling. So controlling that the Americans were forced to evacuate without offering battle. Had Colonel Kosciuszko's advice been taken, the Burgoyne invasion would have been stopped then; the Battle of Saratoga would not have had to be fought.

The American Revolution had illuminated the military art of General Kosciuszko. The ensuing years were to reveal the magnitude of his soul. When Kosciuszko set sail for his native land, it was with heavy heart. These United States were free, but heavier claims were being hammered on Poland.

He was made Major General of the Crown Army. He trained a Polish militia, the equivalent of the American Continental Army. He was no Hamlet. He took arms against Po-

land's sea of troubles when Catherine the Great started the infamous second partitioning of Poland, nor did he falter when Prussia and Austria entered the lists against him. Poland's peasant army went down fighting, and General Kosciuszko went down with it, leading the last desperate charge. Sabered at the back of the head and lanced repeatedly as he lay unconscious, he lay at death's door in the prison of Peter and Paul. He was by that time too powerful a spiritual force to kill physically, so Catherine the Great left him to die. In an epic battle of wills, he beat both death and Catherine. When she died, Czar Paul rushed to offer him his freedom. The paralyzed man refused it unless the 12,000 Polish survivors were also freed. The Czar struck a bargain; they could go home to Poland, but he must accept life in exile. Paradoxically, to free his people, he gave up his homeland.

Stockholm and London received him with tumultuous welcomes as an indomitable Spartacus in defeat. He returned to America and subsequently returned again to Europe on secret mission for Thomas Jefferson to settle the sea war of the French and Americans. He spurned Napoleon as a dictator.

When Napoleon met his Waterloo, Czar Alexander I all but begged Kosciuszko to become viceroy of the Kingdom of Poland. Iron-willed Kosciuszko refused: it was Poland absolutely free or nothing. Then the czar offered to champion Poland's cause at the Congress of Vienna. Kosciuszko went there expecting that his objective had been reached at last.

But under pressure of his allies, the czar gave way: Poland remained partitioned. Kosciuszko's spirit was not broken, but his body was. He refused to step on Polish soil while another flag flew over it. The untold riches he was offered he could have used. He was a poor man when he went to the little village of Soleure, Switzerland to die. But it is still a legend that he shared his meager sustenance with the poorest in the village.

A sigh of relief swept through the royal palaces of Europe when on October 15, 1817, he died, for they felt and believed that the spirit of Poland died with him.

But it appeared that neither his spirit nor the spirit of Poland had died. To the field outside of Krakow where his little army had battled Russian heavy artillery with scythes, came a few very poor Polish peasants. With no means for a monument, they simply deposited a few handfuls of earth from their little villages. Like wildfire, the word spread through Poland. Hundreds, then thousands, then tens of thousands of the poorest peasants came with little containers of Polish soil. They who could not raise their flag could raise a monument. A handmade mountain was raised of great base and well over 200 feet high.

To their everlasting glory the Founding Fathers repaid part of the Republic's debt before Kosciuszko died. When he returned to Philadelphia on August 18, 1797, the American people inundated him with affection. As the ship *Adrianna* swept by Fort Mifflin which he had built, its guns thundered a thirteen-gun salute. All Philadelphia crowded to the wharf. It cheered deliriously as he was carried from her deck, believing for an awkward moment that he was being hoisted in triumph. A wave of pity swept through the crowd when it was perceived the man could not walk. But the reaction was instant and spectacular for that staid city: the horses from his carriage were unharnessed, and the city fathers themselves pulled the vehicle through cheering thousands to his dwelling.

President Adams sent a courier. Wrote the second President: "I hope you will find all the consolation, tranquility and satisfaction you desire after the glorious record you have made in a greater theater. On my arrival in

Philadelphia, I hope to have the pleasure to receive you." But it was with Thomas Jefferson, then Vice-President, that General Kosciuszko formed his deepest friendship.

Philadelphia continued to lavish its affection upon him. Love has curative powers. Within months he could walk. To the little house at 301 Pine Street came a string of distinguished visitors: the Duke of Orleans, future King of France, cabinet members, senators, governors and diplomats from abroad; but its most distinguished visitor was Vice-President Thomas Jefferson. Thomas Jefferson became the executor of his will—a will in which General Kosciuszko directed that his American assets be used to purchase the freedom of slaves and furnish them with both land and education.

These distinguished gentlemen exchanged several interesting documents, among them false passports forged by Vice-President Jefferson for General Kosciuszko. The purpose was to get the general to Paris to end the undeclared naval war between the United States and France. Smuggled out at dead of night by Thomas Jefferson himself, General Kosciuszko sailed for Paris via Lisbon. General Kosciuszko apparently accomplished his mission: hostilities ceased after he arrived in Paris.

Thomas Jefferson wrote of General Kosciuszko: "He is as pure a son of liberty as I have ever known, and of that liberty which is to go to all, and not to the few and rich alone."

The most significant tribute to General Kosciuszko came from the Commander-in-Chief, General George Washington himself. General Washington's letters reveal the growth of his respect. "There is one in Philadelphia who I am told is clever, but him I have never seen," General Washington wrote after his Trenton victory, alluding to Colonel Kosciuszko's decisive fortifications at Fort Mifflin. After the Battle of Saratoga, General Washington wrote the Congress, "I would take the liberty to mention that I have been informed that the Engineer of the Northern Army (Cosieski, I think his name is) is a gentleman of science and merit. From the character I have had of him, he is deserving of notice."

When General Washington congratulated him on his West Point masterpiece, Colonel Kosciuszko answered that it was God who created the promontory and the river, and added that the site was ideal for a military academy. General Washington replied, "Colonel Kosci—do you mind if I call you Colonel Kosci—you are too modest."

When Kosciuszko arrived in Philadelphia in 1797, General Washington, well aware of the worldwide acclaim bestowed on him, wrote:

"I beg you to be assured that no one has a higher respect and veneration for your character than I have; and no one more seriously wished, during your arduous struggle in the cause of liberty and your country, that it might be crowned with success."

"But the ways of providence are inscrutable and mortals must submit. I pray you to believe that at all times and under any circumstances, it would make me happy to see you at my last retreat from which I never expect to be more than twenty miles again."

At his historic Farewell to his Officers, surrounded by the resplendent panoply of a magnificent staff, the Commander-in-Chief singled out General Thaddeus Kosciuszko. General Washington then presented General Kosciuszko with his pistols and his sword.

General Washington, a man of forbidding dignity and icy reserve, followed this with one of the most dramatic accolades in American history. The officers of the Continental Army had formed the Order of the Cincinnati. General Washington himself nominated General Kosciuszko for membership. The

Officers of the Order then presented General Washington the highest symbol of their regard, the cameo ring of the Order.

Signifying the highest respect, affection, and indeed reverence for their Commander-in-Chief, it must have been among the most prized of his possessions. Thus, when General Washington took from his finger the ring of the Cincinnati, bowed, and presented it to General Kosciuszko, he was bestowing upon the brilliant Polish military genius the highest accolade of the Continental Army.

It is a fair interpretation that General Washington was amplifying by deed what General Gates had declared at Saratoga: "Let us be honest: the military skill of General Kosciuszko is as responsible for the victory of the Revolutionary War as it was at the Battle of Saratoga."

BURN, BABY, BURN

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. MAZZOLI. Mr. Speaker, when the Washington Post's contract with its pressmen expired last week, members of the union systematically and resolutely sabotaged the Post's nine printing presses. The fire and the destruction was so complete that the Post had to curtail normal operations.

A week later the situation has improved only slightly.

Inevitably, there will be settlement of the dispute. And, inevitably, the saboteurs themselves will be taken back into the fold. But, the bitter taste of this escapade will linger for a long time to come.

This country's collective bargaining mechanisms were developed to avoid the violence which had marked earlier labor-management disputes.

But, the Post workers ignored these peaceful, nonviolent mechanisms in favor of strong-arm, vengeful tactics.

The behavior of these Washington Post employees has been shocking and shameful. Anyone who burns a printing press is burning that which is produced by the press: The printed word.

These vandals might just as well have burned a pile of books as a printing press. The symbolism and the intent are the same.

Thomas Jefferson said a free press is the most vital element for the well-being of a democratic society. The Washington Post pressmen will long be noted as the group which—by lawless and uncivilized behavior—sought to deny the public their right to be informed by a free press.

Scotty Reston had an excellent article on this subject in the New York Times of October 3. I commend this to the attention of my colleagues:

BURN, BABY, BURN

(By James Reston)

WASHINGTON, October 2.—The pressmen of The Washington Post have finally succeeded in doing to their own newspaper what former President Nixon and his Attorney General John Mitchell tried and failed to do during the Watergate conflict: They have stopped the presses at The Post.

Not by legal action. Not by a legitimate strike, but by fire, smash and run. This was no complicated collective bargaining power-play, but a simple, vicious and planned act of sabotage. Even in the revolutionary turmoil of Portugal, where the Communists and the Socialists have been fighting over control of the last independent newspaper, Republica, and over the operation of the Roman Catholic Church's radio station, nobody put the torch to the presses, or pulled the electrical guts out of the transmitter. They occupied the joint, but they didn't try to destroy it.

The pressmen at The Washington Post, which has been more liberal politically, and more generous economically with its employees than almost any other newspaper in the country, showed no such restraint. Knowing the fantastic cost and fragility of modern presses, they set at least one of them on fire, cut the webs and ripped the wires out of others, and sawed off the adjusting press screws down to their stubs, before they went out back and picketed for public support.

This is not a local or a trade union but a national issue, and maybe it is just as well that it was raised in the Federal capital. For if sabotage can be used as an instrument of collective bargaining in Washington, then the concept of collective bargaining and even the First Amendment principle of a free press are in serious trouble.

In short, this is a very special issue, and the question now is what the reaction will be to it. The newspapers of America are fiercely competitive, but when one of them is in trouble, they are a mutual aid society. Accordingly, many newspapers have been calling Kay Graham of The Post and offering spare parts to get her wounded presses going again, and some have even offered to risk union violence to print The Post while she is trying to repair the damage.

But the main burden has fallen on Joe Albritton, the new owner of The Washington Star, who is now losing a million dollars a month. He has a problem. Should he come out against the sabotage by The Post's pressmen, and offer to print The Post, making a common front against this anarchy, or concentrate on his own immediate interests?

It is a hard call. If The Star tried to print The Post, the same pressmen's union that struck and sabotaged The Post would probably strike The Star, and both would then be down. Albritton says that if he went down for even a few days, in his present financial extremity, he might never come up again. He has obligations to his staff and to the people who hold the mortgage on his paper, so he feels he must keep on printing.

It is easy to understand his dilemma, for he came to Washington under great difficulties, not to shut down The Star but to keep it going. Also, The Post is sure to ride out this crisis, while The Star is on the edge of bankruptcy, and in the short run will undoubtedly benefit from The Post's labor crisis.

The Post has met, despite the temporary destruction of its presses, the two main obligations of any newspaper: to stay alive financially, and to print the news. It has found other papers, outside Washington, to print limited editions of its papers, and will probably lose a lot of money in the process, but it has kept the loyalty of most of its unions and is trying to serve its readers.

The tragedy of this unfortunate incident is that The Post and The Star were not able to make common cause against the obvious criminal sabotage of The Post's pressroom. Washington needs two newspapers, and probably cannot have them unless they work together, while competing against one another, with a common printing company.

This compromise of common printing with competitive papers, which has worked successfully in Miami, Fla., and other cities, was at least vaguely possible here before this

crisis, but after the struggle of the last few days, it is now more remote than ever. The Star needed The Post, and The Post felt that The Star played the role of the fearful bystander in the crisis, and that the unions and the politicians also stood aside while the pressmen tried to burn The Post down.

Fortunately, there are some consolations in this unfortunate event. The Newspaper Guild defied the pressmen at The Post and refused to support the sabotage. And other papers came to the aid of The Post with spare parts and offers to print.

Also, The Post is determined to take this issue of sabotage by individual pressmen and their union to the courts and demand damages to the full. The issue is beginning to be seen here not merely as a trade union conflict, or a Post-Star conflict, but as a fight against violence and for the right to print. The tragedy is that The Post and The Star could not get together, even if they had to go down together, on this issue.

McGRATH—A CHAMPION OF RESOURCES IN AMERICA

HON. DON H. CLAUSEN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. DON H. CLAUSEN. Mr. Speaker, I am deeply saddened by the news of the untimely passing of Marshall C. McGrath, an official of the International Paper Co. He was suddenly struck down by a heart attack on Sunday, September 7, at his home in Arlington. He was only 46.

Mrs. Clausen and I would like to extend our sympathy to his wife, Carolyn McGrath, and their daughter, Cheryl, upon whom the tragedy of his death bears most heavily.

Sudden death always stuns and saddens. Marshall was cut down in the very prime of his career. In 1971 he helped establish his company's corporate affairs office here in Washington where he quickly rose to a position of great authority. At the time of his death he was serving as director of the office.

His vast knowledge of natural resources, consumer affairs, and his understanding of the national economic picture was of great value to me. He often gave accurate off-the-cuff answers to extremely complicated questions, constantly impressing me with his knowledge. He was at all times well informed and so interested in issues. His perspective was individual, corporate, and national in scope.

Marshall was very proud of the associations and friendships that he made on the Hill and in Washington. His hard work brought him respect and friendships that he always enjoyed. He will certainly be remembered by all who knew him for his effervescent personality, his sharp mind, and his great sense of humor.

His memory will always be with us and his family can be very proud of the prestige that he brought them.

Marshall McGrath is certainly going to be missed.

PROTECTING THE PRESIDENT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. HAMILTON. Mr. Speaker, the two recent attempts on President Ford's life have touched off a national debate on how to improve protection for the President.

Americans are asking themselves what, if anything, can be done to reduce the danger to the country's highest official, and judging from recent polls, about half of them believe that the risks are too great for a President to shake hands and mingle with crowds.

Torrents of questions are being raised about the personal safety of the President and the reasons for this mindless violence and whether the President, chosen for his job by the people, can move among them, shake their hands, and talk to them.

Most security experts acknowledge that there is no way to guarantee the President's safety in an open public meeting. There simply are too many angry, deranged people in a country of 215 million people. The odds cannot be reduced to zero. The hard fact is that without gross trespass of constitutional liberties, a President cannot have close contact with great numbers of people in total safety. The Director of the Secret Service has told the Congress that even with the best available methods and technology, his agency has been unable to develop satisfactory procedures for pinpointing potential Presidential assassins.

President Ford's statements about not capitulating to would-be assassins are understandable, and his valor is certainly commendable, but surely reasonable precautions are in order. Recognizing the impossibility of devising a program to control potential assassins that is consistent with civil liberties and completely effective in protecting a President as he mingles with crowds, it is still possible to reduce the risk of harm to the President.

The President should curtail open crowd situations at least until the present assassination fever abates and reduce the opportunities for deranged people to harm him. Leading experts on violence have predicted that the President will face future assassination attempts, and they have urged him to cut down his travel long enough to provide a cooling-off period. Travel can be less frequent, publicly announced appearances could be reduced, motorcades could move briskly and expose the President less, the protective vest could be worn, tightly controlled indoor appearances could be planned—perhaps even including metal detection and handbag inspection, and inside motor entrances could be used instead of exposed public ones.

Even with these restrictions, a President has many avenues of communication with the people. He can receive people in situations where identification can be checked, go on television, talk to the

press, or give speeches. It is really doubtful that a flurry of handshakes with people at an airport or outside a hotel is an essential part of the dialog between the President and the American people.

Press coverage of foiled or would-be assassins can be toned down. There is no reason to give assassins celebrity status and widespread publicity which may very well encourage others. Potential assassins apparently yearn for sensational publicity, and the press surely has some responsibility to deny them the gratification they seek.

The political temperature in this country can be reduced, and the tone of political debate can be moderated. The impact of heated political charges on unstable persons can be inflammatory. Most Americans, I believe, would welcome a calmer and more substantive debate of national issues, and all of us should probably demand less of the "pressing of the flesh" so common in politics but not really necessary for an understanding of important issues.

Research should continue to improve sophisticated antiassassination devices, including, for example, a miniature metal detector intended to locate concealed weapons in large crowds. The Congress would quickly approve any new funds the Secret Service requested to develop new detection equipment or to step up its intelligence gathering in advance of Presidential appearances to spot potential killers.

I do not believe that Presidential travel should be eliminated or that the President should be isolated. It helps bridge the distrust between citizens and Government for the President to see the people and the people to see him. But this important contact must take place in settings that reduce the risk of harm to the President. I would hope, with implementation of several of the adjustments suggested here, that Presidential trips will continue, without the need to follow the more drastic proposals to isolate the President in Washington or arrest potential assassins every time the President ventures into the country.

The importance of all of this is that the President, human and mortal as he is, represents the stability and order of the state. Injury or harm to him endangers that stability, and that is a risk we should seek to reduce in this fragile and troublesome time.

FREEDOM

HON. RONALD M. MOTT

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. MOTT. Mr. Speaker, the thirst for freedom is an unquenchable one.

In America we often take freedom for granted. But in the Central and Eastern European countries of many of our forefathers, a person often goes through life without ever truly drinking of the cup of freedom.

The freedom of our relatives and friends in central and eastern Europe is of particular concern to people like myself whose parents were born in Czechoslovakia.

I often reflect back to the 1960's when Alexander Dubcek was President of Czechoslovakia and the people of the land of my parents were having a taste of freedom. And then with a heavy heart I recall August of 1968 when, without any provocation, the Soviet Union dashed out the flame of freedom and once again raised the flag of tyranny upon the oppressed people of Central and Eastern European countries.

I am certain my colleagues in Congress share with me the concern for the land of our ancestors. We long for the day when once again our friends and relatives can be free from enslavement and tyranny and enjoy the same basic freedoms that we love so much here in our great country.

CONGRESS WILL HAVE TO SECURE CANAL

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. WILSON of California. Mr. Speaker, at the present time, the possibility of ceding the Panama Canal to the Republic of Panama is being explored. The public is being told that, among other things, the Canal Zone belongs to the Panamanians, in a move to gain popular support for turning the canal over to Panama. I believe that the following column by John J. O'Malley which appeared in the September 15 edition of the San Diego Union sets forth what the actual situation is with regard to who has what rights to the Panama Canal:

CONGRESS WILL HAVE TO SECURE CANAL (By John J. O'Malley)

There is a massive campaign afoot to popularize a retreat from the Panama Canal by the United States. It is gaining momentum every day, and it is terrifying in its implications.

Basically, the drum-fire of propaganda in both the U.S. print and electronic media rests its case on three points.

First, that the Canal Zone is really Panamanian property and that Panama never relinquished its sovereign rights to the area.

Second, that we pressured the Panamanians into giving us a position on the Isthmus of Panama in 1903, using deception to accomplish something that contravened the desires of most Panamanians themselves.

And, finally, that we are even now exploiting the Panamanians robbing them of canal operating profits that are rightfully theirs.

All three of these contentions are frivolous. None has any basis in truth.

As to the matter of sovereignty, there is no question whatever. The Canal Zone is not in any sense Panama territory. The 1903 Hay-Bunau Varilla treaty with Panama was unequivocal in this regard, granting the United States "perpetual sovereignty over the Canal Zone to the entire exclusion of the exercise by the Republic of Panama of

any such sovereign rights." The plain fact is the Canal Zone is United States territory, something the United States Supreme Court has subsequently confirmed in a formal opinion.

Second, we did not pressure the Panamanians. It would be more accurate to say that they pressured us.

Following liberation from Spain at the beginning of the 19th century, Panama joined Venezuela and Ecuador in uniting with Colombia. The union didn't work. Venezuela and Ecuador split off and Panama became disenchanted with the behavior of Colombia because of its exploitation of the people of the Panamanian region. Beyond this, the Panamanians were fearful, because of Colombian incompetence and lethargy, that a canal would be built across Nicaragua instead of Panama, so they were more than glad to negotiate a profitable agreement with the United States.

As a product of their agreement with the U.S., they were paid fairly for both the right to build the Canal (\$35 million) and for clear title to the Canal Zone (\$160 million). They have flourished in the ensuing 72 years and now, largely due to canal-related employment, the one and one-half million Panamanians have an annual per capita income of \$1,000 and a living standard equaled by few other Latin American states.

Finally, the allegation that we are robbing Panama of Canal revenues is totally without foundation.

We give Panama a voluntary \$2 million a year payment. And there are no profits. Although toll collections exceed \$120,000 annually, the canal has been a losing venture for us during the last few years.

Quite apart from the sophistry that characterizes the campaign of those who want to see us out of Panama, Americans need to take a hard look at just what it would mean to us were the authority over this vital lifeline actually conveyed to the present government of Panama.

It is a Communist government. The Communist Party is the only party recognized in the country. Others are outlawed. The principal government officials are Marxists—every one—and that includes chief of state, Omar Torrijos, who seized power by force from the elected president in 1968. Freedom of speech and of the press have been totally stifled; the national Congress has been closed. Hatred and defamation of the United States is as much a national policy as are close ties with the Communist world, most particularly the Soviet Union and Cuba.

The attitude of the military government is one of inflexible determination to achieve total authority over the canal, or to punish everyone involved if they are unsuccessful. Just a year ago the acting ambassador to the United States from Panama was unequivocal in a television interview. He said, if they are not successful in their treaty negotiations with us, that "there will be no canal for anybody, not for us, not for the United States, not for the world." This is a thinly disguised threat of violence that neither the United States nor the rest of the world can tolerate, for the 15,000 ships that transit the canal annually are an important element of the world's lifeline.

The fact is, Torrijos and his followers are irresponsible men, and if they were ever in a position to exercise authority over the operation of the canal, they could capriciously bring about major changes in both the economy and the security of our nation.

By jacking up the canal tolls to American shipping they could add substantially to transportation costs, and thus to the cost of end items in our market.

Alternatively, by closing down the canal at their own whim, they could double the cost of maritime fuel for a voyage from the west to the east coast of the United States,

and more than double the average transit time from coast to coast.

The Panama Canal is an essential link between the naval forces of the United States deployed in the Atlantic and in the Pacific. It is only because of the waterway that we are able to risk having what amounts to a one-ocean navy.

However, without absolute control of the canal and the essential contiguous land, the United States could not dare to risk the hazard of a one ocean navy. It would be essential at once to initiate construction of fleets independently able to meet a crisis in either the Atlantic or the Pacific—a massive expenditure which we are now spared only because of our control of the canal.

These factors are appreciated throughout Latin America and, despite understandable sentiments of anti-colonialism, the more steadfast Latin governments take no comfort in the prospect of the canal falling into irresponsible hands.

Even more to the point, these matters are generally understood by the American people at large, and through this understanding there is a very substantial popular sentiment against any action which would diminish our sovereignty over the Canal Zone.

What is less well known, however, is the fact that in 1974 we agreed to sit down with representatives of Panama and work out an agreement that would initially give the Panamanians jurisdiction over the Canal Zone and, ultimately, would transfer ownership of the canal to Panama. We are doing exactly that right now. Ambassador Ellsworth Bunker, operating under those guidelines, is hard at work on a Caribbean island, working out the details with representatives of Panama.

Ultimately, it will all have to come before the Congress for ratification, and no American legislative body in history has had a more sobering task than the one the legislators will face when they contemplate a treaty that diminishes our precious sovereignty in Panama. If they conclude that we can risk sharing those 50 precious miles of lifeline with a hostile Communist government; even worse, if they agree to give it away, they will have done their country more harm than a dozen succeeding Congresses could repair.

LAIRD COMMENTS ON DIPLOMATIC RELATIONS WITH CHINA

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. MICHEL. Mr. Speaker, a former colleague of ours, Melvin Laird, was recently in the Republic of China, where he commented on the current trend toward normalization of diplomatic relations with the People's Republic of China. I encourage my colleagues to take note of his recommendation, summarized in the following Washington Star article, September 9, 1975, that diplomatic ties with the People's Republic should not be created at the expense of pre-existing agreements with the Republic of China:

A WORD OF ADVICE FROM LAIRD

TAIPEI.—Melvin Laird, who served as defense minister in former President Nixon's administration, says President Ford should reject the conditions set forth by Peking for normalization of Sino-U.S. relations.

"I would advise him (Ford) that the conditions set forth by Chinese Communists

cannot be met by the United States, that they cannot be a part of an agreement that could be worked out this time as far as the U.S. is concerned," said Laird who is visiting Taiwan as a senior adviser to Reader's Digest magazine.

Laird said Peking last June insisted on the U.S. meeting these conditions before he could visit China: The United States terminate its diplomatic relations with Taiwan; withdraw all U.S. military forces from the island; and abrogate the U.S.-Taiwan mutual defense treaty.

A RATIONAL VIEW OF INTELLIGENCE WORK

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. MILFORD. Mr. Speaker, when I was home last weekend, I came across an extremely interesting and, to me, reasonable and rational discussion of national intelligence and counterintelligence moral and practical requirements which I would like to share with my colleagues.

The Los Angeles Times Service piece which appeared in the Sunday, October 5, edition of the Fort Worth Star-Telegram, was written by V. W. Hughes, a retired FBI agent who served in the Army Counterintelligence Corps during World War II.

At a time when both bodies of Congress are reviewing our national intelligence operations and needs, I believe Mr. Hughes offers a perspective which is worth the consideration of all of us in colleagues.

I would like to have this article, headlined "Intelligence Work Requires Behavior Outside the Norm", appear in the RECORD.

INTELLIGENCE WORK REQUIRES BEHAVIOR OUTSIDE THE NORM

(By V. W. Hughes)

Current congressional inquiries into the propriety of certain operations by American intelligence agencies have brought a host of revelations: that the Central Intelligence Agency attempted to "destabilize" foreign governments, often with success, and spied on U.S. citizens, and that the Federal Bureau of Investigation intercepted domestic mail and compiled dossiers on an unknown number of Americans—to mention only a few.

Unsettling as these facts may be, there is a question which each citizen should ask himself whenever he considers them: Was the act a issue performed under circumstances which justify the method employed? In asking this question, the citizen will not be alone: The Supreme Court takes a similar approach when deciding the constitutionality of arrests or acts of search and seizure. The court's expression is, "We must look at the totality of the circumstances."

It is exactly that approach which Congress should adopt when passing judgment on the actions of intelligence agencies—especially actions undertaken 10 to 20 years ago. Indeed, failure to judge the context of the intelligence agencies' actions has led some congressmen to the contention that opening mail, surreptitious searches without warrants, electronic surveillance and the use of informants and double agents are wrong under all circumstances. Simple reason ought to show us otherwise.

Charges that the CIA considered assassinating Patric Lumumba and Fidel Castro are, of course, another matter. Obviously there are certain forms of action which civilized nations should not take. However, these absolute prohibitions are rare, and beyond them a government must maintain the right to act according to the circumstances which confront it.

The Fourth Amendment to the Constitution, for example, clearly forbids only searches which are "unreasonable." Thus, should cases involving surreptitious entries, which the FBI admits were a part of its counterintelligence program, reach the Supreme Court, they might be held reasonable and, therefore, legal. The point is, of course, that to determine whether or not the entries were reasonable, the court would have to consider the circumstances in which they occurred.

Indeed, a recent policy statement by Asst. Atty. Gen. John Keeney had this to say: "It is, and has been, the department's view that warrantless searches involving physical entries into private premises are justified under the proper circumstances when related to foreign espionage or intelligence."

Implicit in the attorney general's statement is the notion that intelligence operations often take place in extraordinary circumstances. An analogy to war is not far-fetched.

Nations, for example, usually regard homicide as a crime. Yet in wartime we teach and sanction the killing of the enemy, and, moreover, reward it. Why? Because war is outside the range of normal human conduct and justifies special methods—even homicide. This is not to suggest that intelligence operations require homicides. But war and intelligence operations are analogous in that both, each in its separate way, call for unusual behavior.

Assuming, then, that intelligence operations, like war, are outside the realm of normal conduct, is it feasible to ask an espionage agent to undertake extraordinary—often dangerous—work within the same framework of conduct required of our domestic police? Can an intelligence agent actually operate without ever violating the Fourth Amendment rule against unreasonable searches? Should he be required to read the Miranda rights to any suspect questioned and avoid all suspicion of entrapment?

Even the counterintelligence agent who usually operates within the borders of the United States would find it impossible to operate under such strictures. If his opponent is free to operate outside the range of normal conduct, and is even encouraged by his government to do so, the counterintelligence agent must act in kind or be placed at a tremendous disadvantage. If our Congress were to suspend all of those intelligence procedures currently under scrutiny, the CIA and FBI, which is charged with vital counterintelligence operations, might both be rendered ineffective.

This is not to suggest that America's intelligence services should be granted carte blanche. But there should be some recognition—especially by Congress—that intelligence operations are conducted under special conditions which should not be judged by orthodox standards. We should not decree, for example, that surreptitious entries are always wrong. Instead, we should decide under what circumstances it is correct to employ such methods.

To repeat CIA Director William Colby's question to the Senate committee before which he testified, "How many congressmen would have objected to an attempt on Hitler's life in 1944?" One might say, of course, "but that was different," and that is precisely the point in advocating flexibility of methods in the intelligence field.

Obviously the United States must not allow the civil liberties of its citizens and the practical needs of its intelligence agencies to become mutually exclusive. Indeed, the basic reason for the existence of intelligence operations is the protection of those liberties.

But just as a totally unrestrained and unaccountable intelligence agency poses a threat to liberty, so too does an agency so weakened by unreasonable prohibitions that it cannot respond to actual threats to freedom.

DECLARATION OF CONSCIENCE

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. RICHMOND. Mr. Speaker, in the spring of 1974, Kim Chi Ha, a noted Catholic poet in Korea, was arrested in relation to the "National Association of Students and Youths for Democracy" case. Sentenced to death, he was nevertheless released on February 15 of this year by a special Presidential order, only to be rearrested by the Korean CIA on March 13. Subsequently, the Ministry of Culture and Information announced that Kim had confessed in his own handwritten statement that he was a Communist.

Kim is detained in a dark cell where he is not allowed even a Bible to read. But somehow in mid-May he was able to write a 12,000-word memorandum which he entitled "Declaration of Conscience." It was smuggled out of the prison and handed to Father Yun Hyoun Jung, the past representative of the National Association of Catholic Priests for the Realization of Justice, who in turn made a most difficult decision to send it overseas—to Father James Sinnott—to be made known to the world.

The "Declaration of Conscience" follows the precedent set by Bishop Chi Hak Soon, "to declare one's conscience before one is arrested in order to assure that any statements of freedom will be seen to be invalid."

Recently, I wrote to Assistant Secretary of State, Robert J. McCloskey, about this case and he replied to the effect that the actions the Department of State could take in this case "are limited." He went on to paraphrase testimony Assistant Secretary of State, Phillip C. Habib, gave before a House Committee investigating human rights in Korea. He stated that:

The United States Government is not involved in the internal actions of the Korean Government.

However, he went on to say that the Department of State has repeatedly informed the Korean Government of the adverse effects their domestic actions may have on the "traditionally favorable public and congressional attitude in this country toward Korea."

If the mail I am receiving from my district is any indication, I believe Mr. Speaker, that the Department of State's advice to the Korean Government about the change in public opinion in this country is indeed valid.

Now, Mr. Speaker, I would like to in-

sert into the RECORD the first part of Kim Chi Ha's "Declaration of Conscience," so that my colleagues can share his thoughts on democracy in South Korea and his defense against the charges placed against him by the Park government:

A STATEMENT OF CONSCIENCE

To all who cherish justice and truth.

The Park regime is tying me up in a conspiratorial net of incredible lies. They say I am a communist who infiltrated the Catholic Church and pretended to be an advocate of democracy and human rights. I have been arrested and imprisoned on these charges.

The authorities will soon begin a courtroom charade to "legally" brand me forever as a treacherous Marxist-Leninist agent. I will be impressed into the ranks of that legion of government-designated "communists."

I am not the only target of this conspiracy. It is directed at the whole movement to restore democracy and at the Christian Church which has been fighting for social justice. The authorities are particularly determined to label as pro-communist the Association of Catholic Priests for the Realization of Justice, the National Council for the Restoration of Democracy, and all youth and student movements. This is the forerunner of a broad crackdown on dissent.

The government has been making these vile charges against me for more than a decade; they are nothing new. I should prefer not to waste words with a personal defense here. The Korean Central Intelligence Agency (KCIA) agents say, "If you have a statement to make about these charges, do it in court." For once I agreed with them. I intended to do just that: to try to bring out some of the truth about this travesty during the trial by challenging the prosecutor.

However, the current political situation compels me to speak out now. It is not just my convictions and my credibility that are endangered. The net has been thrown widely to encompass all domestic forces, my church and the student movement. I owe it to history and the Korean people to state my beliefs and the facts about my arrest as I know them.

1. AM I A COMMUNIST?

I have never in the past thought of myself as a communist, and I still do not. I am not a communist. The KCIA charges against me should be patently absurd. My lawyer has told me they have taken the "confession" I was forced to write and have made it public to prove that I am a communist. (The KCIA is distributing a pamphlet entitled "The Case Against Kim Chi-Ha, The True Identity of the Poet" which includes Kim's confession, excerpt from his prison notes, list of books seized at his home, etc. Eo.) The "confession" in the pamphlet is called Statement No. 2 but actually it was the third one. The KCIA discarded the second statement but still numbered the third version as No. 2. These details aside, it is true that the document was written by my hand.

But not by my mind and soul. It was not a voluntary statement. I was a powerless individual in an underground interrogation room of the KCIA's Fifth Bureau. They were the almighty agency of state terror, beyond any law or decency. How much truth do you think there is in those sheets of paper, my "confession?" From the time of my arrest I was pressured to say that I was a "communist who had infiltrated the Catholic Church." The government had decided to destroy me politically and religiously. They were going to crush me until I was flattened out like a piece of dried cuttlefish. I resisted my interrogators and refused to "confess." The grilling continued for five or six days, I think. Finally they wore me down. I had not been in good health before my arrest;

I had fainted several times due to anemia, and I was suffering from chronic insomnia. The constant questioning left me physically exhausted and delirious.

I knew the Park regime would use any means necessary to convict me as a communist. It did no good to keep telling the interrogators that I was innocent. They had strict orders from their master to "Get Kim Chi Ha" regardless of the facts. The KCIA agents were cogs in the machine; they could not refuse that order. They were ashamed of what they were doing but they hammered away at me day and night. I saw no point in continuing the nerve-racking war of attrition against such pitiful men!

Finally, on the sixth day, I wrote out a statement which they dictated. I scribbled it down like graffiti on a toilet wall and threw it at them. That is how my "confession" was written.

As one might expect, the statement is full of lies and inconsistencies. There is the banal wording so dear to the KCIA hacks: "I became a communist out of a sense of inferiority and frustration due to poverty and illness." This is the vilest part of the document. They used the same phrasing over and over again when I was indicted in 1970 for writing "Five Bandits," for "Groundless Rumors" in 1972, and in the National Federation of Youth and Students incident in 1974. There is a materialistic determinism in the phraseology, as if all the poor and afflicted are "potential communist criminals." Would any self-respecting person write such craven drivel of his own free will?

According to the "confession," all my activities, including writing "Five Bandits" and "Groundless Rumors," were due to my communist ideas. I wonder if foreign readers of these poems were deceived by my communist propaganda? There must be many red faces among those foreign literary critics who praised my work and did not even realize that it was "communist propaganda." If "Five Bandits" is communist literature, why have the charges against me been pending for more than four years! And why was I not even indicted for "Groundless Rumors?"

The "confession" says that I am a communist and a Catholic. That is an antimony like being "a democratic fascist." Every school child knows that communism regards religion, especially Christianity, as the "opiate of the masses."

I understand that the KCIA pamphlet cites a few books I had in my possession as "proof" that I am a communist. They are so stupid! Their petty, frightened police state minds! No matter how severely intellectual freedom is restricted in South Korea, does reading a few Marxist classics make a person a communist? The most avid readers of leftist books are the censors who check every piece of literature that comes into this country. If they can read those materials, why is it a crime for me? I have read hundreds of books; the authorities seized fewer than ten. Every one of those without exception is a classic that any foreign intellectual has read.

The KCIA pamphlet reproduces some of the notes I jotted down in prison from April, 1974 until February. Again those memorandums and notes are supposed to be "proof" that I am a communist. Those notes contain all kinds of thoughts and emotions. Ideas that flitted into my mind like birds flitting past my cell window. There are ruminations on this or that, outlines of projects I hope to write about in the future. Bits and pieces, unconnected fragments. They do not show that I am a man ideologically committed to communism. If the government will make public all my notes, the charges against me will fall of their own weight. Anyone who examines the material will see my values: my hatred of oppression and exploitation, my groping in the political

wilderness for a way out of these iniquities, how I have driven myself in the quest for answers! This search has nothing to do with communism.

How should I define my ideological position? Before I attempt that, two points require clarification.

First, I regard myself as a free thinker not bound by any ideological system. I hope my ideas are neither shaped by personal ambition nor yield to intimidation and that they are also unfettered by any dogma or creed. Thus I have never defined myself as an adherent of any "ism." I belong in the creative tension formed by the chaos of freedom. A natural pool swirls with cross currents of ideas, values, systems, experiences. By diving into that pool again and again I hope to come up with a few grains of truth. I stand beside that pool poised for the next dive.

Secondly, I am ideologically unfinished. That's a crude way of saying that I have never accepted one ideology as my operative value system. So far I have never found one system of thought that was logically convincing. I am still looking. In a sense, this is a shameful admission, but there are extenuating circumstances, I think. An individual's beliefs and conscience must be free, and the process that shapes them must also be open, competitive, eclectic. Man has a natural right to find his own values. Even the Yushin Constitution, promulgated by Park Chung Hee in December, 1972, guarantees this right to South Korean society. Nevertheless, intellectual life and value formulation are totally controlled in our country. A single ideology with its priorities, preferences, tabus and sanctions is dominant.

Consider the spiritual ethos of South Korea. The flow of information is controlled. One can only read a limited number of authorized books. Anti-intellectualism and pervasive secrecy are the rule. I have tried, often with doubts and remorse, to find the truth in this darkness. I am not the only one. Every South Korean who sought to understand what is going on in this country and in the world has trod the same uncertain, dangerous path. My ideological education is incomplete.

Under these conditions surely there is virtually no possibility of autogenous communism sprouting here. Our conditioned reflex to "communists" was to imagine red-faced devils with horns growing out of their heads and long claws dripping with blood. Every South Korean below the age of thirty has been educated and indoctrinated this way. Furthermore, we have never been taught anything about communism except emotional diatribes against it. Even if a few curious people secretly read some leftist books, how could they turn into full-fledged communists with a firm grasp of dialectics, party history and doctrine? No "autogenous communist" could emerge from the younger generation. That includes me. Far from being a committed communist, as the KCIA charges, I have no reliable information about the nature of communism or what life is like in a socialist country. The charge that I am a communist is utterly groundless.

2. DEMOCRACY, REVOLUTION, VIOLENCE

I want to identify with the oppressed, the exploited, the troubled, and the despised. I want that love to be dedicated, passionate, and manifested in practical ways. This is the totality of my self-imposed task for humanity, the alpha and the omega of my intellectual search. I hope that my odyssey will be understood as a love for mankind.

My desire to love the brotherhood of man makes me hate the oppression and exploitation that dehumanizes him. He who exploits others corrupts himself. Thus I fight against oppression and exploitation; and the struggle is my existence.

I became a Catholic because the Catholicism conveyed a universal message. Not only

the spiritual and material burdens could be lifted from man but that also oppression itself could be ended by the salvation of both the oppressor and the oppressed. Catholicism is capable of assimilating and synthesizing these contradictory and conflicting ideologies, theories, and value standards into a universal truth.

My beliefs spring from a confident love for the common people. I have opposed the Park regime and ridiculed the "Five Bandits" because they are the criminal gangsters looting this country. I have grown up as one of the oppressed masses. That perspective enabled me to see that a pernicious elitist bias permeates our society. The oppressors say the masses are base, ugly, morally depraved, irrationally lazy, untrustworthy, ignorant and a spiritless, inferior race. But the common people I have known were not like that. They were honest and industrious. They may have looked stupid to a Seoul bureaucrat but they were endowed with a rich, native intelligence. Although they seemed listless, they possessed enormous inner strength and determination. They may have been rough, not very sophisticated, but they had genuine affection for their friends and neighbors. The common people I knew were proud, full of an unassuming vitality.

I have total confidence in the people. Given the opportunity they will find correct solutions to their problems. And their time is coming. The people cannot be denied their rights and justice much longer. My confidence in the people has led me to trust their ability to determine their own fate.

Those who fear the people, who find the masses despicable, are ipso facto not democrats. When the going gets rough, they will stand with the oppressors.

What is democracy? It is an ideology opposed to silence, a system that respects a free Logos and freedom of speech. It encourages the cacophony of dissent. A political system where everything is not revealed to the public is not a democracy. I believe that the truth, only the truth, will liberate man. A public consciousness dulled by soporific incantations and smothered in darkness can be liberated by the truth. Only when the people struggle out of the darkness, driven along by the very chaos of their opposition to authority, will they reach the sun-drenched fields. Then they can head toward Canaan, the land of justice and freedom promised by the Creator. This is my dream, my faith.

I cannot describe Canaan in detail. No one man can do that. I think it will be created by the collective effort of all the people. My task is to fight on until the people hold the power in their own hands to shape their destiny. I want a victory for real democracy, complete freedom of speech. Nothing more, nothing less. In this sense, I am a radical democrat and libertarian. I am also a Catholic, one of the oppressed citizens of the Republic of Korea, and a young man who loathes privilege, corruption, and dictatorial power. This defines my political beliefs. I have nothing more to add.

Democracy does not require a "benevolent ruler who loves the people." A ruler who fears the people's wrath and weapons is preferable. Democracy entails an uncompromising rejection of oppression. There is no democracy as long as the people depose an undesirable ruler. Thus democracy does not deny the people the right of revolution; on the contrary, that fundamental right is the last guarantee popular of sovereignty. This obvious truth must never be forgotten.

The right of revolution, the constant and eternal possibility of overthrowing illegitimate authority, is the ultimate sanction against misrule that enables the people to defend themselves from oppression and exploitation. Rulers, of course, make revolution illegal; even discussion of it is banned as subversive. Thus they can continue their political and economic domination. But that

is why I must support resistance and revolution.

I feel enormous pride in our Korean traditions. The people have often protested against injustice and misgovernment. Unfortunately, the rulers, irredeemably callous and arrogant, often crushed the protests with force. Under these circumstances have the people any choice but revolution?

Catholic political thought since Thomas Aquinas has explicitly recognized the people's right and duty, based on natural law, to overthrow a tyrant who threatens their existence and the common good. Resistance abruptly changes the course of human affairs. The people themselves recover their humanity. The masses undergo a sudden and profound awakening; history makes up for lost time by encouraging the people to miraculous feats.

Sooner or later resistance and revolution lead to the phenomenon of violence. When the violence of authority sustains oppression, the people's will is crushed, their best leaders are killed, and the rest are cowed into submission. The "silence of law and order" settles grimly across the land. Then an antithetical situation exists where violence must shatter this macabre order. To a degree, I approve of this kind of violence. No, that is not strong enough. I must approve of it. I reject the violence of oppression and accept the violence of resistance. I reject dehumanizing violence and accept the violence that restores human dignity. It could justly be called a "violence of love."

Jesus used his whip on the merchants defiling the temple. That was the "violence of love." It was force suffused with love. Jesus wanted the afflicted and their oppressive rulers to be reborn again as true children of God.

Violence and destructiveness obviously bring suffering and hardship. But we must sometimes cause and endure suffering. Never is this more true than when the people are dozing in silent submission, when they cannot be awakened from their torpor. To preach "non-violence" at such a time leaves them defenseless before their enemies. When the people must be awakened and sent resolutely off to battle, violence is unavoidable. Ghandi and Franz Fanon agonized over this dilemma. Father Camillo Torres took a rifle and joined the people. He died with them, the weapon never fired. The fallen priest with his rifle epitomized godliness. I do not know if his beliefs and methods were correct or not, but the purity of his love always moves me to tears. He staggered along his road to Golgotha with uncertain tread. He was prepared to commit a sin out of a love for others. He was not afraid to burn in the depths of eternal hell.

True non-violence requires total non-compliance and non-cooperation. It concedes nothing to the oppressors. The superficial kind of non-violence, which makes limited gestures of opposition, is just another form of craven cooperation with authorities. Cowardly non-violence is moral equivalent to cruel violence because with both the people get crushed. On the other hand, the "violence of love" is essentially the same as a "courageous non-violence" in that it arms the people against their foes. I approve of the "violence of love" but I am also a proponent of true non-violence.

The revolution I support will be a synthesis of true non-violence and an agonized violence of love. (I am now working on a long ballad, "Chang Il Tam," set against this background.)

To teach that golden mean, a non-violence that does not drift to cowardly compromise and a violence that does not break the bonds of love and lapse into carnage, mankind must undergo an unceasing spiritual revival and the masses must experience a universal self-awakening.

While I grant that the violence of Blan-

quism can light the psychological fuse to revolution, I do not anticipate nor support a "lucky revolution" achieved by a small number of armed groups committing terrorist acts of violence. That is why I have eschewed the formation of or membership in secret organizations and have participated in activities consistent with the democratic process: writing and petitions, rallies, and prayer meetings.

My vision of a revolution is one to create a unified Korea based on freedom, democracy, self-reliance, and peace. More fundamentally, however, it must enable the Korean people to decide their own fate. I can confidently support such a revolution.

That revolution will not follow foreign models or patterns, but flow from our unique revolutionary tradition. The Tong Hak rebellion, the March First Independence movement, and the 1960 April Student Revolution adumbrate the next revolution.

ENERGY POLICY AT HOME

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. ANDERSON of Illinois. Mr. Speaker, the Washington Post this morning published a most lucid and sobering description of the energy policy produced by this body to date as represented in H.R. 7014. It deserves to be drawn to the attention of my colleagues.

I am not at all convinced that in our recent haggling over oil and gas pricing here in Washington have we kept very close touch with the pulse of our people and how they were responding to higher energy prices and shortages. If we had, I think that our two attempts at drafting energy legislation would look a good bit different than they do right now. Furthermore, it is highly likely that our efforts would not have been an essentially futile effort, impossible for a responsible President to sign into law.

I would also like to note, Mr. Speaker, that it is encouraging to me that in the last 2 years our country has again proved itself to be resilient and sound. As the Congress has struggled mightily to formulate an energy policy, our people were making their own adjustments. With their pocketbooks they were creating a marketplace in which they were able to survive higher energy prices and shortages. They demanded cars with better mileage, appliances with better efficiencies, et cetera, and as the Post points out, they are getting results.

My compliments to the editorial board of the Post for a fine piece of journalism, humbling as it turns out to be for some Members of the majority party in the Congress.

I include the editorial for those of my colleagues who may not have seen today's edition:

SMALL CARS AND ENERGY POLICY

Americans are proving more canny these days than their government, as they think about fuel and energy. The most interesting example is the state of the automobile industry. The customers are turning away from the big cars of tradition, and the manufacturers are running along anxiously behind them to catch up. But the long stalemate between the White House and Congress con-

tinues, giving strength to the illusion that, in regard to energy and saving it, nothing at all is happening. That stalemate still shows little sign of ending.

The House of Representatives has just passed its Energy Conservation and Oil Policy Bill in a bizarre and ludicrous form that deserved another veto. It can be argued that the section making it a crime to sell gasoline for cross-busing school children, under racial desegregation plans, is merely frivolous. But one section of this bill would roll back the price of oil, while another orders the President to find a way to reduce the nation's consumption of gasoline. The House expresses the hope that there would be no lines—or at least not long ones—at the filling stations. But it authorizes extensive production controls to require the refiners to cut back the amount of gasoline actually produced.

Do you suppose that most Americans are aware that the House has just voted to create a deliberate gasoline shortage? Do you suppose that most people realize that this bill contains a broad exemption to the anti-trust laws for the people who sell gasoline, to permit them to engage in the market-sharing plans that this intricately calculated shortage would require? But the House Democrats are in a box. They recognize the urgent national interest in curbing gasoline consumption, yet they are committed to reducing prices. To fit these two irreconcilables together, they require an artificial shortage and an allocation system of vast complexity. To meet the challenge of a foreign producer's cartel, they want to cartelize the whole American gasoline industry.

The legislative stalemate runs as far as the eye can see. From the perspective of Washington, which thinks of progress in terms of laws passed, it looks as though nothing at all is being done to cut oil imports and the waste of energy. But, in fact, quite a lot is being done—if not by Congress or the White House. Take a look at the cars passing on the highway.

As recently as 1973, two out of every five cars sold was a compact model or smaller. In the model year now beginning, the Federal Energy Administration estimates, three out of five will be compacts. In 1973, the average new car ran less than 14 miles on a gallon of gasoline. The average 1976 car will go 17.6 miles on a gallon, according to the Environmental Protection Agency. The automobile manufacturers have committed themselves to President Ford to get the average up to 19.5 miles to the gallon by 1980. The House would go the President one mile better and require an average mileage of 20.5 by 1980. In the midst of all this churning and standard-setting, General Motors' Chevette appears on the street. EPA says that it gets 33 miles to a gallon in its driving tests, the only American car on the top rung of the international economy rankings.

From the Washington perspective, again, it might seem that steady pressure from the President and Congress are forcing the manufacturers to change their ingrained tribal ways. But it is probably a good deal more accurate to say that government and industry together are responding, a bit belatedly, to a genuine and powerful swing in public values. General Motors designed the Chevette to recapture some of the market that it has been losing to imported cars. Two-thirds of the Chevettes sold over the next year, GM believes, will go to buyers who would otherwise have chosen a foreign car.

Automobile sales constitute, in a narrow but authentic sense, a continuous referendum on one aspect of energy policy. The returns so far offer solid evidence that—despite the assertions of the House Commerce Committee to the contrary—people react sharply and rationally to rising gaso-

line prices. The country's political leaders can't work out a consensus on oil, and citizens are prudently moving to take care of themselves. The trend to more economical and efficient cars means that Americans are beginning to build themselves a national energy policy from the bottom up—without much guidance from their government, but with a good sense of present necessity and future prospects.

OSHA—A FOUR-LETTER WORD

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. BAUMAN. Mr. Speaker, we are continually reminded of imperfect institutions in our society which prevent the realization of a better world. One of the more imperfect ones is a four-letter word which has become the most unpopular acronym in a working businessman's vocabulary.

OSHA, the so-called Occupational, Health, and Safety Administration does little to effectively prevent the continued and unnecessary exposure of employees to unsafe conditions of which many employees are unaware.

Instead, it issues unreasonable regulations which were drawn up without any consultation with employers and employees, making compliance difficult and inviting resentment against this Government agency and, by reflection, against the Government.

Bill Miller, the vice president of the McMahon Oil Co., in Easton, Md., recently wrote to me illustrating how impossible it is for a small business to survive against OSHA's continued harassment. I submit it, my response, and a recent column by Governor Ronald Reagan which deal with this problem for the RECORD, and I draw them to the attention of my colleagues.

HOUSE OF REPRESENTATIVES,
Washington, D.C., October 9, 1975.

Mr. W. C. MILLER,
Vice President, McMahon Oil Company,
Easton, Md.

DEAR BILL: Your recent letter citing many of the problems your company is having with OSHA illustrate what is happening everywhere. The points raised in your letter are particularly telling, and with your permission I would like to put your letter in the Congressional Record.

The Occupational Safety and Health Act of 1970 has led to instances of harassment and bureaucratic inefficiency which have discouraged economic growth at the worst possible time. I have always felt that we could at least amend that Act to provide for a fair system of onsite consultation without penalties and to ease the economic burden of compliance. I do not like this Act being law, but if we must have it I am certainly in favor of working with like minded colleagues to assure that we can make the enforcement procedures more equitable.

As you cited in your letter, Bill, the effect of OSHA has been to inhibit promotion of the cooperative effort needed to truly provide worker safety. After three years of operation, the program still has no adequate advisory program of onsite consultation which would help employers and employees alike in complying with the law. The un-

fortunate means OSHA uses to carry out the letter of the law end up violating the spirit of the law.

It is great to hear from you, and please write again when you get a chance. Call on me if you ever need help in any matter.

Faithfully yours,

ROBERT E. BAUMAN,
Member of Congress.

McMAHAN OIL Co.,
Easton, Md., September 24, 1975.

Congressman ROBERT E. BAUMAN,
Easton, Md.

DEAR BOB: For quite some time now I have been concerned about the number of federal and state agencies who call, investigate, etc. . . here at the McMahon Oil Company. To give you an example of what I mean on September 5th the federal OSHA representative and the state OSHA representative spent two hours here looking over our two terminals and writing a few citations which, of course, we were required to correct. Just as they were finishing up on the same date, the state Air Quality Control representative appeared and needed assistance in filling out a form which needed to be filed on McMahon Oil Company. The next week the Federal Energy Administration sent two representatives in who have been here for three weeks off and on, which required our giving office space and other assistance needed to perform their duties. Next I received a phone call from the IRS indicating that on Friday, September 26th there would be a representative in our plant to review records pertaining to the "rolling stock" report filed with them earlier this year.

I am at a loss to explain to you just how we will be able to continue to operate this small business if these federal and state agencies do not allow us to get down to the business of supplying our market area with the petroleum products which are needed by our customers for them to get along in their every day lives. I have not yet mentioned the other agencies who regularly stop in to see us, such as the Coast Guard, the National Fire Protection Agency, the Department of Natural Resources, Water Resources Administration and others.

I bring this to your attention because I know that this type of bureaucracy problem is exactly what you refer to at times in your public statements. The independent business man must get relief soon from this type of harassment because I feel that "Big Government" will eventually eliminate the incentive factor that keeps the independent business man operating. I realize this letter is philosophical in nature and I offer it only as food for thought. What are your thoughts?

Very truly yours,

W. C. MILLER,
Vice President.

OSHA: A FOUR-LETTER WORD (By Ronald Reagan)

"OSHA" is a four-letter word that's giving businessmen fits and is helping drive up consumer costs. And, there's no relief in sight.

One of the youngest federal regulatory agencies, the Occupational Safety and Health Administration, since 1970 has had the job of carrying out "the intent of Congress" by devising regulations implementing the Occupational Safety and Health Act.

Congress' intent was to protect the safety and health of the American workers—a commendable goal. But OSHA's regulations and tactics are something else again—a "Catch-22" of arbitrariness that is costing business (and the consumer) millions of dollars a year.

OSHA's regulations fill a shelf 17 feet long (even the "Harvard Classics" took up only five feet), and businessmen are expected to

know which ones apply to them if an OSHA inspector drops by. If they don't, and their plant doesn't conform to the regulations they're subject to stiff fines.

One might have thought that OSHA would have offered an initial no-penalty inspection to a business seeking to learn if it complied, with a grace period for correcting deficiencies. No such luck.

If you call for an inspection, you are subject to the same penalties. You can pay your insurance company to make an inspection, but there's no guarantee that OSHA won't come along later and find some overlooked deficiency.

Civil liberties don't count for much with OSHA, either. Its inspectors can barge in on a "no-knock" basis without the owner's permission or a search warrant. It has even had this right confirmed recently by a federal court.

Excess paperwork, the security blanket of bureaucrats, is required by OSHA of the businesses it regulates. This torrent of paper and words is reflected in the gobbledygook language of OSHA's regulations, too.

Here is how they define an exit: "That portion of a means of egress which is separated from all other spaces of the building or structure by construction or equipment as required in this subject to provide a protected way of travel to the exit discharge. . . ."

Application of OSHA's regulations is almost whimsical. The owner of a small business in one western state was told he had to install separate men's and women's restrooms for his employees. He had only one employee. At home they slept in the same bed and used the same bathroom. She's his wife.

There is more of the same on the way. Antinoise regulations for trucks are now under discussion. One would require truck cabs to be so soundproof that drivers could not hear horns or emergency vehicle sirens.

The solution? A panel of lights in the truck cab which would flash when activated by such sounds. Result? More expensive trucks, higher freight rates, and higher costs of the things you buy.

Talk in Washington is serious these days about deregulating—at least partially—the airline, trucking and railroad industries to sharpen competition and lower consumer costs.

There is little evidence that OSHA has accomplished much in the way of saving lives, all the while it has added heavy cost burdens and created a bureaucracy with a growing appetite for tax dollars. Yet, there is little talk of reforming or eliminating this regulatory labyrinth. It's overdue.

LEIF ERICSON AND NORWEGIAN AMERICANS

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. QUIE. Mr. Speaker, today, by Presidential proclamation and acts of Congress, we observe two events—the landing of a group of Norse adventurers on North American shores in about the year 1001, and the landing of the first boatload of emigrants from Norway at New York in 1825.

Of the first voyage, we know that a ship's crew led by a young Norseman named Leif Ericson, motivated, apparently, by no more than an explorer's heart searching to unlock secrets of unknown seas, did reach the continent. They found land covered with forests

which they dubbed "Markland" and, farther down the coast, an area rich in wild, sweet grapes, the "Vinland" of the sagas.

Why the small settlements with men, women, and children resulting from subsequent voyages did not flourish in the new land is still clouded history. We do know that later on the great impact of Scandinavian influence in America was left to people like those who sailed from Stavanger, Norway, on the "Restauration" and came to stay. Many of them moved through the settled country into the prairies and woodlands of the American Midwest. There were only 47 of them, but their numbers have multiplied and today we see the influence of the Norwegian Americans in every facet of American life.

Of Leif Ericson himself, the sagas also tell of his bringing a new faith, Christianity, back to his home in Iceland, having been converted by Norway's King Olav Trygvasson of his father's homeland.

Leif Ericson might be surprised if he could see the influence of his Northland in our America. When embarking on his voyage, however, he may have been drawn by a sense of adventure and strengthened by the determination that also moved the pioneers of a much later day. An American of Scandinavian descent Carol Johnson of my staff, wrote this poem which I share with you in commemoration of this day.

LEIF ERICSON

You set the sail
You fix your eye.
The grey horizon offers
Bleak sky, wind, and sea—
Nothing more.

What is this, then?
This tugging at your breast?
You go a way—a little way—
Beyond where you have sailed before,
Into the storm.

Turn back, you ask—
To hearth, and feast and love?
But now the sea grows calm.

A little way—
The sky is blue. The men are strong.
A little way—
The shapeless mists awaken
And the sail
Bends forward with your heart
To meet the land.

FTC STUDY QUESTIONED

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. FINDLEY. Mr. Speaker, judging from the activities of the Federal Trade Commission, one would conclude that funeral directors are all a bunch of unscrupulous thieves.

I have yet to meet one of that stripe. As a newspaperman in my early years I had occasion to be with funeral directors often and under many varied circumstances. My experience supports the conclusion that the profession is an honorable one, filled with people determined to give fair, efficient services at times of extreme emotional stress.

No doubt the profession contains a few bad apples. What profession can claim otherwise? However, the National Funeral Directors Association and—I might add—the Illinois Funeral Directors Association is extremely strict in upholding the standards of the profession. The code of professional practices for funeral directors is carefully adhered to, with offenders disciplined by the ethics committee.

I quote my good friend Harlan Williamson, the owner of a funeral home in Jacksonville, Ill.:

I have just finished serving two years on the Ethics Committee of the Illinois Funeral Directors Association. In that period of time, I can recall only one instance of possible unethical conduct.

He goes on to point out surveys showing that almost 98 percent of the families served return to be served again by the same funeral firms. Somebody must be doing something right.

The FTC reports indicated approximately 80 complaints since 1973, during which time almost 4 million funerals were conducted. Could intervention by the FTC improve the record of 1 complaint per 50,000 funerals?

ADDRESS BY SENATOR CLAIBORNE PELL AT WAGNER COLLEGE

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. MURPHY of New York. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following remarks made by the distinguished Senator from Rhode Island at the 93d annual convocation of Wagner College:

ADDRESS BY SENATOR CLAIBORNE PELL

I am honored and delighted at this opportunity to share with the students and faculty of Wagner College this opening of your academic year.

The beginning of a new academic year is, in some ways, more impressive and important than the commencement exercises that conclude the year.

What we have gathered here today is a community—of faculty, administrators and students—whose presence signifies a shared and significant commitment—a commitment to knowledge and to reason as essential elements of human life. That basic conviction—that knowledge and reason are essential to human fulfillment—is so much a part of our civilization and culture that we often take it for granted. In human history, however, that conviction has not always been widely shared, and in my view it is a conviction that cannot be too often restated and celebrated.

That is one reason why I am happy to be here; to share with you this rededication to knowledge and reason.

I come to you as a member of another institution, the Congress of the United States, that, correctly or incorrectly, is not always held in high esteem for its pursuit of knowledge or its application of reason.

Indeed, opinion polls tell us that the public generally has a very low opinion of the Congress as an institution. The Congress is not alone in the apparent loss of confidence

among the public. There has been, I believe, a general loss of faith in our American democratic processes. And, indeed, no branch or level of government has been spared in the growing disillusionment with government.

This public mood is, and should be, a matter of serious concern for all Americans, because a democratic government must rest ultimately on the assent and the confidence of the people in the processes of government.

I would like today to discuss with you some of the reasons, as I see them, for this disillusionment with government, and what can be done to restore confidence.

At the outset let me say that disillusionment with government is a particularly accurate description of what has taken place. Disillusionment, taken literally, means getting rid of illusions. To some extent we have suffered from illusions about our government and its ability to shape the world and our society to our own design. We learned in Southeast Asia, in our dealings with the oil-producing countries, in our efforts to curb crime and eliminate poverty in our own country, that the vision of omnipotence was an illusion. There are in fact limitations on what we can accomplish.

The purging of these illusions has been a painful and very unhappy process for all of us—but in the long run it is a necessary and healthy process, because government policies based on illusions, instead of realities, are at best doomed to failure and at worst invite disaster.

Another element in the erosion of public confidence has been a crisis of leadership which has haunted us for the past decade. It is no exaggeration to say that no President elected by the people of the United States since the assassination of President John Kennedy in 1963, has been able to sustain the confidence of the American people. To an American public accustomed to sustained Presidential leadership—through Franklin Roosevelt, Harry Truman, Dwight Eisenhower and, all too briefly, John Kennedy—this past decade has been frustrating and traumatic.

A third element in the loss of confidence in government is that some of our government processes had become subject to real abuses. The whole gamut of abuses involving campaign finances and misuse of government power that are encompassed by the term Watergate were a real reason, not for disillusionment, but for public outrage and for reform.

As a member of the Senate, I am naturally most concerned about the apparent loss of public confidence in the Congress. There are, I believe, particular factors at work that have led to a derogation of the Congress as an institution, and I would like to discuss them briefly.

First, however, I think the public view of the Congress should be put in some perspective.

With few exceptions in our history, I think, neither the House of Representatives, the Senate, nor the Congress as a whole has been considered entirely admirable or loveable. Indeed, it is part of American political tradition for some to regard with scorn any legislative body—be it a city council, a state legislature or the Congress.

As evidence that a mild contempt of the Congress is nothing new, let me cite a few quotations from our history:

Sergeant S. Prentiss, in a letter to his sister in 1833 said, "You have no idea how destitute of talent are more than half of the members of Congress. Nine out of ten of your ordinary acquaintances are fully equal to them."

And in 1864, General Robert E. Lee, wrote to his son, Custis, about the Confederate Congress, saying, "I have been up to see the Congress and they do not seem to be able

to do anything except to eat peanuts and chew tobacco, while my Army is starving."

And, as a final example, S. L. Clemens, (Mark Twain) perhaps the greatest of Congress-baiters in our history, commented in 1907 that "Fleas can be taught nearly anything that a Congressman can."

So exasperation, and something less than awesome respect for the Congress, is nothing new in our history. Legislative bodies are usually regarded as being slow-acting, obstructive, confused, wrangling, wordy, and grossly inefficient.

There is some measure of justification for all of those criticisms as they apply to the Congress.

But I also believe that much of the current criticism of the Congress misses the mark because it is based on a misunderstanding of the role of the Congress in our government, particularly as it contrasts with the role of the executive branch.

Indeed, I think we have seen a strange inversion in the standards by which the executive branch and the legislative branch of our government are judged. The public, and particularly the press, tend to judge a President and the executive branch on the basis of the policies espoused and pursued.

The Congress, on the other hand, is often judged on how efficiently it operates, how quickly it moves to enact legislation to solve national problems.

These standards of criticism and evaluation, I believe, are upside-down. In truth, it is the Executive Branch which should be judged on its efficiency and effectiveness in executing policies.

And it is the Congress which should be judged on the basis of the national policies it promulgates as legislation.

Perhaps, in this Bicentennial year, we should go back and read the Constitution and the debates by the delegates to the Constitutional Convention in establishing the framework of our government. The focus of their debate was not whether the legislative branch would be efficient—on the contrary, their primary concern, as I read it, was that the Congress be representative of the nation.

I would contend that many of the symptoms of Senate inefficiency and ineffectiveness, which are regularly deplored in the press, are, in fact, signs that our democratic processes are alive, vigorous and healthy.

For example, the Congress is under heavy criticism now for our failure to establish by law a comprehensive national energy policy, including energy conservation and energy resource development. I, too, am unhappy at our failure to establish national energy policy legislatively. But, realistically, I think the failure of the Congress means that no national consensus has developed on energy policy. In this instance, and I believe in most instances, the Congress is in fact very representative of the people.

I would argue that what the press tends to view as a failure of the Congress in energy policy, is in fact democracy in action. While the Congress has not enacted a national energy policy, it has been vigorously engaged in the complex process of developing policy in a democracy. The Congress has been bringing forward every possible alternative policy, examining them from every side, debating them, testing their acceptability and support in committee votes and floor votes. In this process the choices, and their implications for every region, every industry, and every individual, are becoming clearer. And out of this process eventually will emerge a national energy policy.

It is not a neat, orderly or precise process. But, as I said earlier, democracy itself is not the easiest, most efficient, or most orderly and precise way to arrive at national policy. It is just the way under which the individual has the greatest freedoms and I for one consider best.

Invariably, as the Congress draws toward the end of a session, and adjournment looms ahead, the Senate becomes involved in prolonged debate, filibusters and tangled parliamentary maneuvers. Just as inevitably, there will appear a spate of newspaper editorials and commentary chastising the Senate for tying itself in knots while the nation's business lies waiting.

The truth, I believe is that the intensity of debate and parliamentary maneuvering simply signifies that the Senate is dealing with issues that are controversial and touch upon sensitive nerves of significant segments of our population.

Once again, it is democracy at work.

Perhaps the day will come when the Senate of the United States will sail smoothly through a legislative session in six months, adjourning before the Fourth of July, without filibusters, discord, or wrangling. When that happens, I think we should start worrying about the health and vigor of the Senate as a representative, responsive, democratic institution.

In all of this, I do not mean to dismiss the possibility or desirability of improvements in the Senate to make the institution more responsive, more effective or more perfectly representative. For example, reforms in our campaign financing laws, enacted in the 93rd Congress, are, I believe, an important step toward improving the responsiveness of the Congress to the people.

And internal reforms, such as the decision by the Senate this year to permit cloture on debate to be invoked by a vote of 60 Senators, was an important step in balancing the protection of minorities and the interest of a majority.

In terms of operating efficiency, the Senate and the House have made major changes in the past several years designed to assure that the members will have necessary information available to them. We have established an Office of Technology Assessment, to provide technical information; we have installed computerized legislative information services; we have increased substantially the research capabilities of the Congressional Research Service of the Library of Congress. There is active consideration of permitting live radio and television coverage of Senate proceedings.

All of these changes are evidence that the Senate remains a vital, vigorous institution, capable of keeping abreast of the times, despite all of the talk about antiquated inkwells on our desks.

I do not expect to see the day arrive when the Senate and the House of Representatives will be accorded universal reverence. A degree of skepticism and civil criticism is healthy.

I do think, however, that it is important that criticisms of the Congress, particularly by the press and television, be well directed and based on a deeper understanding of the functions of the institution.

The first question in evaluating the performance of the Congress, is not whether it has been efficient, speedy, or even enlightened in the policies it has pursued through legislation. The first question is whether the Congress is representing the people. After all, our democracy is based on the conviction that the people are best able to determine their own destinies, through their elected representatives.

And, conversely, in evaluating the Executive Branch of our government, it would be healthy if there were less emphasis in our media on what policies the executive branch is attempting to pursue through its legislative program, and a great deal more emphasis on how well, faithfully and efficiently the executive branch is carrying out the policies adopted by the elected representatives in Congress.

This kind of a reassessment of the Con-

gress and the executive branch, I believe, would do much to restore the confidence of the people in our government processes.

Thank you and good luck to each of you as you pursue your commitment to knowledge and reason.

WILLIAM HERONEMUS, UNLIKELY REVOLUTIONARY

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. FISH. Mr. Speaker, this country has had to cope with many obstacles throughout our history. We have been able to overcome problems that seemed impossible at the time. As we approach our 200th birthday as a nation, the United States faces one of its greatest challenges—finding alternative sources of energy so that we can continue our way of life.

Fortunately, there are men today, as there have been in the past, who have the insight to look at the situation of the present and offer solutions for the future. William E. Heronemus is one of these men. A professor of civil engineering at the University of Massachusetts, Mr. Heronemus is a firm believer in the use of wind as a source of energy.

At this time, I would like to insert into the RECORD an article which appeared in the November 1974, issue of Blair and Ketchum's Country Journal. I feel that my colleagues will find this article to be both informative and interesting:

WILLIAM HERONEMUS, UNLIKELY
REVOLUTIONARY

(By John Walcott)

The wind blows across central Massachusetts from west to east. From the Great Lakes and across the rolling orchards of upstate New York, up and over the purple Berkshire Hills, across the fertile Connecticut River valley, and out over the Atlantic.

Today, it is blowing at about ten miles per hour, just enough to bend the branches of the young maple trees that dot the sprawling campus of the University of Massachusetts in Amherst.

Professor William E. Heronemus, a retired naval officer who came to the University nine years ago to teach civil engineering, leans back in his chair and contemplates a bedraggled plastic window shade that is flapping spastically in the breeze.

"It's a shame," he says, "All that energy going to waste."

William Heronemus is a windmill expert, perhaps the foremost in the nation. He is convinced that the best short-term solution to New England's energy problems would be a network of 13,695 windmills off the Massachusetts coast, where the wind speed averages a little more than twenty miles per hour.

Such a network, says Heronemus, would cost a shade more than \$22 billion, but could spin out 159 billion kilowatt hours of electricity a year—four times the amount the six New England states used in 1973. And, he says, because fuel is free and operating costs are low, wind-generated electricity would cost the consumer about three-fifths of what he now pays for power.

Each windmill in Heronemus' Offshore Wind Power System is a diamond-shaped metal tower rising 340 feet above the sea and

carrying three huge propellers, each 200 feet in diameter. (13,695 windmills \times 3 propellers each = 41,085 propellers off the New England coast.) Most of the windmills would be mounted on floating platforms, similar to modern offshore oil-drilling rigs, but some would be anchored in the shallow waters of Georges Bank, Nantucket Shoals, or New York Shoals, like the Texas Towers of the 1950s.

The windmill towers would be grouped into eighty-three clusters of concentric circles, each three and one half miles in diameter, with every tower in a cluster one quarter mile from its closest neighbors. Each cluster, or unit as Heronemus has labeled them, would contain 165 windmills, and would cost a bit more than \$205 million, installed.

The circular units would be arranged, in turn, along three north-south lines to catch the prevailing westerly winds. The innermost line, 164 nautical miles long, would begin some thirty-eight nautical miles north of Race Point, near Provincetown on Cape Cod. At a point about ten miles north of Race Point, out of sight of land, the line of windmills would curve to the southeast along the Cape's outer beaches, still out of sight, then would head due south again about thirty nautical miles east of Nantucket, finally ending at the edge of the Continental Shelf some sixty-five miles southeast of Nantucket.

The second line, ninety-five nautical miles long, with 4,455 windmills in twenty-seven circular clusters, would begin about ninety nautical miles east of Truro, on Cape Cod, and would run due south to the edge of the Continental Shelf. The third line, sixty nautical miles long with 2,805 windmills in seventeen clusters, would be constructed sixty miles east of the second line, or about 150 miles off Cape Cod.

But what good are 13,695 windmills if the wind stops blowing?

Heronemus has an answer: use the electricity from the windmills to break down sea water into hydrogen and oxygen. The oxygen could be released as a harmless byproduct, and the hydrogen could be stored in a deep-water tank farm. Then, when the wind dies down, the hydrogen could be released, pumped to shore, and used to make electricity in a device called a fuel cell which converts the chemical energy in hydrogen gas into electrical energy, rather like a battery.

Would 13,695 windmills interfere with navigation?

"Hogwash!" Heronemus replied in a paper published in 1972 by the Marine Technical Society. "Navigation as practiced by the typical New England fisherman would profit from this scheme—they have always wanted street markers and signs to compensate for their inoperative compasses and navigational [in]competence."

Is it legal to erect 13,695 windmills beyond the territorial limit?

"There will be a group of bleeding hearts who will feel we must consult with such major maritime powers as Malta and Tanzania before we have the right to proceed with something like the Offshore Wind Power System," said Heronemus in his 1972 paper, dismissing the thought that America cannot do whatever she wants with the Continental Shelf—including drilling for oil or building windmills.

But is this grandiose scheme technologically feasible? To a surprising extent, it is. The last decade has seen tremendous strides in ocean engineering, as man turned increasingly to the sea for new sources of oil, food, and raw materials. Aerodynamics and materials research have provided the metals and the know-how to build hurricane-proof windmills.

The Achilles' heel of the Offshore Wind Power System is the hydrogen storage and fuel cell technology. Hydrogen research ended when the German zeppelin *Hinden-*

burg exploded at Lakehurst, New Jersey, and was not resumed until very recently, when engineers began to realize that the world is running out of natural gas and began searching for a replacement. Major experiments are now underway at United Aircraft in Connecticut and at Brookhaven National Laboratory on Long Island, but large-scale hydrogen storage and fuel cell use will probably have to wait for at least another decade. When it is perfected, hydrogen may emerge as a nearly perfect fuel—recyclable and nonpolluting.

But William Heronemus is not about to wait.

"Offshore Wind Power System has a future not a past," he wrote in 1972. "How much is the United States willing to spend to solve massive pollution problems at their source? How much of a bonus in reduced costs for electricity is the United States willing to accept as a prize for abandoning some of our current plans, some of our investment, and insisting on pollution-free power sources? The Ocean Engineers are ready to lead the way down the road to that goal whenever the public, the government, and the industry are ready to get underway."

A few years ago, quixotic talk like that would have meant a quick trip to academic oblivion. Today, it has made William Heronemus something of a national celebrity, a source of information for countless academicians, and a minor cult hero to the hundreds—perhaps thousands—of Americans who are cutting the ties that bind them to utility companies and are turning to the sun and the wind.

A few years ago, William Heronemus was virtually alone in the windmill business. Today, he may be eclipsed by bigger and more prestigious names—the University of Michigan, the California Institute of Technology, the National Aeronautics and Space Administration, General Electric, the Grumman Aerospace Corporation—that have begun to study windmills.

William Heronemus grew up in Lancaster, Wisconsin, the seat of Grant County, twenty-five miles due north of Dubuque, Iowa, twenty-seven miles southeast of Prairie du Chien, and approximately 875 miles from the ocean. Yet William Heronemus always knew that he wanted to be a naval officer.

"I will never know why," he says now. "But it was absolutely clear. You just get tired of looking at cornfields."

Heronemus got his chance in the spring of 1938, when populist Senator Robert E. La Follette held his annual competitive examination for prospective military officers. The competition was tough in those lean years, and there were 1,200 applicants for one appointment to the Naval Academy.

William Heronemus won.

He left Wisconsin that summer, headed for the sea with a railroad ticket to Annapolis, Maryland and one hundred dollars in spending money his sister had given to him.

While Heronemus was a midshipman, someone in Annapolis had a small sailboat with a propeller mounted on the mast. The propeller was connected to an underwater screw via a shaft, and the little boat could sail directly into the wind. Other sailors around the mouth of the Severn River insisted that the boat had a storage battery hidden on board, but it did not.

Heronemus, who was interested in naval architecture and yacht design, and had devoured most of the standard texts on the subject, was fascinated by the little boat. But the world was moving too fast for idle dreaming, and the little sailboat was soon forgotten. It would be more than thirty years before Heronemus thought of it again.

The young sailor was driving home to Wisconsin after his first trip to sea, aboard the old USS *Texas*, when he heard the news that

Hitler had invaded Poland. Winston Churchill's voice caught up with him on a moonlit night in Ohio.

When the war ended, Heronemus returned from destroyer duty in the Pacific and was sent back to school to study marine engineering and naval architecture at the Massachusetts Institute of Technology.

"MIT was not as pleasant as the Academy had been," he says. "A lot of the work there was very, very difficult, but there was nothing I couldn't handle quite nicely." (William Heronemus' friends say he has never lacked self-confidence.)

At MIT Heronemus first became interested in energy technology. He began to study the principles of gas turbines, which are twentieth-century descendants of windmills. Modern windmills, in fact, are often called wind turbines.

Heronemus showed an aptitude for turbine technology, and the Navy offered to send him to Switzerland to study for a doctorate in fluid dynamics. But Heronemus said no: he had found the calling that would occupy the next fifteen years of his life. Not until twenty years later, after he had retired from the Navy, would he return to the study of turbines, somewhat embarrassed that he had never earned his PhD.

After MIT, the young design officer was stationed at the Portsmouth Navy Yard when, in 1948, Admiral Hyman G. Rickover approached the Yard with a startling proposition. Rickover wanted to build a nuclear-powered submarine.

Heronemus did not think much of the idea at first, but with typical open-mindedness, he began to study the subject. As he did so, the facts persuaded him that Rickover was right.

"I pooch-pooched the idea of nuclear submarines," Heronemus recalls. "But as time went by I began to see that it made damn good sense."

Then a lieutenant commander, Heronemus was put in charge of ordering all the steel for the world's first nuclear submarine, the USS *Nautilus*, which was launched in 1954.

By 1955, Lieutenant Commander Heronemus was managing the largest ship-design shop in America, the Mare Island Navy Yard in California, where the Navy was building the world's first missile-carrying submarines.

His strong convictions occasionally caused trouble, but Admiral Rickover bailed him out.

"Rickover recommended that I be given a medal for telling my superiors to go to hell," Heronemus recalls, grinning.

At Mare Island, Heronemus decided that he wanted to go to work for Rickover, who had emerged as the nation's most forceful advocate of nuclear power, both for ships and for commercial electric power plants.

"I got a message that if I asked Rickover for a job I might very well get one," Heronemus says. "I went back to Washington and walked all the way to his door in the old wooden building behind Main Navy. I got all the way to his secretary's desk. Then, for the first time in my life, I completely clutched up."

"I guess I've never really understood why," he muses. "I guess it just wasn't meant to be."

At the age of forty-five, Captain William E. Heronemus left the Navy. He was, he says, deluged with job offers, and took a position with United Aircraft in Farmington, Connecticut, where engineers were studying the possible use of hydrogen to generate electricity.

Although Heronemus was unaware of it at the time, the pieces of his windmill proposals were beginning to come together. All that was missing was a catalyst, a spark to start him thinking.

On November 1, 1968, Heronemus came to Amherst to start an ocean engineering program at the University of Massachusetts.

He had thought that perhaps he would enjoy teaching, and had been recommended for the job by an old Navy man, Dr. Frank Andrews, who was a professor at Catholic University.

Heronemus arrived in the middle of a burgeoning row over Northeast Utilities' plans for nuclear reactors in the Connecticut River valley.

"At one point" Heronemus remembers, "The plans called for completely stopping the river's flow."

The seed was planted.

Heronemus began thinking about energy, and the University began thinking about applying for a National Science Foundation research grant under a new multi-disciplinary program called Research Applied to National Needs (RANN). Dr. Jesse Denton of the University of Pennsylvania, then with the NSF, gave Heronemus and his colleagues some free advice. Energy, said Denton, was the prime problem nobody was working on.

While some faculty members proposed building floating offshore nuclear reactors—an idea Heronemus supported—Heronemus' thoughts had turned toward more unconventional sources of energy. He remembered the wind pumps that had been used to pump water in rural Wisconsin, he remembered the propeller boat at Annapolis, and he began to study the wind research done by German scientists in the 1920s and '30s, after the Treaty of Versailles prohibited German aerodynamic studies of aircraft.

Perhaps only a country boy who had learned to trust nature, to wait for the sun to ripen the corn, and for the wind to bring the spring rains, could turn his back on two hundred years of technological progress and begin a serious study of windpower. City boys cannot tell which way the wind is blowing, and put their trust in coal or oil.

While other men would have agonized as they thought back over all those years in the very bosom of the nuclear power establishment, William Heronemus simply moved on, with a rare sort of open-mindedness about comparing nuclear reactors to windmills.

As he proceeded, studying windmills on the one hand and nuclear power plants on the other, the windmills began to win out. He knew that the economics of nuclear power were beginning to fall apart—the Vermont Yankee plant at Vernon, Vermont wound up costing four times the original estimate for its construction. Then Heronemus began to read about safety and environmental problems: loss-of-coolant accidents, plutonium production, radioactive-waste-disposal problems. He remembered the quality-control costs of naval reactors—thirty per cent of the direct labor costs at Portsmouth were quality control.

The vast disagreements between respected atomic scientists, people like Edward Teller on one side and Arthur Tamplin or John Gofman on the other, troubled him.

"The science isn't that goddamn abstruse—or is it?" he asked. "Engineering isn't like that. By golly, there are just too many unanswered questions," he finally decided.

The politics of energy also troubled Heronemus. Like Senator La Follette, who sent him to Annapolis, he is a populist at heart, and he didn't like the way the big utility companies had decided that nuclear power was just what New England needed.

"I decided," he says, "that there indeed is a conspiracy. The utilities and energy companies are going to get us hooked on nuclear power, then they're going to drive the price up wherever it will go. And who are they? They are the same friendly souls who are selling us coal and petroleum products."

The answer at last became apparent. Man, in order to free himself from dependence on earth's waning natural resources and the monolithic energy companies that peddle them, must return to the solar system's renewable resources. Ultimately, that means

some form of solar energy—either rooftop heat-collectors, massive "sun farms" to generate electricity, or devices to harness the differences in air temperatures that create the winds.

"We have got to show ourselves," says William Heronemus, "that we can have solar power now."

It is a typically American expression of confidence: if we will just put our noses to the grindstone, we can do what must be done. At the same time, though, William Heronemus, a product of Grant County, Wisconsin and the United States Naval Academy, is a revolutionary.

He would have us abandon our traditional battle with nature, our traditional quest for more oil, more coal, and more uranium; he would have us forego deeper wells, bigger mines, and more efficient strip-mining machines. Instead, he says, let the sun light your neon signs and let the wind turn on your electric toothbrush.

COMMENCEMENT ADDRESS

HON. MATTHEW F. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. McHUGH. Mr. Speaker, on June 21, 1975, Thomas P. O'Connell, associate professor of English at the State University Agricultural and Technical College at Delhi, N.Y., delivered a brief but impressive commencement address to the graduating class at Delaware Academy and Central School in Delhi. Professor O'Connell addressed many of the issues which concern this country today, and he had many interesting observations to offer. I would like to share Professor O'Connell's address with my colleagues and insert it in the CONGRESSIONAL RECORD at this point:

COMMENCEMENT ADDRESS, DELAWARE ACADEMY, DELHI, N.Y., JUNE 21, 1975

(By Thomas P. O'Connell)

Ladies and gentlemen of the class of 1975 and Friends, I am happy and honored to be here.

It seems a mandate of the universe is growth—

The human life span is longer.

Knowledge increases at a dizzying rate.

Gross National Products are usually going up.

We have a greater ability than ever before to feed people as well as to kill them.

If profits don't increase, a company (under many systems) folds.

If an economy doesn't expand, it may collapse.

A vital concern today is whether or not our limited physical space and resources can maintain this constantly increasing rate of growth. If the universe and man in particular must grow—how do we resolve the problem? Perhaps we first have to examine this notion of growth—what is it? Growth toward? Growth from? Growth into? Is it necessarily three dimensional? Is future technological expansion desirable?

It at least seems obvious that a distinction might be made between technological advancements which are necessary to a higher quality of life (medical and dietary, e.g.) and those which are merely conveniences or entertaining, unnecessary to live a full life—and then some means developed to follow up on this distinction.

It is difficult perhaps for an individual person to feel important in a world of such rapid change.

A world so complex—with its hierarchy of bureaucratic structures and multi-national conglomerates.

A word so impersonal—with its management by objectives, group think and government by committee.

A world so paradoxical—with ever increasing collective power and technology almost in direct proportion to decreasing personal power and fulfillment.

And yet each of you is important—you are unique. You can make a difference.

Man (man and woman) has an intellect; he makes choices. He has an imagination.

Consider the stars—it might seem awesome even frightening as you glance up at the countless numbers of them in numerous galaxies and yet you are aware of these stars and planets—they are not nor can ever be aware of you.

Man can internalize (in a metaphysical, spiritual sense) his growth, if he chooses. There are no limits to this development. In fact, external expansion, because of physical limitations will eventually collapse without internal support.

Up to this point in history the thrust of development has been quantitative—perhaps now the emphasis must be on a qualitative enrichment. This internal qualitative becoming will enable man to live without many of the unnecessary technological innovations which are becoming increasingly hazardous to life on this earth and at the same time man's internal growth might make him more willing to share those goods already available through technology—again decreasing the need for additional external development.

Ladies and gentlemen of the class of 1975, you are faced with this problem. You have the privilege and the responsibility of choice—you can make a difference. You can make a difference whenever you decide to grow internally and the decision touches someone else.

I call this the one man revolution.

Don't expect immediate or even visible results—but don't despair. The answer does not lie in running off to the mountains with three Herman Hesse novels, a sixpack and two John Denver records to await the end of the world.

The answers are complex and elusive—but begin by saying "yes" daily to the challenges of our aware existence. And then you might try the following:

First—*Know your limitations.* Come to grips with who you are and then accept yourself as being less than perfect. You must be honest—you must try your best and then live with what that is. When we accept ourselves, we have a better chance of tolerating others. Tolerance is significant. To love others certainly is an ideal to be pursued but if we can at least learn to tolerate others we have accomplished much.

Second—*Be imaginative.* Refuse to see reality only the way others tell us it is. Walter Cronkite, Dick Cavett, and other noted public figures don't have a corner on the market.

Look beyond the immediate—beyond what appears to be—to dream about what might be. Challenge the desperate.

Don't accept the old clichés and shibboleths: That man is basically evil; That war is inevitable; That we must always have the starving among us; That we must have nine million unemployed.

Test your creativity in every situation: In your relationship with the earth; with other persons; with your God.

Continually ask yourself—how do I and can I love thee? Let me count the ways.

Third—*Try to be happy.* Not silly, nor phony but genuinely attempt to get the most out of every situation and share that enthusiasm with others. There is an old saying which reflects this well: "I have bread, but you have given me red roses—how happy I am to hold both in my hands."

As you accept yourself and imaginatively try to be happy, you will make a difference for you will be growing inside. And like Tevye, you will be able to salute "To life" for you will have chosen life.

IN MEMORY OF FORMER GUAM SENATOR UNDERWOOD

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 8, 1975

Mr. WON PAT. Mr. Speaker, I was greatly saddened to learn recently of the passing of my good friend, Raymond Underwood.

Ray and I were lifelong associates and served together in the Eighth Guam Legislature. In the late 1950's Senator Underwood led an early movement to form a Republican Party on Guam, and made many other contributions to the Guam political scene. Senator Underwood will also be long remembered for his dedicated service to the people of Guam for his work on various civic and charitable organizations.

The almost endless listing of his many contributions only tells part of the story of this great man. However, equally important was the fact that Ray was a good friend and a proud family man. His dedication to the cause of good government was unflinching and the proud tradition of honesty and public service he left behind will long be remembered.

Ray left behind him his beautiful wife, Anna, daughter Rosemarie Silva, and son James, who has followed in his father's footsteps by serving in the present 13th Guam Legislature. I am sorry to know that Ray is no longer with us. His counsel and friendship will be sorely missed by all his many friends on Guam.

At this time I include in the RECORD the October 5, 1975, newspaper account of Senator Underwood's passing.

Thank you.

The article follows:

[From the Sunday News, Oct. 5, 1975]

EX-SENATOR RAYMOND UNDERWOOD DIES

Raymond Underwood, long an active civic leader and a senator in the 8th Guam Legislature, died yesterday morning at Guam Memorial Hospital after a long illness.

He was 59.

Underwood served in the 8th Legislature as a member of the Territorial party, predecessor of the Republican party here. His son, Sen. James Underwood, serves in the 13th Guam Legislature as a Republican. In the late '50s Raymond Underwood helped lead a movement to form a Republican party on Guam, but the group was unsuccessful.

A daughter, Rosemarie Silva, and four grandchildren also survive.

Underwood was the founder and president of Marianas Sales. The retail firm was founded in 1946 and the first store was in unused military quonsets in Tamuning, at the time considered by many to be a rather remote area.

The Tamuning location was successful, however, and later years saw the area build into one of Guam's largest commercial districts.

Heavily damaged by Typhoon Karen, Marianas Sales moved to Agana in 1963. Al-

though it was the capital, Agana had few businesses at the time and, according to his son, Underwood later felt he had helped pioneer another business area.

"It was pretty empty down here for a while," James Underwood said in remembering the store's first years in Agana. "We first thought we'd built too big a store, but later wished it had been bigger."

The son of James H. and Anna Martinez Underwood, Raymond Underwood was born May 30, 1916. He graduated from Guam Evening High School in 1933 and was married in 1939 to the former Anna Torres.

During the Japanese occupation of Guam in World War II Underwood worked as a supervisor in the rice fields. After the war he was active in military activities and worked at the hospital in Apra Heights and as an assistant administrator at the port.

His service to civic and charitable organizations included four terms as president of the Guam Rotary Club. He also was a past president of the Chamber of Commerce and of the Guam Council of the Boy Scouts of America. He was a former chairman of the Guam chapter of the American Red Cross, former chairman of the Territorial Parole Board, a former member of the 3rd Air Division Civilian Advisory Council, chairman of the 1957 Liberation Day festivities and a member of the Elks and the Parent-Teacher Association.

Funeral arrangements are incomplete but services are to be Wednesday at the Agana Cathedral with burial at Pigo Cemetery.

Rosary is being said nightly at the cathedral after the 7 p.m. Mass.

DUPAGE COUNTY EXPLORERS

HON. JOHN N. ERLBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. ERLBORN. Mr. Speaker, a group of high-school-age young men and women in DuPage County, Ill., have recently accomplished a feat usually reserved for highly trained and experienced law-enforcement officials.

Explorer Post 683, sponsored by the Naperville Police Department, assisted the Federal Bureau of Investigation in a search of the DuPage River for more than \$500,000 in stolen checks.

A local newspaper described what happened:

The Explorers, armed with rakes and drag lines, waded in thigh-deep water and mud for almost an hour before Explorer Dirk Wolgast pulled up the partially-decayed canvas bag containing the checks.

This feat is significant because it is not unique. In the spring, the Explorers were involved in a search for an elderly woman lost and wandering in a rural part of the county. During the summer, members of the post revived and transported an electric shock victim to the hospital. Last fall, members traced down a local rumor, developed it into hard evidence, which led to the arrest and conviction of a felon responsible for three Wisconsin burglaries.

I applaud the accomplishments of Post 683, as well as the worthwhile projects of the 42 other Explorer posts in DuPage County. Their deeds have benefited all of the residents in the 14th Congressional District.

HUNDREDS OF MILLIONS OF DOLLARS IN SAVINGS POSSIBLE IN MEDICARE KIDNEY DISEASE PROGRAM

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. VANIK. Mr. Speaker, recently I received a response to a letter that I had sent to Dr. Willem J. Kolff concerning the comparative costs of home dialysis and institutional dialysis for patients suffering from end stage renal disease. Dr. Kolff is a former Cleveland resident who is world famous for his work on medical equipment and artificial organs. Dr. Kolff has provided us with a detailed cost breakdown which illustrates that home dialysis is between \$5,000 and \$10,000 less expensive than institutional dialysis the first year and between \$8,000 and \$13,000 less expensive each additional year.

The cost figures listed below for home dialysis include those items which are not covered by Medicare, but are still a necessary part of the dialysis procedure. Home dialysis, including training for home dialysis, installation of equipment, a starter kit, supplies, and equipment rental, comes to \$12,898 the first year, but drops to \$10,044 thereafter. Institutional dialysis at a limited care facility, however, would cost \$23,400 per year.

At present there are approximately 20,000 patients on dialysis, 30 percent of whom are being treated in their homes. A panel of physicians appearing before the Oversight Subcommittee in July, whose practices ranged from 20 percent on home dialysis to a high of 80 percent, were in agreement that a level of 50 percent of dialysis patients in home dialysis is medically feasible. If such levels were achieved, then according to the cost estimates provided by Dr. Kolff, over a 10 year period the Medicare program would save approximately \$522 billion. It is also assumed that the number of patients on dialysis will rise to between 50,000 and 70,000 by 1984. If 50 percent of this larger patient population can be treated at home, the 10-year cost savings will be over a billion dollars.

It has been predicted that Medicare's end stage renal disease program will soon be costing the Federal Government close to \$1 billion a year; some estimates are closer to \$2 billion. Mr. Speaker, there is tremendous potential for cost savings with Medicare's kidney disease benefits program through home dialysis. The Oversight Subcommittee is currently engaged in holding a series of hearings to determine the most appropriate way this can be achieved.

Following is Dr. Kolff's analysis of potential cost savings:

COST COMPARISON OF HOME DIALYSIS VS. CENTER (LIMITED CARE) DIALYSIS

FIRST YEAR COSTS Home Dialysis

Training for home dialysis: Average of 6 weeks x 3 dialysis per week x \$190 (includes routine lab work, dietitian and medical coverage) ----- \$3,420.00

Installation of equipment ----- 450.00
Starter kit ----- 170.00
Subtotal ----- 4,040.00

Supplies (including on-call technician and doctor): Kits at \$46 each x 3 dialysis per week x 46 weeks ----- 6,348.00
Equipment rental (including parts and service): RSP, single needle, etc. \$239 per month x 10.5 months ----- 2,510.00

Subtotal ----- 8,331.00

Total home costs first year ----- 12,898.00
If paid technician is required: \$35 x 3 dialysis per week x 46 weeks ----- 4,830.00

Total home costs first year with technician ----- 17,728.00

Center Dialysis

\$150 x 3 dialysis per week x 52 (excluding professional fees) ----- 23,400.00

COST COMPARISON OF HOME DIALYSIS VS. CENTER (LIMITED CARE) DIALYSIS

AFTER FIRST YEAR

Home Dialysis

Equipment rental: \$239 per month x 12 months (including parts and service) ----- \$2,868

Supplies: \$46 x 3 dialysis per week x 52 weeks (including on call technician and Doctor, Social Worker, Dietician, etc.) ----- 7,176

Total ----- 10,044

If outside paid technician is required: \$35 x 3 dialysis per week x 52 weeks ----- 5,460

Total with paid technician ----- 15,504

Center Dialysis

\$150 x 3 dialysis per week x 52 weeks (excluding professional fees) ----- 23,400

NOTE.—If equipment is purchased rather than rented, the first year costs are increased by \$3,226. After the first year, costs would be reduced by \$2,868, but would incur costs of service and parts.

SUPPORT OF BIOMEDICAL RESEARCH

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. CARTER. Mr. Speaker, the following statement describes the action taken by the American Medical Association House of Delegates at its June 1975 annual meeting held in Atlantic City:

SUPPORT OF BIOMEDICAL RESEARCH (Reference Committee E, page 371)

HOUSE ACTION: ADOPTED

In 1967, the American Medical Association's recognition and support of the national biomedical research effort were expressed when the House of Delegates accepted the *Report of the Commission on Research* and adopted the recommendations contained therein. Of the report's fifteen recommendations dealing with various aspects of biomedical research and education, the first two, and the most important, were as follows:

1. "The American Medical Association should support in general the Federal bio-

medical research program." This sentence was qualified by the proviso that the Association should assume obligation for a continuing critical discussion and analysis of the program.

2. "The Programs of the National Institutes of Health should be recognized for their contributions to the national biomedical research effort."

In adopting in 1967 the recommendations of its Commission on Research, the American Medical Association took an affirmative view of federally funded research in medicine and biology. The condition of biomedical research in the United States in 1974 is warrant for the Association once again to declare itself on this subject. Only a decade ago biomedical research was one of the nation's most vigorous and splendid scientific endeavors. Now it is seriously faltering, having been victimized by inadequate federal funding, by budgetary imbalances dictated by expediency, by restricted and uncertain programs for training researchers, and by an increasing political presence among administrators or, and advisors to, the National Institutes of Health. To reverse these trends, a mere allocation of more monies to research in general will not suffice. Rather, corrective measures will entail specific and dedicated efforts to shore up each of the several levels of biomedical research. These include research that has as its objective the acquisition of basic knowledge, whether or not it bears any known relation to a disease, clinical investigation that may be either fundamental or applied, and, when conditions are appropriate, targeted research. An adequate pool of manpower to carry out the necessary tasks must also be assured.

Because of its conviction that biomedical research is one of the cornerstones on which good health care rests, the American Medical Association wishes to endorse and promote the following principles:

1. The support of biomedical research is the responsibility of both government and private resources. The federal government, for its part, must sustain, with high priority, major appropriations to all federal agencies that have responsibility for the support of biomedical research, including training for this research. Such support is warranted not only for humanitarian but also for economic reasons. The cost benefits of medical research are dramatically illustrated by the investments made in virus research that led to several effective vaccines against infectious disease. At today's hospital costs, for example, the nation saves \$2 billion per year because of the vaccine against poliomyelitis. Equally large savings have resulted from chemotherapy for tuberculosis. Indeed, it has been suggested that one dollar invested in research saves many dollars in subsequent medical care costs.

Inflation and increasingly sophisticated technology have increased medical research costs dramatically. It is inappropriate to compare today's research expenditures with those of an earlier period in absolute dollar amounts. Government appropriations and authorizations for biomedical research and training must take these factors into account; at a minimum, support for research and training should be established and sustained at a level that will bear some consistent relation to the nation's total expenditure for health.

2. The National Institutes of Health must be budgeted so that they can exert effective administrative and scientific leadership in the biomedical research enterprise. It is important that enabling legislation ensure the economic independence of the Institutes. The prerogatives and non-political nature of the NIH director, the Institute's directors and the advisory bodies must also be protected. Strengthening the independence of the Institutes, however, does not preclude changes in the overall NIH structure, or that of the com-

ponent Institutes, which must be flexible and accommodate to new needs.

Funds appropriated and released for the direct support of extra- and intramural research must be adequate and reasonably assured from one budget year to the next.

3. An appropriate balance must be struck between support of project grants and of contracts. Significant, basic discoveries will continue to evolve from independent, investigator-initiated research, the type of imaginative discoveries that ultimately led, for example, to the development of poliomyelitis vaccine and of streptomycin for treating tuberculosis. Thus a majority of the money designated by Congress for research should be awarded by the grant mechanism, ranging from broad institutional to individual project grants.

On the other hand, the contract mechanism is entirely appropriate for a number of objectives, particularly when a discovery is to be exploited and developed. Moreover, studies in the public interest may justifiably be designed and proposed by granting agencies. The contract mechanism should, however, attempt to make use of external peer review to the greatest extent feasible.

4. Federal appropriations to promote research in specifically designated disease categories should be limited and made cautiously. Concentrating research funds in one disease area, such as cancer, may not be beneficial either to the total biomedical research effort or even to cancer research itself.

5. Funds should be specifically appropriated to train personnel in biomedical research. Without adequate numbers of personnel trained in both basic and applied biomedical research, new discoveries for the prevention and care of disease will be unlikely. Indentured service, or financial or other penalties that encumber the use of research training funds by either institutional or individual awardees, are undesirable.

6. Grants should be awarded under the peer review system that has functioned so effectively for over two decades. The study sections composed of peers that evaluate scientific merit and the judgments of councils on relevance and priority have proven to be sound. Until a more effective or more fair system is devised, no shortcuts should be made in the present system under the pretext of economy.

7. The roles of the private sector and of government in supporting biomedical research are complementary. More vigorous and more venturesome investments in biomedical research by industry and foundations is indicated to balance the necessarily routinized and bureaucratic contributions of government. Conversely, government should encourage and facilitate research support by the private sector. Changes in the tax laws that might jeopardize research funds in the private sector should be opposed. In addition, mechanisms should be developed to integrate the programs underwritten by public and private funds to prevent waste and unnecessary duplication of effort. Such integration should, however, be entirely voluntary and not obligatory.

8. Although the AMA supports the principle of committed federal support of biomedical research, the Association will not necessarily endorse all specific legislative and regulatory action that affects biomedical research. The Association will study legislative proposals closely, weigh priorities, examine past and current developments, and will be prepared to offer suggestions for improvement, or even to oppose what appears as unwarranted or disadvantageous.

9. To implement the objectives of section 8, the Board of Trustees will establish mechanisms for continuing study, review and evaluation of all aspects of federal support of biomedical research.

10. The American Medical Association will accept responsibility for informing the pub-

lic on the relevance of basic and clinical research to the delivery of quality medical care. It is important that the public be familiar with the goals and methods of biomedical science so that the people and their representatives can effect sound scientific policy.

ADDENDUM—SUMMARY OF RECOMMENDATIONS OF THE COMMISSION ON RESEARCH (1967)

1. The American Medical Association should support in general the Federal biomedical research program. However, because in the public mind research tends to become enshrouded in such an aura of divinity as to exclude critical discussion and analysis of all that is advanced in its name, the AMA has an obligation to the public and to the medical profession to question any facet of the Federal biomedical research program which it may believe to be ill-advised or which it believes to be in need of constructive counsel.

2. The programs of the National Institutes of Health should be recognized for their contributions to the national biomedical research effort.

3. The Council on Medical Education of the AMA, in cooperation with other interested organizations, should be asked to make additional and progressive studies on the effects of research grants on teaching in medical schools. It should seek and recommend means for providing enhanced status and rewards for excellence in teaching.

4. The AMA should support responsible action designed to make available to selected schools of good potential, which have not developed adequate research establishments, special "development" funds to initiate or enlarge their research programs. These grants should also foster better geographical distribution of "centers of research excellence" among medical schools and universities.

5. The AMA should urge that the purpose of grants be identified precisely so that the Congress and the nation may know, with reasonable certainty, what is being supported, as a basis for future decision making.

6. To strengthen the review mechanism, membership on NIH study sections should provide for a sufficient rotation to ensure continuous infusion of new blood and to prevent the development of a monolithic, elite, decision-making "establishment." The same principles of rotation should apply to the Advisory Councils of the NIH. While due attention should be given to such factors as geographic distribution, the main consideration in appointing members to the Advisory Councils should be professional attainment and eminence of judgment.

7. A new statutory mechanism of overall review and counsel, in an advisory relationship to the director of the National Institutes of Health, should be established in order to assist in overall program planning and to provide additional checks and balances on program decisions. Membership on this advisory group should consist of men and women of demonstrated professional eminence and judgment. We believe the advisory body should have independent status, under law, to assure that its recommendations and actions will have their intended impact regardless of changes in administrative leadership.

8. Accountability for disbursement of public funds should be maintained, but this accountability should depend primarily on strengthening of administrative capabilities of educational institutions.

9. The AMA should urge and support legislation providing for Federal reimbursement of all allocable institutional costs of research projects authorized and funded by the Federal government.

10. The AMA should urge and support legislative and administrative action designed to shift more decision-making responsibility for biomedical research from NIH to participating research institutions. To this end, increased use of the "institutional grant" and

of the "program grant" should be actively supported. Developments relating to, or affecting, the mix of institutional, program and project grants to academic institutions should be carefully and continuously studied and analyzed for future guidance.

11. The AMA, in cooperation with other interested organizations, should conduct workshops and seminars of academic and medical school leaders and of those Federal administrators who grant and administer Federal research funds, to review mutual responsibilities and relationships, to conduct discussions of developing problems, and to develop new techniques for the better use and management of the vast Federal funds now being made available.

12. Because of the rapid changes which are occurring in the organization of medical practice and the financing of health care, research in the delivery of health care is of great importance and should be encouraged, provided it is conducted under proper auspices in accordance with sound research design and methodology.

13. The imbalance between biomedical research and education caused by the heavy, but desirable, Federal support of research should be corrected by supporting measures that will materially increase both private and public funds for the support of the educational programs of the medical schools. First, among these measures, a more liberal income tax treatment should be allowed to the donors of private funds for medical education to create increased incentives for them to contribute to medical education. Second, there should be allotted a greatly increased amount for operational expenses of medical schools, to be matched by those schools through private or local governmental sources. Every effort should be made to keep the Federal contribution on a supplemental basis and the AMA should not support legislation that fails to do so.

14. The basic principles presented by the pharmaceutical industry on June 1, 1965, before the Subcommittee on Patents of the Senate Judiciary Committee should be endorsed, namely:

a. Provision should be made, in substantially every case, for the grant or license of exclusive rights in a scientific medical discovery to some industrial concern to assure that drug inventions, even if resulting in some part from government-financed research, are really developed and made commercially available to the people.

b. When government funds have solely or primarily developed the invention, it is equitable and rational for the government to hold the proprietary rights to the invention and to receive reasonable royalties from a licensee, or from licensees, who will manufacture and commercially market the invention.

c. Where government funds did not solely or primarily produce discovery and development of the invention, the cooperating contractor-developer alone should have the proprietary rights in the invention.

15. The Board of Trustees should provide for a continuing watch and review of developments in the areas studied by its Commission on Research.

THE REPUBLIC OF CHINA CELEBRATES ITS NATIONAL DAY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. RANGEL. Mr. Speaker, on the eve of the 64th anniversary of the founding

of the Republic of China, I take this opportunity to salute our old and valued ally, and the Chinese people. On this national day we commemorate and remember the revolutionary movement led Dr. Sun Yat-sen which culminated in the overthrow of the Ch'ing-Manchu-dynasty in 1911 and the founding of modern, democratic China.

It is relevant for us to remember with our friends the inspirational leadership of Sun Yat-sen on this national day for this great Chinese leader typified the restlessness with the status quo that is the beginning of any movement for social change. The movement he began led, under the brilliant leadership of his disciple, Chiang Kai-shek, to be transformation of China from a backward, feudal society based upon traditional privilege to a democracy based upon individual talent and achievement. As we remember the spiritual and moral power of this great leader who died 50 years ago. We look toward the day when the Chinese people are reunited as a nation in the spirit of Sun Yat-sen.

STATES RETREAT FROM SAFETY AND HEALTH EFFORT

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. STEIGER of Wisconsin. Mr. Speaker, last spring the Wisconsin State Legislature decided to cease funding the State occupational safety and health program after almost 65 years of operation. This was an unfortunate decision for two reasons. First, Wisconsin had developed an innovative, active safety and health program. The abandonment of this program has removed the State from participation in a vital function.

Second, we are not confronted with Federal preemption, but rather abandonment of this activity to the Federal Government.

In that light, I commend to my colleagues an article which appeared in the September 21, 1975, New York Times. It has an important message to convey and I hope you will take a minute to review it. The article follows:

STATES SLASH INSPECTIONS ON JOB SAFETY (By Ernest Dickinson)

On the night of Aug. 29, water cascaded into a 600-foot-long sewer tunnel being completed at Niagara Falls, N.Y., filling it and drowning five construction workers. The next morning three compliance officers of the Federal Occupational Safety and Health Agency arrived at the scene to conduct an investigation. It is still going on.

A state labor department inspector had checked that tunnel every eight or nine days until July 1, when inspections stopped. The halt followed a decision by Governor Carey months before to take the state out of job safety, a field it had been active in for 85 years.

The move reflected a decision, as an economy measure, to let the Federal Government do it all after June 30. But the Federal agency does not make—and does not have the manpower to make—the repetitive inspections

conducted previously by the state labor department.

It is possible, perhaps even probable, that a checkup might not have anticipated the flooding that took place. Nevertheless, the fact that this precaution had been discontinued illustrates a question of nationwide concern:

Is it good or bad that an increasing number of states choose to let Uncle Sam carry the responsibility of policing job safety?

The switchovers are taking place despite the fact that the Federal Government, by paying half their costs, has been trying to induce the states to develop and run effective programs of their own—and one result has been an even greater dearth of manpower to administer job safety regulations.

The question of who is to do what to assure working people a safe environment has taken on an added urgency with the linking of cancer to on-the-job exposure to such substances as vinyl chloride, asbestos, uranium and plutonium.

The Public Health Service estimates that toxic industrial chemicals, dust, radiation, heat and cold kill 100,000 persons a year and are responsible for the development of occupational diseases in 390,000 more.

In Hopewell, Va., for example, 12 employees of a pesticide company were hospitalized recently with poisoning from Kepone, a lethal substance manufactured to kill fire ants and roaches. Some of the workers suffered liver damage; others, loss of memory, slurred speech, twitching eyes and trembling hands. It is unknown whether the damage proved permanent.

A reason why Congress in 1970 gave the occupational safety agency concurrent authority with the states, and put Federal officers with standards and muscle to work in both areas, was because in many places virtually nothing was being accomplished. A few states had only paper programs and no personnel.

But Congress also required OSHA to encourage states to develop and run their own job safety programs. These would have to be "at least as effective" as the stiff new Federal procedures.

Presumably, OSHA would approve detailed state plans then work in tandem with local authorities until each program's effectiveness was assured and finally, after enabling legislation had been passed, the agency would back off into a permanent monitoring role.

But, with the coming of hard times, even the 50 per cent Federal funding didn't seem as attractive to some states as letting the "Feds" do it all.

Under the law, 56 "jurisdictions" are eligible to have their own occupational safety programs—the 50 states, the District of Columbia, Guam, Puerto Rico, the Virgin Islands, American Samoa and the trust territories of the Pacific.

At present 22 of the 56 have federally approved plans. Seventeen more have indicated the hope of developing them, but 17 others are unequivocally out. Six never showed interest; Pennsylvania, Georgia, New Hampshire, Mississippi and Maine withdrew after submitting plans; and North Dakota, Montana, New Jersey, New York, Illinois and Wisconsin recently dropped out even though their plans had already been approved.

Some of these states, of course, keep a certain minimal safety responsibility where OSHA has no jurisdiction—such as in boiler and elevator inspection. But several don't even do that.

Obviously OSHA's mission now is a formidable one. American industry is not spending exactly lavishly on health and safety. According to a survey by the McGraw-Hill Publications Company, \$3.12-billion has been allocated for these purposes in 1975, representing a decline of about 10 per cent from 1974's outlay, after adjustment for inflation.

And OSHA is under attack from two directions. On the right, conservatives characterize the agency as an "inflexible bully" that is harassing business and impeding recovery. On the left, labor unions say the agency is underfinanced, (it will probably get less than \$115-million for the current fiscal year), and too soft on employers.

Since 1971, more than 100 different attempts have been made by both sides either to weaken or strengthen the law.

A focal point of conservative criticism is a procedure called "the first instance sanction." This means that if an OSHA person visits a plant for any reason whatsoever and finds a violation of standards, he is obliged under the law to cite the employer for a penalty if one is called for. This applies even if the condition is remedied on the spot.

Critics say that the small businessman, especially, should be given another chance, and the benefit of a warning first. Defenders of the present practice, on the other hand, maintain that human nature being what it is, some employers would always wait for an inspection before correcting conditions they knew, or should have known, were dangerous.

Because of OSHA's relatively small manpower, the threat of a no-knock inspection and mandatory penalty, it is claimed, does more than anything else to induce voluntary compliance. Many believe a healthy respect for the agency's clout is necessary to keep it functioning.

By contrast, in state programs inspections have been followed by warnings and then re-inspections, long court procedures and small fines. Meanwhile, dangerous conditions have gone uncorrected for months.

Currently, across the nation about three out of every four OSHA inspections turns up one or more violations.

"That fact doesn't give us any great satisfaction," says Alfred Barden, the chief Federal administrative officer for the New York-New Jersey region, where the averages are the same as nationally. "We'd like to turn those figures around. Our goal is to get employers to comply of their own accord."

This is true because it is, of course, impossible for OSHA to really police the nation's 5 million workplaces. It has been estimated that it would take the present 1,193 compliance officers more than a century to visit each establishment just once.

For that reason the agency has adopted a "worst first" policy. Places where accidental deaths or catastrophes with five or more injuries get top priority businesses where employees complain of hazards rank second.

Random OSHA inspections are made most often in industries with high injury rates—such as longshoring, meat-handling, roofing and construction. Other targets are those places where exposure is likely to such known health hazards as asbestos, carbon monoxide, cotton dust, lead and silica.

The American Federation of Labor and Congress of Industrial Organizations has been lobbying to have the Federal unit preempt safety policing everywhere, believing state programs too subject to manipulation by big business.

Some Congressmen who voted for OSHA apparently assumed that most, if not all, of the states would prefer to accept the responsibility for job safety within their borders.

But in both New York and New Jersey, more than three years of work and thousands of dollars went into such tasks as developing standards, deciding who would hear grievances and setting up administrative procedures. The states were well on the way to meeting the "at least as effective" criterion when they jettisoned their safety programs. For New York, Governor Carey estimates the savings from discontinuation at \$3.6-million a year.

Those who were administering the New York program, however, believe it would have been a better one than that of their watchdog agency.

"Our philosophy was to provide services," says one former state staff member. "For example, we would examine plans for industrial ventilation and say, 'Look, if you put in this system, it isn't going to remove the fumes properly.' OSHA doesn't do that."

Before New York let the "Feds" preempt its program, it had 450 people in the field. OSHA now has 171. To replace 200 in New Jersey, OSHA added 52. In Illinois about 90 people are taking the place of 230.

One official put it this way: "A state program that is 'at least as effective' as the Federal one with three times the manpower has got to be a better one."

But when a state decides not to conduct its own OSHA-approved program, the biggest gap of all occurs in the safeguarding of state, county and municipal workers. These number about 2 million in the United States. In terms of safety protection they are now second-class citizens.

The Federal agency is not empowered to cover them, although states with approved programs are. They must, in fact, provide a work environment as safe as that for the private sector.

Illinois, for example, had public employee under its umbrella until it dropped its program. A later attempt to get the legislature there to allot \$400,000 for a four-year plan to safeguard public workers failed.

New York has at least instructed its labor department to look into the need and report what should be done.

One of the most often heard criticisms of OSHA is based on the fact that none of its staff members can go into a workplace and advise an employer how to conform with the law without citing him for any violation found. The agency can promise only that if a person comes to its office for advice, no inspection will result from that call, and despite such assurances, some employers are wary.

To fill this need for on-site help, state labor departments can operate their own consultation service, sending men into plants to tell employers how they can conform with Federal standards. The Federal government will pick up half the cost. These consultants are by law completely divorced from OSHA.

Sixteen states have set up such an advisory system. New York, with a 50-person staff, has by far the largest such program. It receives about a quarter of the total Federal grant of \$5-million for this purpose.

Aside from the availability of advice, any small company likely to suffer economic hardship in complying with OSHA standards can get a Small Business Administration loan to make required improvements.

The question of which is better suited to become the guardian of occupational safety—the states or the Federal government—may be debated for years. The OSHA law as it stands allows the return of any state that changes its mind on setting up a local program. But the likelihood of such action in the near future is considered dim indeed.

TRIBUTE TO RABBI DOLGIN

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. WAXMAN. Mr. Speaker, as the great philosopher-physician Maimonides eloquently professed in his physician's credo, the art of healing is shared by

God and man. Therefore, it is most fitting that when the great new Shaare Zedek Medical Center is built in Jerusalem, that part of that center would include a synagogue, and when it came to honor an individual in connection with that synagogue, that the name of Rabbi Simon A. Dolgin would be so honored.

Rabbi Dolgin is a sensitive man of rare qualities. He personifies the ideal of rabbi in the fullest sense of the word. He is a teacher, a man of action to help the less fortunate, a man of compassion, a man of good deeds, a man to whom justice is more than a work. To him justice is a responsibility—justice for all people.

Rabbi Dolgin is celebrating his 60th year and 33 of those he spent as the spiritual leader of Beth Jacob Congregation, now established in Beverly Hills. The rabbi left his pulpit to retire in Israel, and become the Director General of the Ministry of Religious Affairs of the State of Israel, serving in that capacity for almost 3 years. Since March 1974, he has been special adviser to the Minister of Religious Affairs.

At the same time, he continues to be a rabbi. He serves the Ramat Eshkol community in Jerusalem, the first American-born rabbi to serve on any pulpit in Jerusalem.

Withall, he has maintained a constant interest in Shaare Zedek Hospital, a 102-year-old health care facility serving Arabs, Christians, and Jews regardless of race, religion or ability to pay. Shaare Zedek was the first hospital built outside of the walls of the old city.

This hospital caught the imagination of communities around the world which have provided voluntary contributions for its support throughout the years. The Israelis themselves gave it vigorous support within the limit of their means because of the tender human approach the staff held in the practice of medicine. It is the patients who called Shaare Zedek "The Hospital With a Heart" for their doctors treated patients as individuals, rather than treating diseases.

In the United States, the Western regional headquarters of this hospital is headed by Hershey Gold, general chairman; Sidney L. Klein, chairman of the board; and Peter Grant, executive director. They have now instituted the Jerusalem Award dinner which will be held October 26 at the Beverly Hilton Hotel. Mrs. Matthew Berman and Mrs. J. Louis Freilbrun have been named dinner chairmen. At the dinner Rabbi Dolgin will be presented the Jerusalem Award for his unique contribution to Judaism and to society throughout his years of selfless service.

A special Jerusalem Award Committee has been established. It is headed by David Shapell and Jack J. Bayer, two civic-minded business leaders who not only will make the presentation of the coveted award, but have undertaken the responsibility of continuing fundraising efforts even after the dinner to insure fulfillment of the goal needed to build the synagogue at the hospital.

Messrs. Shapell and Bayer are to be

commended for their dedication to a great rabbi who has given them and their community a new dimension to their spiritual activities. They have developed the Jerusalem Award Committee with a broad cross section of Jewish leadership in the Los Angeles community to honor Rabbi Dolgin.

It is a mark of special note that a rabbinic committee has been established under the leadership of Rabbi Maurice Lamm who succeeded Rabbi Dolgin to the pulpit. It is a measure of the esteem by which Rabbi Dolgin is held among his colleagues, that within days after the formation of the committee, 41 rabbis sought to join the committee to honor him.

Rabbi Dolgin was the valedictorian of the first graduating class of People's Junior College in 1931 and was ordained in 1939, after completing studies at the Hebrew Theological College. He earned a bachelor's degree at the Illinois Institute of Technology—Lewis Institute. He completed courses for doctorates at three graduate schools—University of Southern California, Hebrew Theological College, and Yeshiva University, and was awarded a doctorate at Hebrew Theological College of Jewish University of America in 1959. He was the rabbi of Beth Jacob Congregation from 1939 until his retirement in 1972.

Author, lecturer, teacher, he was the founder of Hillel Hebrew Academy in Beverly Hills which has become the largest intensive day school west of Chicago. He was a member of the Board of Directors of the Los Angeles Jewish Community Council and served as a member of the Jewish Welfare Board. He was also on the boards of the Big Sister League, Jewish Publication Society, Southern California Jewish Historical Society, and the Family-Adult Service Committee of the Community Chest. He served as national vice president and member of the executive board of the largest American rabbinic body, the Rabbinical Council of America. His list of credits goes on and on. In a word, Rabbi Dolgin is a man known more for his deeds than his promises.

Permit me to congratulate Rabbi Dolgin on his tremendous achievements which will be recognized on October 26, when Shaare Zedek Hospital presents its Jerusalem award to him. I also want to extend warm congratulations to this outstanding hospital in Jerusalem and its dedicated leadership in California for making this occasion possible.

ALTOONA MIRROR PINPOINTS JOURNALISM'S NEED

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. SHUSTER. Mr. Speaker, the Altoona Mirror, a responsible and respected Pennsylvania newspaper, carried an editorial on October 7, which

merits the attention of all thinking Americans.

The editorial follows:

JOURNALISM'S NEED—INTEGRITY

It is regrettable that journalism has allowed itself to be caught up in one of the great fad movements of the day, "social responsibility."

By this we do not mean at all to disparage social responsibility in its true sense, concern for fellow human beings.

Our criticism is of today's loose use of the words, which have become a mere slogan, demanding instant approval despite application or meaning.

It is used indiscriminately today by well-intentioned students, teachers, clergymen and editorial columnists, and also by such warped individuals as the members of the "Manson family," including Lynette Fromme and Sandra Good, and the "Symbionese Liberation Army," infamous in its Patty Hearst publicity.

One of the first problems journalism encounters on this issue is the slogan's controversial nature. For example, the moment one questions it, he is confronted by some libertarian who says, "Oh, so you're against people!"

Which, of course, simply does not follow. Today's vogue of social responsibility is contradictory, self-righteous and completely inconsistent.

The idea advanced in some journalism quarters today that the press must become more "socially responsible," and that it needs a supervisory agency to do so, inevitably would lead journalism, of whatever variety, straight toward loss of freedom of the press and objectivity.

The consequences would be disastrous. Journalism would cease in fact to be journalism, and would become instead a hybrid creature whose major purpose would become propaganda for causes, and opinion which would color its every word.

That the news media has come into increasing public censure and doubt is due almost solely to its adventure into partisan political ideology and its own conception of "social responsibility."

Since loss of personal integrity seems to have become a national affliction, it would not be just to center the criticism of the press on this issue. Yet, because it has become a national problem, as many believe, it also has affected the press, which has tended to pursue a course of no-holds-barred in the contest for public interest, a contest between the leading elements of the press, news service and metropolitan dailies, but equally with the great showmen of television newscasts.

There seems to be a movement to work completely out of freedom of the press, even while the press paradoxically, is talking so strongly defensively about it.

The nature of a responsible press, it seems to us, is just about what it was when it emerged in the early days of this century, following the development of the Associated Press, United Press and International News Service, and later United Press International, and the heyday of the great metropolitan dailies.

A code of ethics was adopted by the American Society of Newspaper Editors years ago, and editors exercised a responsibility—"social responsibility" if you prefer—that was a credit to the profession and to freedom. Editors, without coercion or any supervisory agency, delayed news of kidnappings and of international incidents during the war years that served the nation and humanity well.

In the last few years there has been a deplorable tendency among journalism's leading lights to set their own standards, depending upon the urgency of the moment.

All journalism needs, we believe, is a trend back to integrity and responsibility and a profession-wide awareness that the main

function of journalism and the news media is—news responsibility.

"I see journalism slowly marching into the sunset of authoritarianism under the banners of social responsibility," said Dr. John Merrill of the University of Missouri.

A BILL TO REGULATE COMMERCE

HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. MOSS. Mr. Speaker, I introduce for myself, Mr. DINGELL and Mr. VAN DEERLIN for appropriate reference, a bill to regulate commerce by establishing uniform test protocols for consumer products and for other purposes.

Mr. Speaker, it is axiomatic that an efficient free enterprise economy depends on the informed decisions of consumers. A knowledgeable consumer confronted with a choice between products of equal quality but unequal price will choose the less expensive product. Such discriminating judgments insure the lowest possible prices while rewarding efficient producers of goods. This is the key to our competitive system.

But information on the comparative merits of the thousands of products among which consumers may choose is scarce. In today's marketplace, being an "informed consumer" is difficult; it is becoming more so. As one economist has said:

The increasing complexity of consumers goods is constantly increasing (the Consumer's) ignorance.

Mr. Speaker, the twin phenomena of a proliferating number of products and products of ever-increasing technical sophistication has substantially weakened the independent ability of consumers to make the choices upon which the efficiency of our economy depends. Despite the clear need for information to allow consumers to effectively choose among competing products, our society has left consumers in the same position they were in during the era of "caveat emptor"—let the buyer beware.

In some ways, the law has acted to protect consumers from their inability to gage the quality and performance of products. Since careful observation and rough performance tests will no longer protect consumers from dangerous products, the law of tort has developed doctrines such as strict liability to insure that an injured consumer will have effective redress. We in the Congress in addressing this same problem created the Consumer Product Safety Commission.

But these reforms speak to safety, not the equally fundamental interest of a society which relies on competitive free markets to protect the effectiveness of those markets. For this critical societal interest, caveat emptor must be replaced with a program which will provide consumers with complete and comparable data on durability, performance, and cost of operation.

Today, consumers are forced to rely on substitutes for essential information on quality and performance. The most

important of these substitutes is advertising. Though advertising is an important vehicle for informing consumers of the choices available to them, it is often merely a vehicle for associating a particular product with youthfulness, vigor, or fun. In this latter role, the purpose of advertising is to establish in the public mind familiarity with particular trademarks.

Though "brand-name" products are often of the highest quality, consumer reliance on heavily advertised trademarks as an indicia of quality has a dramatic effect on competition. First, since the usual purpose of advertising is to establish familiarity with a brand name, quality or price comparisons are rarely made. Advertising may blur the comparative merits of competing products. Second, reliance on known trademarks favors a marketer who advertises and establishes his trademark as a household term. But the skills and financial infrastructure needed to effectively advertise have little or no relationship with the skills or capital required to produce a quality product. In fact, it appears that economies of scale in production are reached far sooner than they are in advertising. In an economy which relies on advertising as a principal source of information on quality, large companies are favored over small—a discrimination which I must emphasize has little or nothing to do with product quality.

The use of advertising as an indicia of quality imposes on potential competitors substantial barriers to entry into such lines of business. A company considering entry into a particular line of business must both produce a quality product and overcome consumers' tendency to rely on familiar brand names—a phenomena which is directly related to consumers' inability to judge the comparative merits of competing products.

Given consumers' reliance on advertising and trademarks as indicators of quality and the large economies of scale in advertising, it is no surprise that in every important consumer market three or four heavily advertised products dominate the market. According to the 1967 Census Bureau survey of manufacturers, the four largest manufacturers of laundry equipment accounted for 78 percent of the market. The same survey indicated that the four largest manufacturers of sewing machines claim 81 percent; of electric lamps—91 percent; of household vacuum cleaners—76 percent; and of household refrigerators and freezers—73 percent.

According to economists, concentration in consumer product markets costs us all a great deal. F. M. Scherer in his book "Industrial Market Structure and Economic Performance" estimated the costs of oligopoly market structures and other competitive breakdowns at \$87 billion per year. To these costs must be added the impossible to estimate costs of slowed innovation, often associated with weakened competition as competitors realize it is in their joint interest to protect investments in existing technology.

I believe that industry as well as consumers will benefit from a program which will put into the hands of consumers concise and comparable data on

durability, performance, and operating costs. A recent Federal Trade Commission rulemaking revealed the frustration of many manufacturers with the use by competitors of varying formulas for rating the power of high fidelity amplifiers. The choice of a single formula by the FTC insures that competitors compete on the same basis. Similarly, the capacity of refrigerators is computed in various ways. The result is that two refrigerators may be quite dissimilar in capacity but be designated as the same size. This serves no one.

The legislation which Mr. DINGELL, Mr. VAN DEERLIN and I introduce today goes to the core of the problems of which I have spoken—a lack of information in the hands of consumers. Under the provisions of this bill, the Federal Trade Commission, employing the expertise of the National Bureau of Standards, would develop and promulgate product testing protocols. These protocols would measure the objective performance characteristics of products. This information would then be provided to consumers in a concise and comparable form at the point of sale, prior to sale.

I submit that this program would greatly strengthen our competitive system. Further, it does so by strengthening the ability of consumers to make informed decisions on what they believe is best for them.

FISCAL POLICY

HON. ALLAN T. HOWE

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. HOWE. Mr. Speaker, it is difficult to trust the judgment of a man who, just a year ago was calling for tax increase to cure a recession and now has called for a substantial tax cut. His previous move was stopped by a conscientious Congress, and he then conceived a tax cut for wealthy people which the Congress changed to benefit the middle- and low-income citizens as well.

Recently, President Ford announced a massive program of tax and spending cuts of nearly \$28 billion. His support of tax reduction measures is contingent on congressional promises to set a ceiling of \$395 billion on Federal spending in fiscal 1977.

This most recent move by President Ford to reduce taxes provides another example, where none is needed, of a one-sided style of government by veto at which he has become so adept. By trying to tie Congress to a rigid and unrealistic spending ceiling seems almost an effort to usurp the legislative branch's ultimate weapon in a system whose "checks and balances" grow dimmer with increasing encroachments of executive authority. One cannot help but note the political implications this action brings forth and more importantly, the question of how wise this administration really is on crucial matters facing this country.

So far, Mr. Ford has labeled Congress as spend-thrifts by vetoing 39 bills under the guise of their "inflationary" nature. I do not like this "solo" brand of legislation which could be called "take my idea, or I'll veto yours," which runs contrary to the whole spirit of cooperation between the various branches of Government.

This latest proposal by the President is unrealistic particularly from the standpoint of the arbitrary choice of figures and certain never to be enacted without drastic changes in the recently adopted budgetary process. My major criticisms of Mr. Ford's latest proposal follow:

First. I object to the obvious political nature of these large tax reduction proposals because the benefits—increased money supply for the American people—will be realized before the November election and the cuts he asks for will naturally follow.

Second. The "condition" he imposes on Congress to reduce spending by a comparable amount would cancel out any beneficial effects the cuts would have in stimulating the economy.

Third. It is unrealistic and impractical to place restraints on the fiscal 1977 budget, at this time, with unforeseen needs and uncertain economic conditions. In fact, James T. Lynn, Director of the Office of Management and Budget, estimated that with just automatic growth in existing programs gaged at \$33 billion, the fiscal 1977 budget outlays would be approximately \$423 billion. The President's proposal demands a commitment to a ceiling of \$395 billion and while I want to cut the budget, this appears impossible in light of the figures. Thus, a \$28 billion reduction to hold 1977 spending down would necessitate cutbacks in existing programs and place a greater burden on the public as well as suppress new initiatives.

Fourth. The move also represents "bad judgment and faith" on the part of the President when recalling budget agreements and the timetable set by Congress and President Ford earlier this year to establish spending ceilings prior to adopting appropriation measures for the upcoming fiscal year.

Fifth. Further, I object to the arbitrary nature of the proposal. When the House Ways and Means Committee has been working incessantly on tax reform legislation they were not consulted or informed by the President of his proposals. A possible reaction to this plan would be to undermine the tireless efforts of this committee in concentrating on reforming the President's ideas and ignoring the comprehensive legislation they have compiled. Is this working together?

Sixth. The proposal represents poor planning in its vague directive to "cut spending" without specifying targets. Typically, the President has been reluctant to endorse defense cuts and urges cutbacks in important "people programs" such as child nutrition, food stamps, aging and housing.

It is important to approach complicated economic questions with balanced programs working on the simultaneous

fronts of taxation, unemployment and long-range economic recovery. The Congress is geared to such an effort as proven by the impressive tax reform package soon to be reported out of the House Ways and Means Committee. A reasonable approach is taken in areas involving tax cuts to stimulate employment and the economy; closing of tax loopholes to raise revenues; and elimination of costly "tax shelters" to strike an equitable balance between large and small taxpayers.

This legislation is the product of countless hours of hearings, where testimony and recommendations of experts from all reaches of the political spectrum was received. This is not a product of a single man's idea. It is a balanced, reasonable approach to a critical issue. We agree that something must be done and the Congress is now up the "how" stage. Let us not be distracted by the schemes of persons proposing a fiscal policy geared toward an election advantage.

U.S. CIVILIAN TECHNICIANS IN THE SINAI

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. FISHER. Mr. Speaker, in approving the bill, House Joint Resolution 683, to station up to 200 U.S. civilian technicians in the Sinai to monitor military activities in that troubled part of the world, the House has made a difficult decision. This decision, in my judgment, is better than the alternative of turning our backs on the request of both Israel and Egypt that the United States participate in the peacekeeping. The House action was given further urgency by the real prospect that without it the whole arrangement for defusing the potential explosion in the Mideast might collapse. There can be no certainties in this matter, but the U.S. commitment of the technicians seems justified in terms of the large gains toward peace that would be made possible and in terms of the very severe consequences that otherwise might ensue.

After seeking advice from knowledgeable persons in the 10th District of northern Virginia and others, and after considerable soul searching, I voted for the bill. Fortunately provisions of the bill guard against some major dangers: The technicians are to be withdrawn from their exposed posts at the first sign of outbreak of military engagement; technicians from other countries and the United Nations will also take part in the monitoring operations; as soon as possible the technicians, none of whom will be military personnel, will be removed; and the President is to report to the Congress and the American people every 6 months on how the operation is going.

Though containing some risks of escalation, I do not regard this proposal for a small number—200—of civilian technicians as analogous to the 15,000 military and U.S. paramilitary personnel

sent to South Vietnam in the mid-1960's. At that time the number was much larger, their presence was requested by only one of the antagonists—South Vietnam—active war was going on, and the general awareness in this country of the implications of later heavy involvement on our part was not present as it is today.

The part of the Israel-Egypt negotiation in which our Secretary of State has played a leading role that gives me the most hesitation and trouble is not so much the few civilian technicians, but the very large and continuing level of military assistance, either by grant or by sale, to both Israel and Egypt as well as to other countries in the Mideast. I insist that at least the general nature, major elements, and cost of all such commitments and semicommitments be made known to the Congress and the American people so policy decisions can be arrived at that reflect our best thinking and be truly in the national interest. I am not here calling for all details or for that small amount of information that should be confined to the International Relations and Armed Services Committees on security grounds. But I do advocate exposing to full public view everything else. Unless this is done it will be difficult to restore confidence of Americans in their Government and its policies. The implications of rapidly growing shipments of American military equipment to the volatile Mideast and to other parts of the world are grave indeed. Not only does this help to create conditions for devastating war, but also has an insidious effect on this country. Our Mideast ties will come to depend on large arms sales abroad and our people may come to accept this as a normal, expected part of American foreign policy.

SARASIN EMPHASIZES IMPORTANCE OF INLAND ROUTE

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. SARASIN. Mr. Speaker, as an ardent supporter of increased and efficient railroad passenger service as an integral part of a balanced transportation system, I am somewhat confused and disappointed by the failure of the National Railway Passenger Corporation—Amtrak—to recognize the value and profitability of rail service from New York to Boston via the inland route rather than the shoreline route.

In their quest for speed at the expense of service, they are ignoring the transportation needs of central Connecticut and Massachusetts. Amtrak is, thus, ignoring the presence of the population clusters at Meriden-Wallingford, Hartford, Springfield, and Worcester so that they can shorten the total travel time between New York and Boston by approximately one-half hour.

While I certainly can concur with Amtrak's desire for faster service, I do

not feel that they should do it at the expense of increased potential ridership.

I would like to include at this time an editorial which appeared in the New Britain Herald on October 1, 1975, which I feel concisely reflects my views on this subject, for my colleagues attention:

REDEEM INLAND

Why not run the trains where the people are?

You'd think that common sense logic would have appealed to Amtrak when it was deciding where America's passenger train routes should be located.

The inland route should have been designated the prime Boston to New York, via New Haven rail route, for example not the shoreline route. It serves a potential market of at least 1.1 million persons more than the shoreline route through Providence and New London.

Instead, however, Amtrak continues to prefer the shoreline route for a number of reasons, most of which could and should be modified.

But the inland route wasn't really ready when Amtrak was. The corporation seems to emphasize Speed over Service, commendable in other contexts but not here. Rhode Island has a lot of political clout on Capitol Hill. And then, track repairs were and are badly needed in Massachusetts and the Bay State balked at paying Amtrak the needed subsidies for operating losses. So Inland passenger service from Boston to Springfield was dropped knocking out a key segment of the inland route.

Now in lieu of subsidies, Massachusetts proposed to upgrade its inland railroad tracks, thereby allowing restoration of the Boston-Springfield passenger service. Rail advocates in this state suggest that to dovetail with the Massachusetts proposal, Connecticut undertake a similar repair and upgrading program between Enfield and Hartford, to make the whole Connecticut linkage from New Haven to Springfield a high-speed, first-rate segment of track.

We would urge the Connecticut Department of Transportation to take this repair proposal under serious advisement. Regular high-speed passenger trains along this New Haven to Boston run would generate considerable traffic, help ease New England's gas crunch, and prove a long range boon to the state's economy. Money spent on such repairs would be one of the best possible investments this state could make.

EARLY WARNING SYSTEM IN SINAI

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. HAGEDORN. Mr. Speaker, I would like to speak in favor of House Joint Resolution 683, authorizing the President to implement an early warning system in the Sinai designed to maintain peace between the Israelis and Egyptians. The system is to be composed of 200 volunteer, civilian technicians manning the border between these nations. Although, like other Members, I fully appreciate the risks involved in this agreement, I believe that the potential benefits are enormous, while every effort has been made to minimize the extent of the risks. Not only are such technicians to be evacuated immediately in the event of the outbreak of hostilities between the

Israelis and Egyptians, but the Congress is authorized to determine at any point through a concurrent resolution that the safety of our troops is endangered, or that the continuation of their role is no longer necessary, in which case the technicians are to be removed. Periodic reports to Congress required to be filed by the President should assist us in fulfilling these responsibilities.

Approval of this resolution neither implies full acceptance of any other aspect of Secretary of State Kissinger's Sinai agreement, nor does it imply that we recognize no further need for progress in Middle East negotiations. Undoubtedly, lengthy periods of negotiation between the Israelis and other Arab nations lie in the future. By assisting in the success of the Sinai agreement, we can do much to insure the success of these future negotiations. Without minimizing the variety of complications that could potentially result from our participation in the agreement, I believe that the safeguards contained in this resolution, and the example that we will be setting for future good faith bargaining in this troubled part of the world are strong reasons for supporting the early-warning system. There are many who legitimately question why it is the United States which always seems to be involving itself in peacekeeping efforts abroad. We are there by the mutual consent of Israel and Egypt; it is not always easy being the most trusted nation in the world, but needs of world peace and world freedom require that we fulfill this important role.

THE PROS AND CONS OF PUBLIC POWER

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. HARRINGTON. Mr. Speaker, the issue of public power, and the extent of a State's involvement in the operation and/or ownership of electrical utilities is finally becoming more than a dormant issue. Many now realize that in many instances it is possible for a unit of government to finance, construct, and operate the electrical utilities themselves. The problem is in convincing the public that a Government agency could efficiently run such an operation without suffering from a lack of experience in the area.

An article by Mr. Philip M. Perry in the August issue of the New Englander presented a concise analysis of the current question which will be on the State ballot in Massachusetts next year. Hopefully, this article will help clarify the issues in the debate, and I would like to insert it in the RECORD at this time:

THE PROS AND CONS OF PUBLIC POWER

(By Phillip M. Perry)

(Should the state own and operate the electric utilities? That is crux of debate that focuses on financing, taxes, rate control, plant management, and consumer attitudes.)

Should a state government build and operate its own power generating plants, and

eventually become the sole supplier of bulk electricity to private and municipal power companies?

Would that government be able to produce such power more cheaply than the privately-operated utilities, and would those savings be passed along to consumers?

"Yes," some people are saying in Massachusetts. "The state government can build power plants more cheaply than the private utilities because of their different financing method. They can use tax-free revenue bonds. This would free them from paying dividends to stockholders. This is an important consideration, because the private utilities have now applied for a rate increase to boost their return to stockholders to a level of 15%, from a past level of 9%. They need the increase in order to get more money to construct needed generating plants. The state, unlike the private utilities, would have to pay only local property taxes, not state and federal taxes. They would pay lower interest rates than the private utilities, as well. All these savings would be passed on."

"No," say opponents. "Start-up costs and lack of expertise on the part of a state agency would negate any interest and tax savings. And pending federal law may take away the tax-free status of those revenue bonds. Besides, the taxpayers would have to make up any decline in federal and state revenue. The real reason for the big increase in electric bills is the growing cost of oil."

Bay State referendum '76. Ten years ago, argument about public power authorities would have put many people to sleep. But consumer discontent with electric bills has added fuel to the fire of controversy in Massachusetts, where U.S. Rep. Michael J. Harrington (D-Salem) introduced an initiative petition calling for a state power authority.

While the Massachusetts House defeated the bill in May, 1975, Harrington is gathering enough signatures to force a referendum which will appear on the state ballots next year.

The public power authority as proposed by Rep. Michael Harrington includes the following provisions:

1. Its main purpose is to become the exclusive generator of wholesale power for sale to utilities in the Commonwealth.
2. It would have the power to "acquire, through construction, purchase, lease, condemnation or other procedure" power generation and transmission facilities.
3. After the Authority has been established for two years, no utility in the state would be allowed to construct new generation facilities. The private and municipal utilities would still be permitted to distribute electricity at the retail level.
4. The Authority would have an in-lieu-of-tax payment equal to the private utilities' local property taxes, but it would not have to pay federal or state taxes.
5. The Authority would be free from DPU regulation.
6. Towns now serviced by private utilities would be able to municipalize the distribution component of those systems. If a town votes to acquire the facilities of a local private utility, and that utility refuses to sell, the DPU would establish a fair price which the private utility would have to accept. (Under present law, if a utility refuses to sell, the town cannot buy.)

Tax-exempt bonds pushed. The Public Power Corp. Study Commission, established by Gov. Michael Dukakis, concluded that a public power authority could indeed finance generating facilities at a lower rate than could private utilities. Says its report, "A public power corporation could finance with tax-exempt bonds, taxable bonds or a combination of tax-exempt and taxable bonds . . . (whereas) private power companies in Massachusetts are financed with taxable bonds and equity (preferred and common

stock) together with interest-free funds from accumulated investment tax credits and accumulated unamortized deferred income taxes."

The Study Commission concluded that, by 1985, the Authority could conceivably save consumers "\$92-million, based on an estimated \$4.4-billion which might be spent by consumers on electricity in that year."

Harrington began to follow the public power issue in the '60s, when he served on the Salem, Mass. city council. But he notes a sizable constituency on the issue has developed only in the past two years. Why does he feel that his voter referendum may have a better fate than the similar one proposed in Maine in 1973, but defeated there by a vote of 151,480 to 95,645?

Fuel clause changes attitudes. "The public attitude is now much different than it was two years ago," he says. "The fuel adjustment clause was a benchmark event. It triggered public outrage and discredited the private utilities in the eyes of the public in general."

Harrington says logic may be the least of the variables which will decide voters' decisions on the referendum. "You can make the argument that public power is cheaper. You can stand at a blackboard and jot down the figures. But that won't decide the issue. Whether the voters approve the referendum or not will depend on how they feel about the electric companies at that particular time. Emotion and philosophy will have the final say."

"The people distrust the utilities and the government. The question is, which one will they distrust more when it comes time to vote on the referendum? One thing is for sure: public indifference has ended permanently."

Harrington points to the power lobby as a key factor in the defeat of his initiative petition. How did the lobby operate? "Primarily, the utilities develop a very visible community presence," he says. "In each community they have one or two people who devote time to public relations, no matter what their official title might be. These people become known to local political structures and to the press."

"Too, the utilities develop a very sophisticated use of their employee base. The employees are briefed about the public power proposal. They are told that their jobs are at stake and are encouraged to lobby their legislators."

"A key element of this lobbying effort is the emphasis on the local property tax. For instance, in Salem the power plant accounts for 35% to 40% of the total local property tax. The utilities claim this golden egg will be lost."

"End of era for utilities." Harrington claims that the stakes in Massachusetts, which is the first industrial state to consider public power of this scope, are much higher than they were in rural Maine. "The utilities don't like the bill because they make their money and expand by building plants. To illustrate, in the '60s, they had the opportunity to buy cheap hydro-electric power from Canada. There was no financial incentive for them to do so, so they didn't—a point which shows that the whole issue is a public policy problem."

"No matter what happens on the referendum, all signs point to the end of an era in the utilities industry."

The proposal has drawn fire from prominent quarters. "Why should we compound our fiscal problems by creating another public bureaucracy?" asks Robert Bell, chairman of the Malden (Mass.) Chamber of Commerce, who points out that there is no guarantee that the Authority would pay funds to municipalities in lieu of taxes.

Ronald F. Frazier, manager of public affairs, South Shore Chamber of Commerce,

complains that "the power authority would be answerable to no one, and the consumer would have no opportunity to express opposition to rate increases."

Thomas A. Sampson, vice president of the Greater Boston Chamber of Commerce, speaks out against the proposal, stressing among other reasons, that "historically, public ownership of production or distribution facilities has not proven to be more economical than private ownership in the absence of subsidy from federal, state or municipal sources."

J. J. Golner, director of engineering and technology at Borden Chemical, Peabody, complains that "it would reduce accountability . . . if the state itself is the utility, there is no third party to compel responsiveness if there are complaints."

Boston Ed: "no savings." James M. Lydon, vice president—corporate relations, Boston Edison, offers the private utilities' reaction to the proposed Authority. His firm, which employs 4,100 people, is looking for room to expand its corporate offices which now fill four floors of the Prudential Tower in Boston.

"The fundamental question," Lydon says, "is whether or not the proposed Authority can generate and transmit energy cheaper than the private utility. In our judgment, there will be no savings. The start-up costs of the Authority, combined with state government's lack of expertise in the power field, will mean bulk power will actually cost more. The consumer bill, therefore, will be higher."

"It is true that the state can borrow money more cheaply now than can private companies. But there is no guarantee that the tax-free status of its bonds will continue, just as there is no guarantee that we can retain our investment tax credits. Also, private industry has the advantages of accelerated depreciation and deferred federal income taxes—something that generates cash early."

"It is ridiculous to say that private utilities need to keep investing in new plants to make a profit. One of our bases for decisions is 'how can we not make a capital investment?' Our goal is to produce power at the lowest possible cost."

"The bill says that the Authority may take away our plants, although Harrington says it won't. We aren't worried that it will, because it would be too expensive for the state to take them over, and that would again boost costs."

"Harrington is telling people that their electric rates will not go up if the state gets involved in energy generation. Actually, we will still have to raise 45% as much capital just to maintain service to customers. We have to raise \$450-million in the next five years just to fund power lines, substations and other parts of the distribution field. Harrington has been misleading the public; it's a cruel hoax on his part—a case of political opportunism in an age when people are tired of high electric bills."

Utility lobbying justified. Lydon defends the lobbying activity of the private utilities, which has drawn fire from some quarters. "Somehow the word 'lobbying' has taken on a bad connotation in the minds of the public," he says. "The purpose of our lobbying effort is to inform the public of the truth. We will spend more money on lobbying, if we have to, to get the truth across."

"Harrington has stated that we have 14 lobbyists working on the public power issue. That's not accurate. Most of those 14 are just employees who appear before regulatory agencies. In reality, there are only three employees of Boston Edison who are lobbying on this issue. Our records show that we have spent only \$10,000 in the first four months of 1975 on our lobby effort for this issue. That's not much, when you consider Boston Edison is a \$460-million business."

"Now, according to state records, Harrington didn't spend a nickel on his lobbying

efforts. But, as far as I'm concerned, the use of federal funds by Harrington on this issue should be investigated. After all, he's using federal tax money for state lobbying," claims Lyndon. "He should be forced to divulge the amount of money he's spending on this. He's traveling across the state, he's using the mails. His group, Consumers for Lower Electric Rates, isn't included on lobbying lists, and yet he's done more lobbying than the utility companies.

"If Harrington were as active in Washington trying to get lower oil rates, as he is in Massachusetts on the public power issue, we all would be better served."

Downeast turns thumbs down. In 1973, voters turned down a referendum calling for a Power Authority of Maine (PAM). Among the opponents was Norman J. Temple, vice president of the Central Maine Power Co., Augusta, which employs 1,940 people and serves 70% of the state.

A power authority for Maine is not a new idea; every Maine legislature since 1963 has considered the proposal. Why did the voters turn down the idea so resoundingly in 1973?

"There were basically three reasons," says Temple, who debated the issue on TV with proponent State Senator Peter Kelley. "First, we were able to point out the defects of the proposal. For example, there was no provision that rate increases by the Authority had to be approved by anyone. Second, there is a great deal of customer satisfaction concerning the quality of service of the private utilities. We were very quick to respond to storm damage in the winter—and that's an important consideration here in Maine. We do periodic studies of customers attitudes, so we know this is the case. Last, there is a deep-rooted mistrust of government on the part of Maine Yankees. They don't think the government will provide the same level of service."

Currently there is another bill before the state legislature which attempts to clear up the defects of past proposals. It requires that approval be obtained before the proposed Authority increases rates. A new amendment has been added to the bill requiring voter approval via referendum before the bill can become law.

No new private power plants. Unlike the current Massachusetts proposal, past Maine bills have not prohibited the state's utilities from building more generating plants after a two-year period. "However," notes Temple, "the practicalities of the thing meant we would not be able to build more plants, because they would only duplicate the efforts of the state." The company builds, on the average, one generating plant every ten years. The current Maine proposal contains a section prohibiting the private utilities from building plants after a two-year period.

To defeat the bill in 1973, Central Maine and other power utilities encouraged the growth of a 5,000-member citizen's group called Citizens Against a Power Authority for Maine (CAPAM). The Central Maine firm contributed \$108,000 to CAPAM and spent an additional \$53,000 on public relations, \$15,000 of which was for the public opinion survey.

In the eyes of Central Maine Power, passage of a power authority bill would mean eventual takeover of the utilities. This is because the bill, like the Massachusetts proposal, encourages municipalization in order to sell the state-generated power. That cuts into the utilities' market.

"State government can't generate power more cheaply than private enterprise, due to the high construction costs of plants," stresses Temple. "The Authority would have no older plants, the low-cost power from which to temper the high costs of the new plants."

Collins pro public power. Michael F. Collins, manager of the Municipal Light Dept. in Wakefield, Mass., for 25 years, and past

president of the American Public Power Assn., favors the proposed Authority. He claims consumer resistance to rate increases, combined with political pressure, has made it impossible for utilities to obtain the kind of financing they need at reasonable rates.

"A state Authority would have a greater ability to arrange financing but, equally important, would determine the needs for power more wisely and impartially. The Authority would not be promoting power use and would not be bound to the incessant search for rate base," says Collins.

"A state Authority would be willing and able to contract for power outside Massachusetts. Such an Authority in the mid-1950's would have been able to obtain hydro-power from the Niagara-St. Lawrence Project in New York. This hydro power would have been low-cost and non-polluting.

"There is growing evidence that an intensive, continuing program of power conservation is essential. Power companies are not able to deal with this to the extent necessary due to an ingrained need for constant growth of load and dollars," concludes Collins, who points to the success in the Canadian provinces, "which are almost totally public power," and similar public power authorities in New York and Nebraska as evidence that it can work in New England. "Just recently, Con Ed in New York had to appeal to the state to take over construction of two generating plants," he says.

Need more municipal units. Collins wants to see more municipal electric departments, and sees Section 2 of the Harrington bill (point No. 6 above) as a means to that end. "In recent years, Brookline wanted to establish a municipal department, but there was no way the private utility had to sell its plants and poles to the town. So the town had to give up the effort."

If opinion is so divided on public power, it is due to the number of variables that the issue involves. Will the state have to pay federal taxes in the future on its now tax-free revenue bonds? Will private utilities lose their investment tax credits? Will a state agency be able to run a generating plant with expertise? Will start-up costs of the agency negate any energy generating savings? Will price hikes by the private utilities in the distribution network negate any savings on power generated?

All remain matters of conjecture. The only point that is certain is that arguments about public power authorities, fueled by consumer discontent, no longer generate a ho-hum response.

"(A state power authority would have greater ability to arrange financing; but, equally important, it would determine the needs for power more wisely and impartially. The authority would not be promoting power use and would not be bound to the incessant search for a rate base."—Michael Collins, manager, Municipal Light Dept., Wakefield, Mass.)

RAISING OUR CONSCIOUSNESS

HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. ST GERMAIN. Mr. Speaker, we are all well aware of the changing status of women in today's society. The change is an overdue and welcome one, and we have begun the long process of undoing those discriminatory practices which kept women in a subservient, "second class" position for too long. Recent legislation to prohibit sexual discrimination in lending practices, housing, and several

other public interest areas points to our willingness to recognize that women are no longer to be considered as extensions of their husbands, homes, offices, or typewriters, but must be seen as an intelligent, capable resource which our society has made far too little use of in the past. I am sure that in International Women's Year we will have our collective consciousness raised so that women and men alike will awaken to the potential which 52 percent of our population represents.

As we continue to build and improve upon the status of women in this country, we must act not on a piecemeal basis, but in a manner which indicates our willingness to deal with all aspects of discrimination against women. One area which I am sure will be addressed by the review currently underway in the Committee on Ways and Means concerns the adverse effects of the existing tax laws on both men and women. I recently received a very thoughtful analysis of this situation from a constituent in Esmond, R.I., which I would like to share with my colleagues:

OCTOBER 2, 1975.

DEAR SIR: I have considered you a forward thinking man and a just man, a believer in righting wrongs. The rules and regulations of the IRS are a slap in the face to one segment of "supposed American citizens"—women! Our lives go into a marriage—our contributions to and in a marriage equal the man's and yet, as widows, women are treated as having contributed nothing by the IRS. If more wisdom was employed in D.C., had been employed, taxes would not have to be as huge as they are. Thousands of unnecessary programs are useful in no way, as are studies of similarly noncontributing phases of existence—worthless. IRS rules and regulations must be changed—rapidly—as must most social security regulations. It is small wonder many women today look upon marriage as a dead end street. Our lives and contributions have been grossly insulted. We are not merely the cheapest labor available on earth. Until changes are made—rapidly—the U.S. is not a free country—not for women.

Sincerely,

R. G. FERRO.

MIA'S

HON. SAM STEIGER

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. STEIGER of Arizona. Mr. Speaker, the members of the Arizona Families of Missing In Action have written a letter to all the Members of the House of Representatives expressing their gratitude for the passage of House Resolution 335, regarding the missing in action of Southeast Asia.

As a long-standing supporter of this group, I include this letter at this point in the CONGRESSIONAL RECORD:

To those representatives in our Capitol who sponsored and supported the recently passed Montgomery House Resolution #335, regarding the Missing-in-Action of Southeast Asia, our sincere gratitude is hereby expressed.

To those representatives who voted to de-

feat the measure, our expression is to respect their entitlement to alternate views and convictions.

To those representatives selected to serve on the investigating committee, we can but pray that God grant each the wisdom, the personal conviction and the courage to complete his task with the thoroughness and sense of justice so desperately essential.

On countless occasions in our history, individual citizens have seen fit to forsake their country in peace and in war. The amnesty program now in effect amply demonstrates the ability of America to re-embrace and forgive. Yet, historically, it was not until the cessation of hostile American involvement in Southeast Asia that our government chose to perversely follow a course of forsaking those who served her.

That house wherein resides democracy and freedom, as any man-made structure, must be continually maintained and repaired. At present, the rats of inflation have infested its pantry. Crime falls upon its floors as plaster off a weakened ceiling. Inside, radiators go cooler and lights dim as energy is diminished. Outside, paint peels from insults of envy hurled by lesser nations seeking to secure their own world place. Yet, so long as the foundation remains firm, the house will stand and repairs can and will be made.

Our greatest concern since the signing of the Paris Peace Agreement has been that a serious fault has developed in the foundation of Democracy's home. Through inept statesmanship, political expediency or even darker reasons, a large number of American citizens were willfully forsaken by their governing body—citizens from which and for which that body indeed was created. We can only express sentiments of gratitude and joy that repairs may soon begin on that fault.

The agonizing expectations of thousands of common people, long involved in seeking a final determination to the Missing-in-Action tragedy, may soon be realized. The false promises and harsh passage of time may soon become rectified. During this Bicentennial period, we each harbor the personal hope that to the greatest extent possible the lives, bodies, souls and sacred honor of these forgotten men may be brought home to live or rest eternally in peace.

ANNUNZIO INTRODUCES DEBT COLLECTION PRACTICES ACT

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. ANNUNZIO. Mr. Speaker, today I am introducing important new legislation that will for the first time comprehensively regulate debt collection practices. The Debt Collection Practices Act will amend the Consumer Credit Protection Act by adding a new title, title VIII debt collection practices.

There is an urgent need for this legislation because some debt collectors are abusing consumers with harassment, intimidation, threats, and deception. Often the debts are not even bona fide.

I want to make clear at the outset that actual debts should be paid. Debts do go unpaid resulting in a need for debt collectors. Yet, debt collectors can pursue this living without offending all standards of decency. They can and should treat consumers fairly and reasonably.

Debt collectors will use any tactic

imaginable to collect a debt that often is not even legitimate.

On September 28, Parade magazine ran an article on the subject of this legislation, requesting that anyone who has had difficulties with unethical debt collectors to contact my office. The result has been a flood of letters from around the country recounting tragic stories of encounters with unscrupulous debt collectors. Many letters are from women, often recently divorced or deserted, who tell of being hounded by debt collectors who, without their knowledge or consent, call their friends and neighbors at all hours of the day and night to pressure the women to pay debts incurred by their husbands.

If you think only deadbeats are harassed by debt collectors, you are mistaken. A debt collector could get your name by accident, such as through a store's computer error, or any number of other mistakes. Regardless of your denial of the validity of the debt, you may then get the debt collector "treatment." This may include obscene or accusing phone calls to your home, or to the homes of your friends and neighbors at odd hours, and repeated harassment of your employer asking that you be pressured into paying. If this costs you your job, that is your problem, not the debt collector's.

Other tactics often used by unscrupulous debt collectors include threatening to put you in jail by taking legal action—often with simulated court orders—impersonating a sheriff or attorney; and in short, doing anything to get you to pay—even if you do not owe anything.

Consumers often owe money and are in the process of paying it back when a catastrophe such as a sudden disability strikes. There are many such people who want to pay their debts, and would, given a reasonable repayment schedule, but all too often they never get the chance and are hounded instead by unmerciful debt collectors.

Let me relate excerpts from some of the letters I have received. These letters communicate the truly sad consequences of permitting debt collectors to be unregulated.

One letter reads:

DEAR MR. ANNUNZIO: I read your article about unscrupulous bill collectors in Sunday-Register Sept. 28.

Here is something we were intimidated into believing. This notice about the sale of our house was sent to us and in our terror we believed it until later we found out the lot number was not even ours as provided by a copy of our grant deed enclosed.

Please do all you can to stop these storm troopers in the name of justice.

A consumer received a "Moneygram"—a document made to look like a telegram—with regard to an alleged doctor bill, yet all her doctor bills were covered by Medi-Cal. The Moneygram reads:

The next step in our collection procedure will depend on your response to this message. Investigation of your job, auto, and other property being made. Urgent you contact me regarding payment immediately.

This letter is from a newspaper which had intervened to help a consumer. Here are some excerpts from the letter:

Mrs. . . ., a polio cripple since age 4 and suffering from a terminal spinal tumor, was married to a crippled Vietnam war veteran who died of injuries received in war early May 1975. The couple has two small children.

A bureaucratic mixup caused Mrs. . . . to not receive either Social Security or Veterans Administration benefits until after she called this newspaper in early August. As a result in the delay of continuation of benefits, her sole income, bills piled up and creditors started giving her a problem. Her biggest concern was a new Thunderbird car, equipped for the handicapped, the couple had bought by trading in their other two cars. Credit life insurance was written by the dealership, (name deleted) through (name deleted) Insurance Company a company that has been sued several times locally for refusing to pay benefits on such insurance.

The account was then turned over to the Credit Bureau of (name deleted).

The collection agency was assigned to repossess the car. Mrs. . . . had secreted the car far from her home, but the agency sent what she called two thugs who got her out of bed at 4 a.m., July 30 and harassed her for an hour.

Intervention by this newspaper stopped the harassment, but recently (within the past two weeks) thugs in the night broke into a sister's car parked behind Mrs. . . . 's car, moved it, and took the vehicle. Her crutches were in the car and the agency refused to give them back to her until she had a lawyer threaten them with legal action.

The following letter is from the accounting secretary of a health foundation:

I read with much interest the article in the September 28, 1975 issue of Parade magazine about unscrupulous bill collectors.

I work in the accounting department of a medical clinic which cares primarily for minority and financially indigent patients. One of my tasks is to process bills for payment from grant funds for this latter group of people. These payments would go to providers of medical care outside of our own clinic when our doctors had referred them.

Enclosed is a copy of a collection notice one of our patients received for a bill that is our responsibility for payment. However according to our records the bill is paid.

I was much interested in the form of the collection notice. It has an official-looking gold foil seal and of course, as you can see, the form has the appearance of an official document, such as a subpoena or a judgment.

I am not personally acquainted with the gentleman who received this notice. He is Spanish-speaking, and through a translator he appeared to be frightened of the consequences of this "document".

I feel that this type of collection form is unethical. I would be interested in your comments.

A consumer received the following bogus legal document in relation to a debt not owed. The pertinent part of the document reads:

PRE-EMPTORY DRAFT—VALUE RECEIVED

Demand is hereby made upon you for payment, on or before 10/03/75 of the total sum, past due, shown on statement made a part of this Pre-emptory Draft.

You are hereby notified that in the event that this Pre-emptory Draft is not honored within the time allowed, legal action will be recommended to enforce payment, without further notice whatever being sent you.

The attached letter from the consumer reads in part:

Please find enclosed said letter of which we have no record of owing. We have no

past bills and we pay cash for everything we obtain.

This letter is from a couple who owed money, had some problems but still were trying to pay off the debts. Here are some excerpts from the letter:

I tried to explain our situation, that we were well aware of our obligation, that we would pay it just as soon as we could. This Mr. . . called us 11 times one evening, finally my sick husband talked to him he then threatened us, called us terrible swearing names, threatened to have us arrested. Said he personally wasn't going to let us beat (name deleted) out of their money and that was all we were trying to do.

We owned and operated our own Paint & Body Shop. He called every day, told anyone who answered our business. The last time he called he said I was lying, my husband was only hiding behind me. Well my husband collapsed that day, right after talking to him. We rushed him to the hospital. He had to undergo open heart surgery. He has been ill for the past 2½ years.

Our business is closed, and we are now helpless to do anything about any of our bills.

This letter comes from a couple who were harassed while paying off debts not even theirs. Following are excerpts from the letter:

My husband served in the Marines for seven and a half years, and spent two tours of duty in Vietnam. When he returned home after the last tour of duty, he found his first wife to be pregnant, and she and my husband's small daughter were living with the father of the expectant baby. They were also using my husband's name to charge any and every possible expense. Therefore, upon this cruel news, but also by a stack of overdue bills, all in his name.

To make a long story short, after our marriage in 1969, we began to try to tackle this problem, which only seemed to worsen. Everyday's mail brought new demands for payment, threats of legal action, and letters from lawyers and officials with the "state attorney general's office." We continued to pay as much as we could afford every week or month, whatever we felt we could swing without putting a really tight rein on our own meager budget.

One agency, in particular, was constantly badgering us with their demands and threats. It seemed to us that they were going to considerable expense to make these demands, as oftentimes, the overdue bill they were reminding us of would not amount to more than \$10.00. Yet, they continued to press and threat and make outrageous demands upon us.

So the suit had set on the court docket for a year and no one had ever bothered to inform us that we were being sued for 90c.

We paid the 90c and personally requested the "manager" of this agency to move as quickly as he could to get it off the docket as our VA application had already been held up for three weeks. Another three weeks later, some more phone calls, and a visit from our lawyer, who threatened to sue them and the 90c lawsuit was wiped off the court records, as well as our own.

We have now been in our new home for 45 days. We feel that we have earned the right to join the human race. We paid off around \$2,000 in bad bills, while we did our best to maintain some sort of home life for us and our two small children. With the processor and sheriff banging away at the door at all hours of the night, the phone calls, and the "special delivery letters" any attempt at a normal life was just about impossible.

We are now free of the bonds of these people. We owe them absolutely nothing and, to be sure, it is a great feeling. Our feeling, throughout the whole ordeal, was

to pay off what we felt we owed—after all, they were in my husband's name, instead of taking the easy way out—filing for bankruptcy or Chapter 13. When we took the more difficult course, and, in essence, the honest course, we still received the most repulsive type of attitude. Dealing with these people is similar to giving detailed directions to a man who is blind and doesn't speak English. They just don't understand your language unless you have the access to threaten them with the same type of legal action they have laid on you in the past.

There are millions in this country who are being harassed by these same tactics. Many don't think they have a legal foot to stand on. It's "pay up—or else" and that's all they know. That's all we knew for seven years. There is no good excuse for failing to pay your bills if you are able. But, with prices and salaries the way they are today, I can understand why many people are just not able—especially when they are doctor's bills. If a family is not able to pay for that color television, that new car, they should not even consider signing a contract obligating them to 24 or 36 months worth of payments. That's just common sense. In our case, we had no choice. We didn't have a color TV or new car. We were paying bills that weren't even ours and we never received any benefit from those payments.

In addition, anyone with an "account" at a collection agency should go to that agency and thoroughly look over their record to determine what is theirs to pay and what isn't. Our record was full of debts already paid off and two accounts in my sister-in-law's name—which were both supposed to be good, but, instead, were rated as bad.

Good luck in your endeavor. And, thank you for whatever action you are able to take.

This legislation will end such horrendous practices by debt collectors. The legislation provides a detailed list of prohibited practices and strong enforcement provisions.

This act does not set up a new bureaucracy. Nor does it involve a complex licensing procedure.

Instead, there are stiff civil penalties to permit consumers to take action against debt collectors who violate the act.

Included in this act are prohibitions against harassment, unfair practices, and false and misleading representation.

Some of the prohibited practices include:

Using abusive, profane, or obscene language;

Soliciting post-dated checks;

Making harassing or threatening phone calls to the place of employment or home of the consumer;

Obtaining information from any source about a consumer on false pretenses or through false representation; and

Threatening a consumer with imprisonment for failure to pay an alleged debt.

The act will be enforced through civil liability provisions, private Attorney General actions and criminal penalty.

The Federal Trade Commission will administer the act and prescribe regulations to implement it.

In an earlier statement I indicated the scope of this legislation would include all creditors. As introduced, the act applies just to debt collectors. I feel that the most flagrant offenders in debt collecting abuses are debt collectors rather than

creditors. Debt collectors are in the business solely to collect debts of others, not to collect for products they sold or services they rendered. Also, most financial institutions are already regulated by Federal agencies, as are other creditors. At present, no Federal agency regulates debt collectors.

I would like to first pass a strong effective law regulating debt collectors. If I find that creditors are abusing consumers, I will seek to have Federal agencies publish regulations to restrain creditor conduct. If that approach is not successful, I can offer legislation to amend this act to include creditors.

Abusive debt collection practices will affect all of us at one time or another. If a debt collector cannot conduct his business without resorting to deception, threats, and intimidation there is something terribly wrong with his business.

The Debt Collection Practices Act will spare consumers from humiliating and terrifying harassment, allow mistakes to be cleared up reasonably, and not deter reputable debt collectors from arranging for consumers to repay legitimate debts.

THE FEDERAL ELEMENTARY AND SECONDARY SCHOOL ASSISTANCE ACT

HON. CARL D. PERKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. PERKINS. Mr. Speaker, I am today introducing the Federal Elementary and Secondary School Assistance Act, a bill aimed at making a bold commitment to improve the quality and equality of public education for children and youth.

As we prepare to celebrate our 200th anniversary as a nation, we can be proud that our country has accepted the principle that the opportunity for an education is every child's birthright. This means that if all children are to achieve their full potential, they must be guaranteed the opportunity for an education that fully develops their capabilities regardless of sex, race, religion, or socioeconomic background. And the achievement of this birthright can be helped enormously by a national guarantee of a quality education for every child. Broadening the base of school support in order to equalize the educational opportunity for all the Nation's children is essential to this achievement.

Therefore, the legislation that I am submitting today would make the Federal Government an equal partner with the States and with local communities by sharing one-third of the current cost of public elementary and secondary education. This proposal for a one-third Federal funding of public schools has been long advocated by the National Education Association and other leading national educational organizations.

I believe that after almost 200 years it is about time for Congress to take a good first step toward making this commitment to our children and youth. And I believe that the National Education Association is to be highly commended for drafting the fine bill I am introducing today to achieve this commitment.

Public school education in the United States faces a crippling financial crisis. While rampaging inflation and demands for better education for all youth are driving the costs of education higher, both taxpayers and the courts are challenging increases in the traditional sources of school funds.

Many school districts, in response to relentless fiscal pressure, are being forced to reduce educational services, thus reversing their strenuous efforts of recent years to upgrade education. However, the demand for increased and improved educational services continues unabated as the concept of equal educational opportunity for all is pressed toward reality.

Caught between rising costs and lagging revenue, school systems of all sizes are retrenching—sometimes drastically. Many school systems have cut back on the number of teachers and have shortened the school day. This has resulted in cutbacks for programs in art, music, health services, reading, libraries, counseling, physical education, driver education, and other programs. Many school districts have reduced allowances for substitute teachers, teacher aides, and maintenance of school buildings.

While needs are mounting, additional State and local funds are shrinking. New State and local taxes and increased levies are harder to get after a decade when per capita State and local taxes have more than doubled.

At the same time, legal action is being taken in many States to invalidate school financing systems that discriminate in expenditures on the basis of the wealth of the school district. Local property taxes currently supply 48.6 percent of school support, with 43.6 percent coming from State sources, and 7.8 percent from Federal aid. A wealthy school district can finance schools well with a low tax rate on a high assessed value. In a poor district, however, even high rates yield little revenue for schools.

In California, the highest State court found that local property tax financing invidiously discriminates against the poor by making the quality of a child's education a function of the wealth of his or her parents and neighbors rather than the wealth of the whole State. Courts in other States are following this same line of reasoning.

The logic of the California decision is being followed in other States. With or without pending court cases and final appeals, States are looking at ways of funding schools which will equalize both the burden for the taxpayers and the educational opportunity for youth. To bring all local districts up to the spending level of the highest districts is extremely expensive. To equalize costs by reducing expenditures in the higher districts would entail serious cuts in the educational program for many students.

The legislation that I am introducing will expand the Federal role from that of funding special programs deemed to be in the national interest, such as those involving the physically and economically disadvantaged, to include broad general support for all public education.

Approximately \$14.5 billion is necessary to implement the act and is requested to be advance funds. This amount

will be divided among the States on a formula which includes such factors: First, the ability of the State to finance education; second, the number of school-age children in the population; and third, the number of children enrolled in public schools.

The formula provides a composite grant to each State that includes a flat grant of \$140.38 per child and an equalizing grant that varies according to ability as reflected in the allocation ratio. The net result is a national average amount per pupil in average daily attendance—ADA—of \$345.

The full text of the bill follows:

H.R. 10145

A bill to establish a permanent Federal program of assistance for elementary and secondary education

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Elementary and Secondary School Assistance Act".

FINDINGS AND PURPOSE

SEC. 2. The Congress finds that public education in the United States faces a crippling financial crisis which makes it necessary that the Federal government make a commitment to assume its full obligation as a partner with the States and localities in improving the quality and equality of the education provided by the nation's public school system.

It is therefore the purpose of this Act to assume the obligation to provide financial assistance to the States amounting to one-third of their costs of providing public elementary and secondary education, such assistance to be provided in a manner which will further equalization of educational opportunities; but, by the provision of such assistance, the Congress does not intend to supplant any of the Federal assistance being provided for particular educational purposes or to meet special educational needs.

GRANTS TO STATES

SEC. 3. (a) Each State which has a State plan approach under section 5 for any fiscal year ending prior to October 1, 1977, shall be entitled to a grant under this Act in an amount determined under section 4.

(b) From the sums appropriated under section 7 and subject to the other provisions of this Act, the Assistant Secretary shall make a grant to each State for each fiscal year in an amount to which it is entitled as determined in accordance with the provisions of this Act.

AMOUNT OF GRANT

SEC. 4. (a) The aggregate amount to be granted all States for each fiscal year shall be an amount equal to one-third of the aggregate current expenditures in all States (for the second fiscal year preceding such fiscal year) which were derived from State or local sources.

(b) The grant for each State for a fiscal year shall be the amount determined under paragraph (1) plus the amount determined under paragraph (2).

(1) The amount determined for a State under this paragraph shall be an amount which bears the same ratio to 50 per centum of the aggregate amount to be granted all States for that fiscal year as the school-age population of the State bears to the school-age population of all the States.

(2) The amount determined for a State under this paragraph shall be an amount which bears the same ratio to 50 per centum of the aggregate amount to be granted all States for that fiscal year as the product of (A) the average daily attendance in elementary and secondary schools of the State, and (B) the State's allocation ratio, bears to the corresponding products for all the States.

(c) For purposes of this section:

(1) The school-age population of a State is the number of children aged five to seventeen, inclusive, in the State as determined by the Assistant Secretary on the basis of the most recent satisfactory data available to him.

(2) The average daily attendance in elementary and secondary schools in a State shall be determined in accordance with State law.

(3) The "allocation ratio" for a State shall be 1.00 less the product of (A) 0.50 and (B) the quotient obtained by dividing the income per child of school age in the State by the income per child of school age in all the States. For purposes of this paragraph, the term "income per child of school-age" in a State means the total personal income in the State divided by the number of children aged five to seventeen, inclusive, in the State.

STATE PLANS

SEC. 5. (a) (1) Any State desiring to receive a grant for any fiscal year under this Act shall (A) establish a program review committee which meets the requirements of paragraph (2) of this subsection and (B) submit to the Assistant Secretary, through its State educational agency, a State plan, approved by such committee, at such time and in such detail as the Commissioner may deem necessary.

(2) The program review committee shall be appointed by the State educational agency, and shall be broadly representative of persons having a special interest in elementary and secondary education, including school administrators, teachers, members of local educational agencies, and parents. At least a majority of the membership of each committee shall be persons actively engaged as classroom teachers in public elementary and secondary schools who are selected from panels of names submitted to the State educational agency by the organized teaching profession. It shall be the duty of the program review committee to examine any State plan (including any revision of State plan it has previously disapproved) proposed to be submitted by the State educational agency, and, within thirty days after it has received such proposed plan, inform the State educational agency whether it approves or disapproves such plan. There is authorized to be appropriated such sums as may be necessary to enable the Assistant Secretary to make grants for the expenses of program review committees, but no such grant shall exceed \$50,000 for any fiscal year.

(b) The Assistant Secretary shall approve a State plan for a fiscal year if he determines that the plan—

(1) designates the State educational agency as the sole State agency for administration of the State plan;

(2) provides a program under which Federal funds shall be granted to local educational agencies to be used by them in a manner which will contribute to the equalization of educational opportunities in the schools of the agencies, but such funds may be used only for current expenditures of the agencies;

(3) provides for distributing the Federal funds among local educational agencies in the State in a manner which meets the requirements of section 6;

(4) provides assurances satisfactory to the Assistant Secretary that the State will maintain its State fiscal effort for public elementary and secondary education purposes for each fiscal year at a level, per child of school-age, not less than its fiscal effort for such purposes for the second preceding fiscal year.

DISTRIBUTION OF FUNDS WITHIN STATE

SEC. 6(a) (1). The Assistant Secretary shall develop criteria to be applied by State educational agencies in the distribution among local educational agencies of funds granted the States under this Act (except for the fiscal year 1977). Such standards shall—

(A) be consistent with such standards as

may be required under the fourteenth article of amendment to the Constitution of the United States;

(B) require that the funds be concentrated in local educational agencies which, by reason of lack of financial resources of their own, are in need of additional funds to equalize the educational opportunities afforded their students with those afforded students of other local educational agencies in the State; and

(C) give appropriate recognition to the higher cost of education to local educational agencies serving areas with high concentration of low-income families and heavily urbanized areas.

(2) In the case of a State in which there is no local educational agency, or in which there is only one such agency, the criteria developed by the Assistant Secretary shall provide for making assistance available to defined areas in the State in a manner which will contribute to achieving the purposes of this Act.

(b) (1) Not later than April 1, 1975, and at such later time as he may determine, the Assistant Secretary shall publish such criteria in the Federal Register and submit such criteria to the President of the Senate and the Speaker of the House of Representatives.

(2) During the sixty-day period following such publication, the Assistant Secretary shall provide interested parties with an opportunity to present views and make recommendations with respect to such criteria. Not later than ninety days after their publication, the Assistant Secretary shall (A) republish such criteria in the Federal Register, together with any amendments thereto which he deems to be merited, and (B) publish in the Federal Register a summary of the views and recommendations presented by interested parties under the preceding sentence, together with the comments of the Commissioner respecting such views and recommendations.

(3) (A) The criteria published in accordance with paragraph (2), together with any amendments thereto, shall on the date of their publication be submitted to the President of the Senate and the Speaker of the House of Representatives. If either the Senate or the House of Representatives adopts, within 150 days after the criteria are submitted to it, a resolution of disapproval of such standards, the Assistant Secretary shall, within fifteen days after the adoption of such resolution, publish new criteria. Such new criteria shall take into consideration such views and policies as may be made in connection with such resolution and shall become effective upon publication.

(B) A resolution of disapproval for which provision is made under subparagraph (A) may be in the form of a resolution of either the Senate or the House of Representatives or such resolution may be in the form of concurrent resolution of both Houses. If such a resolution of disapproval is in the form of a concurrent resolution, the new criteria published in accordance with the second sentence of subparagraph (A) shall be consistent with such policies as may be established by such concurrent resolution.

(C) If each of the Houses adopts a separate resolution with respect to criteria submitted in accordance with subparagraph (A) for any year and in connection therewith makes policy statements which differ substantially, then such differences may be resolved by the adoption of a concurrent resolution by both Houses. Any such concurrent resolution shall be deemed to be adopted in accordance with subparagraph (B).

(c) For purposes of this section, an amendment of an existing criterion shall be deemed to be a new criterion.

APPROPRIATIONS

Sec. 7. There is hereby authorized to be appropriated for the fiscal year 1977 such

sums as may be necessary to make the grants provided for in this Act for the fiscal year 1977 and the fiscal year 1978, and there are also authorized to be appropriated for each fiscal year after the fiscal year 1977 such sums as may be necessary to make the grants provided for in this Act for the period ending at the end of the fiscal year following the fiscal year for which appropriated. If the sums available from appropriations for grants under this Act for a fiscal year are inadequate to make in full the grants to which States are entitled under this Act, then the grants to all the States shall be reduced pro rata to an aggregate amount which does not exceed the amount so appropriated.

DEFINITIONS

SEC. 8. For purposes of this Act—

(1) The term "Assistant Secretary" means the Assistant Secretary of Health, Education, and Welfare for Education.

(2) The term "State educational agency" has the meaning given such term in section 801(k) of the Elementary and Secondary Education Act of 1965.

(3) The term "local educational agency" has the meaning given such term by section 801(f) of the Elementary and Secondary Education Act of 1965.

(4) The term "State" has the meaning given that term by section 801(j) of the Elementary and Secondary Education Act of 1965, and includes the Trust Territory of the Pacific Islands.

(5) The term "current expenditures" has the meaning given that term by section 403 (f) of title IV of Public Law 874, Eighty-first Congress.

AMENDMENT OF GENERAL EDUCATION PROVISION ACT

SEC. 9. Section 400(e) (2) (B) of the General Education Provision Act is amended by striking out "and" at the end of clause (i), by striking out the period at the end of clause (ii) and inserting "; and", and by adding at the end thereof the following:

"(iii) to expenditures under the Federal Elementary and Secondary School Assistance Act."

EFFECTIVE DATE

SEC. 10. This Act shall become effective on the date of its enactment, except that grants to States under section 3 shall be made only with respect to periods beginning with the first day of fiscal year 1977.

MAJOR STEP TOWARD PEACE

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. RINALDO. Mr. Speaker, it is now more than a month since the Israeli-Egyptian agreement was signed, and it is high time that the Congress endorsed this major step toward peace in the Middle East.

History has shown us that instability in the Middle East threatens world and U.S. interests. Tension in this center of oil production jeopardizes the economy of industrialized and developing nations; strains U.S. relations with our allies in Europe and Japan; increases the prospect of direct United States-Soviet confrontation; and endangers the survival and security of Israel—the only true democracy in the Middle East.

The resolution before us today represents the first step in permanently easing tensions in the Middle East. The 200 U.S. technicians in the Sinai will be a

cornerstone on which to build Israeli-Egyptian coexistence and cooperation.

Viewed from this perspective, the agreement clearly is not pro-Egypt, pro-Arab, or pro-Israel; it is pro-peace. And it is equally clear to all of us who are seeking a solution to these problems that without such resolve and action on the part of the United States, the Middle East will remain an area of anguish, turmoil, and peril.

To weaken the agreement by voiding some negotiated U.S. commitments would be a blow, not only to the prospects of world peace; but it would undermine Israel's significant cooperation and go against our own national interests.

It is a pact for international cooperation and for peace. To weaken it now would be to retreat from further efforts at building peace in the Middle East. Once approved, we can turn to the second essential task of providing economic and military aid for Israel. I intend to support such assistance when it comes to the House floor in the next few weeks.

But our immediate task, Mr. Speaker, is to pass this resolution. I urge the House of Representatives to vote for peace and to approve the presence of U.S. civilian technicians in the Sinai.

SPECIAL HONORS FOR AN EXTRAORDINARY COUPLE

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. VANIK. Mr. Speaker, on October 21, 1975, Mayor Irving Konigsberg and Elsa Konigsberg, two distinguished citizens of our community, will be honored by the congregation of the Fairmount Temple, on behalf of our entire community for their devoted and untiring public service. Irving Konigsberg has been the mayor of the very special community of University Heights, Ohio for 10 years. He has served not only University Heights with distinction, but has been very active in his role as president of the Northeastern Ohio Area Wide Coordinating Agency serving the whole of the northeastern multicounty region of Ohio.

Mayor Konigsberg has also served with distinction as the president of the Cuyahoga County Mayors and Managers Association and the Regional Council of Governments.

Elsa Konigsberg is an equally extraordinary person who has raised a fine family, while pursuing a career in community relations. Through her work at Cleveland State University, Mrs. Konigsberg founded a very extensive, groundbreaking school-community relations program, serving now as a consultant to that program. Mrs. Konigsberg has been very active in local and State Parent-Teacher Association programs, serving as State PTA chairman for human relations. We join in the well-deserved salute to Mayor and Elsa Konigsberg at the Fairmount Temple. The Konigsbergs are a great credit to our entire community. I wish them continued strength and good health for their continued achievements in public service.

TEACHER STRIKE SCANDAL

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. CRANE. Mr. Speaker, American education is in real trouble. Scholastic aptitude test scores have been falling every year since 1962 and the latest figures, based on last year's tests taken by 1 million high school students, show that the trend is continuing. Over the past 12 years the average score has dropped from 478 to 440 on the verbal test and from 502 to 478 on the mathematics test. The highest possible score is 800.

Helping to confirm the general downward trend in learning, the National Assessment of Educational Progress, a federally funded testing organization, reported in March that students knew less about science in 1973 than they did 3 years earlier. The test, which covered 90,000 students in elementary, junior, and senior high schools in all parts of the Nation, showed the sharpest decline among 17-year-olds in large cities.

It is our large cities which have, in recent days, been faced with illegal strikes by schoolteachers. As test scores continue their downward trend, and as education deteriorates, teacher unions demand still more money, fewer students, and shorter working hours. This in the face of the fact that teacher salaries are higher than ever before and that more money is being spent on education in the United States today than at any point in our history.

Discussing the recent rash of teacher strikes, Anthony Harrigan, executive vice president of the U.S. Industrial Council, notes that—

The schooling of untold numbers of children has been seriously disrupted by the walkouts which took place in many states. Moreover, the children were shown an example of irresponsible behavior on the part of those who are supposed to teach responsibility . . .

The National Education Association has increasingly become a political body, concerned not about whether children can read and write, but about candidates in local, State, and National political campaigns. Terry Herndon, the NEA executive secretary, recently stated that—

Our ability to back political commitments has been noted in every State and in the Halls of Congress.

Mr. Harrigan comments that—

If the NEA is involved in politics outside the classroom, can parents be sure that politics aren't carried into the classroom? If teachers will take part in a militant strike action, contrary to the interests of school children . . . they aren't likely to hesitate to utilize propaganda in the classroom and thereby use their instructional positions to influence the rising generation.

Monopoly unionism, Mr. Harrigan declares, "has no place in the schools of the 50 States. It turns schools into battlegrounds and disrupts and sacrifices the education of young Americans."

I wish to share with my colleagues the column, "Teacher Strike Scandal," by Anthony Harrigan, which was released for nationwide distribution by the U.S.

Industrial Council on September 18, 1975, and insert it into the Record at this time:

TEACHER STRIKE SCANDAL

In recent weeks, thousands of unionized public school teachers displayed a shocking contempt for the educational needs of young Americans as they went out on strike. The schooling of untold numbers of children has been seriously disrupted by the walkouts which took place in many states. Moreover, the children were shown an example of irresponsible behavior on the part of those who are supposed to teach responsibility.

Parents undoubtedly regard shutting down public schools through strike action as an intolerable abuse of power. Such action is in a class with depriving a community of police, fire and hospital services. It should not be permitted. If teachers strike, they should be summarily replaced with persons who are sincerely committed to the education of young people. Certainly, it is unconscionable to curtail a child's schooling in order to strengthen a union negotiating position.

The current crop of teachers' strikes should focus public attention on the outlook and ambitions of teacher unions and lobbies. Americans must realize that teacher unions and associations are deeply involved in partisan activities.

The attitude of the National Education Association was clearly revealed by its executive secretary, Terry Herndon, at the organization's annual convention in July.

Mr. Herndon said that the organization's activities had "produced a very good year in political action." He declared:

"Our ability to back political commitments has been noted in every state and in the halls of Congress. NEA members this year directed their money and talents to the political process in unprecedented numbers. Through NEA-PAC, teachers invested \$225,000 in political action. Most state and local PAC groups added their endorsements and dollars to give us a total financial commitment of almost three million dollars. But perhaps the most remarkable contribution to our political success was the thousands and thousands of hours that teachers personally contributed to the campaigns. The dollars and the people paid off; 290 of 310 candidates backed by teachers won seats in the 94th Congress."

Mr. Herndon continued:

"We are going for bigger stakes in 1976. We have learned from the failures of the present Congress to override Presidential vetoes on key economic issues that we need even more responsive Congressmen and Senators. Even better, we might elect a President of the proper type and stop worrying about veto overrides and federal agency behavior."

No doubt many parents would be profoundly shocked to realize that the NEA, which presents itself on the local level as a professional educational organization, is up to its ears in partisan politics.

If the NEA is involved in politics outside the classroom, can parents be sure that politics aren't carried into the classroom? If teachers will take part in a militant strike action, contrary to the interests of school children and disruptive of the community, they aren't likely to hesitate to utilize propaganda in the classroom and thereby use their instructional positions to influence the rising generation.

Monopoly unionism has no place in the schools of the 50 states. It turns schools into battlegrounds and disrupts and sacrifices the education of young Americans.

Quality education cannot coexist with teacher unions or unions that masquerade as professional associations. Education is too crucially important to be controlled by a new breed of union bosses who are willing to prevent American youngsters from getting schooling if the taxpayers don't meet the union bosses' demands.

THE DANGERS OF ENVIRONMENTAL EXTREMISM

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. BROWN of California. Mr. Speaker, in recent days we have all been reminded, quite rightly, that environmental protection legislation cannot be extreme in its impacts. Because of my own role in some of our recent debates, I have been accused of being "one of those extremists." Normally such charges do not concern me, but in the midst of this rhetorical climate I came across an article by Dr. Paul Ehrlich which put matters in an entirely different perspective.

Mr. Speaker, I insert the article by Dr. Ehrlich, entitled "The Benefits of Saying Yes," into the Record. The article appeared in the September issue of the Bulletin of Atomic Scientists, and should be considered by every Member of this body. The article follows:

THE BENEFITS OF SAYING YES!

(By Paul R. Ehrlich, professor of biology at Stanford University and founder of BUST—Biologists for Unbridled Science and Technology)

NOTE.—The writer acknowledges his debt to Freeman Dyson for pointing out the deleterious effects of eco-freaks and neo-Luddites on technological innovation and scientific creativity.

The scientific community certainly owes a great debt to Freeman Dyson for his analysis of "The Hidden Cost of Saying No!" (*Bulletin*, June 1975). It seems to me, however, that his pioneering effort should be deepened and expanded at a time when the gallop of technology (which has brought the good life to almost a quarter of the people of the world) seems threatened by various doomsayers, eco-freaks, and neo-Luddites.

As an instrument and multi-engine rated pilot, I can testify to the stultifying effect that killing the SST has had on innovation in American aviation. It is clear to me, for instance, that cancelling the SST has had the same kind of dreadful consequences for aviation as did cancelling the Convair XFV-1 VTOL fighter in the mid-1950s. Professor Dyson is much too kind to the opponents of the SST. He mentions only the argument of its possible adverse effect on the balance of payments (which may well have been the one that moved Congress) and neglects to exhort those who, for instance, seem to have a sentimental attachment to the ozone layer. Just think, destroying much of that layer would substantially weaken the stratospheric temperature inversion and permit mixing of air pollutants into several times the volume of atmosphere now available to them—an enormous boon to industry as it attempts to maximize the planetary entropy. And we could, of course, after the global weather patterns, bringing on the rapid, unpredictable changes that Dyson correctly points out might make more of Earth's surface arable.

Professor Dyson did not bore his readers with the detail that any rapid changes in climate would probably be a disaster for agriculture and lead to hundreds of millions or perhaps billions of deaths, but some Pollyanna is sure to raise the point. As a population biologist, I can assure the reader that if Homo sapiens were killed back to 2 billion individuals by a rapid but ultimately favorable change, the survivors could easily expand the population up to a new carrying capacity of, say 8 billion in less than a century. Of course, if the climate became semi-permanently unfavorable, we might be stuck with a carrying capacity of 2 billion for

awhile. At any rate, a pessimal estimate of the cost of the SST and related technological innovation would probably be no more than 2 billion lives.

It is a pity that Dyson did not expand his SST example further to include the ozone scare. If, for instance, mankind decided it was better not to attempt to carry on in an environment reminiscent of a toilet seat under an ultraviolet sterilizer, then a vast area for innovation would be opened up for designing a physical or chemical sunscreen for the planet and installing it. And think what a lot of jobs would be created for out-of-work physicists and engineers!

The sunscreen project may go forward anyway, since it now appears possible that another triumph of technology—the fluorocarbon aerosol propellant—will destroy the ozone for us even without the SST. This possibility demonstrates once and for all the vacuousness of the arguments of the SST opponents. Without the ozone, the opponents are only left with silly quibbles. They can claim that it isn't equitable to generate sonic booms that destroy the peace and quiet of hundreds of millions of people, damage their property, and risk the lives of surgical patients in order to allow a few rich businessmen to suffer severe jet lag. Or they might nitpick that SSTs would waste huge amounts of fuel (a resource any economist knows is infinite), or that their contrails might cause unpleasant changes in the weather (which we now see would be a benefit rather than a cost).

Yes, as I fly a noisy, inefficient twin-engined aircraft, attempting to cope with an overly complex and confusing air-traffic control system and undependable electronics, or when I travel in airliners in which visibility from the cockpit is highly restricted, airliners in which leaking toilets may cause engines to drop off or in which control cable routing may be fatally flawed, I often think about how canceling the SST has removed opportunities for innovation in aviation. It is a tribute to the brainwashing power of the ecofreaks that no one in my wide circle of acquaintances in aviation has realized that the SST fiasco is the reason that problems besetting aviation today are not being solved innovatively. Doesn't everyone understand that the only way to progress in aviation is to fly higher and faster?

Perhaps my greatest pleasure in Dyson's article was reading his put down of my well-meaning but confused colleague Professor Paul Berg. Professor Berg and his coworkers worried that their research was going in a direction that could possibly lead to grave difficulties for mankind. They, like many other naive biologists, have been concerned not only about their specific hybrid DNA experiments but also about the long-range consequences of genetic engineering in general. This is in part because an accident in certain types of genetic engineering experiments (not those of immediate concern to the Berg group) could kill millions. The possibility cannot be ruled out that a virus could be constructed that would kill everyone. But I am sure Dyson would agree that killing everyone would not be a good idea since that would tend to dampen the opportunities for innovation.

Professor Berg and his colleagues, who I will call the Concerned Biologists, have really done the unthinkable. It was a sad day for science—indeed for all professions—when they sat down as an international group and agreed on voluntary safeguards and restrictions on their kind of genetic engineering research. The voice of reason, calling for *laissez-faire*, was barely audible in the chorus of concern about possible risks to workers in laboratories, the public at large, and the ecosystems of the planet.

Where will all this lead? If professionals start to allow concern for the welfare of mankind to intrude on the fundamental value of in-group loyalty and the attitude

that "nobody can tell me I can't do an experiment," then the end is indeed near. As scientists, we must learn to bear the risks we create for others stoically. Already there are enough atavists claiming that society should have a say in risk-benefit analysis. The Concerned Biologists are worried that poorly informed politicians will themselves attempt to place restraints on research, unenforceable restrictions that will inhibit progress by responsible and ethical scientists and provide little or no control over the unethical and incompetent.

Surely we must convince these misguided biologists that "stonewalling," concealing risks from the public, and denying the need for self-policing—the classic strategy of all professionals—is the only way to avoid interference with our God-given rights to conduct whatever experiments we please. The Concerned Biologists have opened the door to these suppressors of innovation by seemingly admitting that some scientific endeavors carry risks that outweigh their potential benefits.

I think the problem of the Concerned Biologists is readily diagnosed: they lack moral fiber. Contrast the Concerned Biologists' position with that of the team of bomb-test physicists at Los Alamos in July 1945. Those physicists knew the threat of atomic bomb development by the Axis was over, and yet they had put together a very innovative device. They thought there was some chance that exploding a nuclear bomb would detonate the atmosphere, but a calculation showed that chance to be very small. So they went ahead. Would the Concerned Biologists have gone ahead and taken that tiny risk of wiping out life on the planet? Would they have had the foresight and guts to decide to take a chance with the lives of every living creature, including all of their fellow men? Clearly they would not—for they lack the ethical background of those who promote big science as the ultimate human value.¹

And this leads me to my only quarrel with Dyson's article, and a minor one it is. He did not discuss the best of all what-if cases in support of our point of view. What if all the physicists of the world had gotten an attack of the kind of scruples shown by the Concerned Biologists and refused to release the power of the atom? Consider what the results of such immoral defection would have been. So many areas of technological innovation would have been damaged or wiped out that the mind boggles. We never would have discovered how large or small a fission bomb could be made or whether a hydrogen bomb was feasible. It seems doubtful that ICBMs ever would have become big business, and all those technicians now struggling to improve SLBMs, MIRVs, MARVs and the like would be unemployed.

Mankind would have been denied a chance to use cheap, abundant power to conquer nature and might have been forced instead to learn to coexist with her. Entire areas of intellectual endeavour, such as deterrence theory and studies of the biological effects of radiation, would have been stifled and, in the absence of the Atomic Energy Commission, mankind today would remain hopelessly ignorant of the limits to which lies, obfuscation, and incompetence can be carried. Perhaps most seriously, we would have discouraged eager young scientists in dissident groups or poor nations from finding innovative ways of producing supercriticality from non-weapons-grade plutonium. Can we afford to stifle science among the young and the poor?

The message is clear for all of us. Some people do not understand that technological progress, as we define it, is the greatest good for mankind. Some actually think that a public dampening of the idea that anything that can be done should be done is good. Some put forward the notion that the negative consequences of many technological advances, such as the release of nuclear energy, far outweigh any possible benefits. Real radi-

cals even claim that mankind would do well to shift its research emphasis away from generating new technological circuses toward the more difficult problems of innovation at the levels of intermediate technology. And traitors to their professions have gone so far as to suggest that voluntary constraints be put on research or, horrible dictu, even that the public should have some say in evaluating the risks and benefits emanating from research supported by the public.

These people lack the vision to see what the world would be like without thermonuclear weapons, nerve gases, fast-breeders, smartbombs, aerosol deodorants, synthetic organic pesticides, supersonic aircraft, uppers, downers, plastic bread and the many other things that make life for almost a billion of us so exciting. Could one even consider life without these and similar wonders truly human life?²

ACKNOWLEDGEMENTS

I would like to thank Thomas Andrews, Wilfred Beckerman, Hans Bethe, Wernher von Braun, Colin Clark, Buckminster Fuller, Philip Handler, John Maddox, Viscount Pirrie, Dixy Lee Ray, Edward Teller, and Alvin Weinberg, whose thinking on technology has been a constant inspiration to me in the writing of this paper.—P. E.

NOTES

¹ We are fortunate indeed that many veterans of the Manhattan project are among the most sturdy supporters of nuclear power (vide the Bethe statement, *Bulletin*, March 1975, pp. 4-5). They are the sort of men who can make rational decisions about future risks and benefits, men fully aware of the technological imperatives that must control human destiny.

² Those who claim that the Nixon administration would have shown us those limits simply have no grasp of the duration and quality of the AEC's efforts or the numbers of innovators involved. I need hardly point out that Mr. Nixon had no faulty emergency core cooling system, that his administration admitted that things leaked out, and that even Spiro Agnew was never caught swinging around in a faulty fault tree.

³ Some quibbling anthropologists might claim that, say, the !Kung bushmen or the Eskimos led human lives; but this is, of course, confusion on their part. What !Kung bushman, for instance, has ever had his manhood reinforced by a Mayaguez incident? What Eskimo has ever had the capacity to vaporize one of his enemies 57 times over? Neither group uses deodorants. Anthropologists should sharpen their definitions and be more precise. They could learn a lot from physicists like Freeman Dyson, who, for instance, went to the trouble of determining that the putative author of *Our Plundered Planet*, Fairfield Osborn, was in fact Harrison Brown writing under a nom de plume.

THE FIVE ESSENTIALS OF MEANINGFUL FULL EMPLOYMENT LEGISLATION

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. HAWKINS. Mr. Speaker, two recent events necessitate a clarification of what many of us long active in the struggle for meaningful full employment legislation mean when we talk about a "full employment bill."

On September 5, 1975, in Sacramento, Calif., President Ford declared:

I know of no acceptable rate of unemployment as long as there is any American who wants a job and cannot find one.

On September 19, 1975, Dr. Arthur Burns, Chairman of the Federal Reserve System, stated:

I embrace the goal of full employment, and I shall suggest ways to achieve it.

Dr. Burns then went on to suggest that the Government be the employer of last resort to guarantee some kind of job to anyone able and willing to work—but at below minimum wages.

Just listening to the flowery rhetoric of the two gentlemen many of our fellow citizens might be deceived and misled into believing that these officials are actually advocating and supporting meaningful full employment. Therefore, before the phrase "full employment" is emasculated and gutted and stripped of all meaning by those who are, in one way or another, in fact opposed to meaningful full employment, I propose to set down as clearly as I can the key essentials of a meaningful full employment bill.

First, a meaningful full employment bill must establish and affirmatively guarantee in direct terms the individual right to a decent job at fair wages for all adult Americans willing and able to work. By this essential element of full employment legislation we mean to reject any mere statement of the declaration of the "right" to a job or some other artistic euphemism. The individual right means that we treat the right to a job as a right attaching to each and every American, not as an abstract condition of joblessness of any percentage of our population hidden in faceless numbers on Government statistical sheets.

The individual right means, too, that an American citizen without a job and desiring one can, if necessary, as a last resort, and after full utilization of other employment channels, present himself or herself at a Government office and be placed on a decent job—private or public—at fair wages and conditions of employment commensurate with that person's capability and potential. As a practical and meaningful step toward achieving this ultimate goal, an interim quantitative objective such as lowering unemployment to 3 percent or less within 2 years should be mandated.

Second, a meaningful full employment bill must provide in explicit terms for the machinery at all necessary levels to implement the established right to a job, including the provision for adequate funding for all levels and instrumentalities of the implementation process. Duties for carrying out the legislation must be directly placed upon specific officials and agencies, together with a clear fixing of standards and responsibilities of those officials and agencies. Thus, when an individual cannot get a job, there will be explicit accountability for that failure.

Third, a meaningful full employment bill must effectively fight inflation, among other means, through putting the Nation to work producing the goods and services that stop normal inflationary pressures, by using appropriate monetary and fiscal policies, and by recognizing the necessity for curtailing the abnormal inflationary pressures stemming from the various types of monopolistic economic practices, including administered prices. Such a bill would thus spell out precise measures to be taken to stop inflation.

Fourth, a meaningful full employment bill must fix the full employment principle as the centerpiece of a total national economic context of full goods-and-services production and full purchasing power in the hands of our citizens, together with an explicit statement of our national priorities, all expressed in direct mandatory language binding by law upon the President and the entire executive branch. Full employment means, as President Truman stated in his final economic report of January 1953, "full utilization of our natural resources, our technology and science, our farms and factories, our business brains, and our labor skills."

The executive branch, including the President and Mr. Greenspan, must be required to throw out their long-term planning for high levels of unemployment into the foreseeable future. The Federal Reserve System and other regulatory agencies must act in concert with these full employment policies, not in opposition to them. Congressional participation—including program and policy involvement, adequate funding, and oversight—must be an integral part of the process.

Fifth, a meaningful full employment bill must begin to operate without delay. The ravages of unemployment are too devastating for the Nation to continue to suffer them for many more months or even years, as the present administration proposes. Next year, or the year after, is too late; action now is needed. And that action must be backed up with specific goals and timetables of implementation, in accord with a previously stated quantitative interim objective such as achieving 3 percent unemployment or less within 2 years.

The above five essentials of a meaningful full employment bill are not exhaustive but are merely designed to begin to give us bearings for constructive action, meaningful dialog, and the debate that is surely to come. If, as many veteran political columnists and observers are predicting, full employment legislation will be the main issue of the upcoming Presidential campaign, we should at least insist that those who use the phrase "full employment" be responsible for its genuine accomplishment.

I submit that anything less than this would be to betray and defraud the American people.

I offer these comments in a spirit of constructive dialog.

CONSUMER AFFAIRS SUBCOMMITTEE SCHEDULES HEARINGS ON CREDIT CARD SURCHARGE LEGISLATION

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. ANNUNZIO. Mr. Speaker, on Thursday, October 23, the Consumer Affairs Subcommittee of the House Committee on Banking, Currency and Housing will hold hearings on legislation to prohibit adding surcharges on consumer credit card purchases.

Although the legislation has not been introduced, it will be on the first legislative day after the Columbus Day recess.

Last year Congress enacted the Fair Credit Billing Act which provided that merchants who honored credit cards could allow cash purchasers a discount. In addition, a discount of 5 percent or less would not have to be disclosed under Truth in Lending requirements.

This position was enacted so as to provide lower costs to customers who chose not to use a credit card. Although many merchants were willing to provide such discounts, they were prevented from doing so because of contract stipulations between the merchants and the credit card companies prohibiting such discounts.

When the Federal Reserve Board published its proposed regulations for the Fair Credit Billing Act—which contained the cash discount provision—the Board also authorized the use of surcharges which would increase the cost of credit card purchases. I protested this action to the Board, pointing out that Congress had not authorized surcharges and the Board was overstepping its authority. The Board subsequently withdrew the proposal, but since that time the Senate has begun holding hearings on this issue to specifically authorize surcharges.

I am opposed to such surcharges. With more than 500 million credit cards in circulation, a surcharge of only a few percent could result in billions of dollars in extra costs to credit card customers. In addition, the surcharge will not result in any lower costs for cash customers.

THE JOHN A. BLATNIK LOCK

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. OBERSTAR. Mr. Speaker, the Nation's fourth seacoast: the St. Lawrence Seaway, the Great Lakes, and their connecting channels, today links the great heartland of the North American Continent with the trade routes of the world.

Once only canoes, manned by Indians and later by the French-Canadian fur-traders, plied the more than 2,300-mile route from what are now the twin ports of Duluth and Superior to Montreal.

Today, ocean-going liners carry U.S. cargoes to ports around the globe.

Thousand-foot ore carriers transport iron ore from the fabled Mesabi Iron Range in Minnesota to the steel mills of our great Midwest industrial centers.

The fourth seacoast was only a dream at the beginning of this century, when men of vision began to urge development of the St. Lawrence Seaway.

But the seaway remained a dream for over 40 years—until one man, a freshman in the Congressional Class of 1946, introduced a bill and, a brief 6 years later, fieldmarshalled the legislation through Congress and into law.

That man was John A. Blatnik, our colleague in the House from 1947 until his retirement in 1975, and chairman of the House Public Works Committee from

1971 through the end of the last Congress.

Hardfought as was the battle for the seaway, it was only the beginning. For the key to the seaway's success was the deepening and widening of the channels connecting the Great Lakes, without which no ocean-going vessels could penetrate the full 2,300 miles to the ports of Lake Superior.

The channel improvements were authorized by Blatnik's Subcommittee on Rivers and Harbors in 1956, the first year he chaired that subcommittee.

One of the most vital links of the entire 2,300-mile Great Lakes/Seaway System is the 1,200-foot lock at Sault Ste. Marie, Mich. Although no 1,000-foot lakers existed, or were even on the drawing boards, when this giant lock was authorized, Blatnik had the foresight to realize that these supercarriers would be needed and, therefore, built.

Blatnik's expertise and legislative craftsmanship steered the enabling legislation for the 1,200-foot lock through this complicated maze to enactment, in the face of skepticism and outspoken opposition by those who believed it would be superfluous.

The lock was opened in 1968. By the early 1970's it had revolutionized the transport of grain and ore on the lakes. Brand-new, 1,000-foot oreboats replaced smaller vessels, and shipyards were busy with commissions to lengthen others to meet the opportunities of this new lock.

That lock, now known as the Poe Lock, was named for a Corps of Engineers officer, Orlando Poe, who lived 100 years ago, and who had no connection with the conception or authorization of the 7-year-old lock that bears his name.

Mr. Speaker, the locks and facilities of the fourth seacoast bear the names of men who, historically, made a contribution to the system, but who have no geographical connection with the facility named for them. History, not geography, has been the guiding principle in commemorating their vision and achievements.

But the one man who really got the St. Lawrence Seaway enacted; who made the lakes and seaway the Nation's fourth seacoast in fact, and then in law; who made the system navigable to today's super-lakers; and who authorized the giant lock at the Soo, is nowhere recognized.

The bill I introduce today would rectify this situation, by naming this lock, as a permanent monument to our former colleague, the John A. Blatnik lock.

DEBBIE REYNOLDS HELPS ESTABLISH THALIANS' COMMUNITY MENTAL HEALTH CENTER

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. REES. Mr. Speaker, we are all aware of the great contribution the renowned Miss Debbie Reynolds has made during her 25-year career as an actress and entertainer for the benefit of millions of Americans and people throughout the world. I wish to bring to the at-

tention of this body her contribution as an outstanding leader, president and now chairman of the Thaliens, a group of civic-minded people who have devoted their time and energies for the past two decades to care for and treat emotionally disturbed children. As a result of their dedicated efforts, the new Thaliens' Community Mental Health Center was built at the nonsectarian Cedars-Sinai Medical Center in Los Angeles. She has led this outstanding group of dedicated people to raise over \$2.5 million.

In my opinion, a young, talented woman who has served in this dual purpose of entertainment and civic leadership should be an inspiration to many other Americans in years to come.

I am very proud to present Miss Debbie Reynolds to you as deserving of the highest commendations of this legislative body.

FEDERAL SUPPORT OF THE ARTS

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. DRINAN. Mr. Speaker, the need for continued Federal support of the arts is imperative if we are to promote and preserve our cultural heritage. Past appropriations to the arts have been substantial, but more money will be needed in coming years to promote and maintain the successful work which the National Endowment for the Arts has done during its 10-year existence.

An editorial in the September 30 Christian Science Monitor persuasively argued that appropriations for the arts are not a luxury. With the creation of the National Endowment for the Arts and Humanities 10 years ago, opportunities were created so that all Americans could benefit from American art and culture and not just those few who were able to afford it.

Two hundredths of 1 percent of our national budget is presently being spent on the arts. As the Christian Science Monitor editorial points out, we should surely spend no less.

I commend this excellent editorial to my colleagues:

TWO ONE-HUNDREDTHS OF 1 PERCENT FOR THE ARTS?

The National Endowment for the Arts celebrated its 10th anniversary yesterday in the midst of artistic cutbacks around the country that make its funding—and its generation of matching funds—all the more necessary. As state and city budgets are tightened in the inflation-recession squeeze, museum hours get shortened and anything that smacks of luxury is challenged. In Massachusetts, for example, with all its cultural heritage, struggling arts organizations are rightly concerned because of a threatened two-thirds cut in the state arts council's budget.

But the arts and the whole quality of life they exemplify are not a luxury. Salty Harry Truman in the current play and movie about him is shown taking time to emphasize the importance of beauty to the human spirit—acknowledging how it refreshed him for the affairs of state. So do all members of society need the enrichment of the arts. When they turn to these resources, the resources must be

there, not reserved for the elite, not allowed to wither to the disadvantage of all.

The United States took most of its 200 years to recognize the need for federal support of the nation's artistic enterprise. But the commitment to the arts endowment over the past decade has grown from \$2.5 million to \$74 million this year (with similar amounts for the companion National Endowment for the Humanities). For the coming year President Ford is at least going in the right direction by asking for an increase to \$82 million (though \$126 million was authorized under the last legislation). Surely no less should be appropriated in a budget of \$375 billion.

For the arts endowment's 10 years have provided, despite some merited criticism, what chairman Nancy Hanks calls the "confirmation of an idea"—that federal support of the arts is an essential part of the system. Since it still amounts to less than 50 cents per capita, it is clearly not displacing private support and commercial maintenance of the arts. Indeed, many business patrons of the arts are not yet in recessionary retreat.

What the arts endowment can do—and has been doing—is to use its leverage to pry funding from other sources. As Miss Hanks has said, "Our most fundamental purpose is to draw national attention to major problems and opportunities in the arts, and then use our limited funds to mobilize non-federal resources to deal with them."

The needs she sees now range from better use of the potential of broadcasting for wide dissemination of the arts—to helping the little magazines in their task of discovering literary talent.

Are the arts worth two-hundredths of 1 percent of the national budget? That's all the President is asking for.

CULTIVATE-A-LOT

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mrs. SPELLMAN. Mr. Speaker, several years ago in Prince Georges County, we instituted a program that, for a nominal fee, provided garden plots from unused county land to families who wanted to grow their own produce. The cultivate-a-lot program has met with tremendous acceptance by county residents to the point that yearly reservations for plots must be made well in advance of the planting season. The county provides the lot and the initial plowing for a modest \$10 fee; the would-be gardener prepares the seed bed, cultivates the garden, weeds the plot, and harvests the crop.

I wish that my colleagues could come out to Prince Georges County to see this program in action; to see the people working on their plots. So many families in our urbanized society do not have access to arable land, yet want to cultivate a garden. The Prince Georges County cultivate-a-lot program fills that need with a minimum cost to the government and with a maximum satisfaction to the participants.

It is the success of the Prince Georges County program that prompts me to introduce legislation to establish a similar cultivate-a-lot program on the Federal level. My bill amends title 16 of the United States Code by adding a new subsection (i) to section 406L-1.

Such a program must be administered by the agency that has jurisdiction over most of the land owned by the U.S. Gov-

ernment. Under my bill, the Secretary of the Interior will establish a cultivate-a-lot program through the Bureau of Outdoor Recreation, to lease lots of up to 1,000 square feet of arable U.S. land that is not directly necessary to the on-going activities of the Government and its agencies.

Outdoor recreation programs were created to assure all Americans adequate outdoor recreation resources after the Congress determined that it was desirable for the Government to "conserve, develop, and utilize such resources for the benefit and enjoyment of the American people." I can think of no better way to fulfill this goal than to utilize U.S. land for such a program. In these days of high food prices, it would be beneficial to have such a program available for people who want to grow their own produce, yet do not have access to the land. The program will, through the lease fees paid by the gardeners, be essentially self-supporting.

I urge my colleagues to join me in sponsoring this bill so that it can receive immediate consideration. Initiation of this low-cost program in time for the spring planting season of 1976 would be a most fitting present to this country and its people on the occasion of the Bicentennial.

At this point, Mr. Speaker, I include the text of my bill:

H.R. 10205

A bill to establish as part of the Outdoor Recreation Programs a program to permit certain residents to cultivate gardens on dormant Federal lands

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act of May 28, 1963 (77 Stat. 49), is amended by adding at the end thereof the following new subsection:

"(i) Cultivate-a-Lot Program.—Establish a program wherein citizens or permanent residents of the United States are permitted through lease or other arrangement to cultivate in plots no larger than 1,000 square feet, arable land owned by the United States and determined by the Secretary of the Interior not to be directly necessary to the on-going activities of any Federal agency or instrumentality."

CAN CONRAIL SUCCEED?

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. SHUSTER. Mr. Speaker, under the provisions of the Regional Rail Reorganization Act of 1973 the USRA final system plan will automatically go into effect within a month unless Congress acts to disapprove. I support ConRail and am deeply concerned that this body is not yet sufficiently informed of the plan to pass judgment on it. A package of amendments to the act are required and it is essential that we act wisely and with dispatch. Toward that goal, I am inserting the text of a speech recently delivered by Arthur D. Lewis, Chairman of USRA. I commend it to my colleagues:

REMARKS BY ARTHUR D. LEWIS

I'm very flattered to have been chosen as the first luncheon speaker for this important conference, although, looking over your pro-

gram for the morning session, I know that I am following some pretty tough acts. I'm referring not only to the participants from other organizations and to Owen Clark's able moderating, but also to my colleagues from the Railway Association. John Terry can always be counted on for a good presentation, and it will come as no surprise to you that we consider Jim Hagen's ability to sell a "bill of goods" to be absolutely outstanding. He sold us the "Plan."

Since July 26 when the last midnight oil had been burned at the Association and our Final System Plan was delivered to Congress, we have had an opportunity to stand back from the Plan itself and reflect upon it. The demands of Congressional appearances, together with the responsibility to consider evaluations from other sources, have dictated a fairly thorough review by ourselves of our conclusions and recommendations.

Thus, today, I have some confidence in answering the question posed as the theme of this conference, that is: "How ConRail is Going to Work." My thought is that, in time, it will work very well.

I continue to be confident in the research and the judgments of both the professional staff of the Association and the consulting firms whose expertise we called upon during our short and compressed planning period—all deeply experienced in rail management and finance—and I am also confident in the collective judgment of our hardworking Board itself.

Because the challenge that confronted us was comprehensive as well as complex, some complexity is evident in the Final System Plan. We are not surprised that the complexity has brought disagreement and criticism from sources whose knowledge of the detailed analytical work is based only on the document which was published. Even though the System Plan itself constituted two thick volumes, it still represents a minute distillation of the work completed during the last eighteen months.

The principal contentions of our critics are (1) that we have undervalued the bankrupt properties, (2) overestimated the earnings potential of ConRail and (3) underestimated the amount of money ConRail will need to get in the black. Those are some pretty sweeping criticisms. But to some extent they were to be expected because the whole process is programmed for controversy of this kind.

Let's deal with the first of these, i.e., the valuation of property. In so doing, we should know that the basic complaints have come from the Trustees of the bankrupt estates involved and/or the creditors and stockholders of those bankrupt railroads.

We first must clearly understand what we are dealing with. The valuation of rail property shown in the Plan is the estimated current value of these properties if the Trustees of the estates were granted permission to discontinue operation and sell their properties to whomever they wanted to sell it to and for the very best price they could get for it. It also reflects the net cost to them to dispose of these properties and this is quite high, reflecting the diversity and scope of the property involved. To put this into perspective, look at these figures. The net book value of all rail property of all seven railroads in bankruptcy totals 4.45 billion dollars—but in a terribly depleted condition, as we all know. We have developed a liquidation plan which causes us to believe that over the next twenty-five years the bankrupt estates could sell most of this property for a total of about \$3.5 billion. Some of it they can never sell while other parts can be sold only for scrap at very low prices, hardly worth the effort to accumulate it and transport it to market.

We have forecast that the cost of selling these thousands of miles of rail line, hundreds of millions of ties, millions of tons of steel scrap, of tearing down bridges, plugging tunnels and the like would cost about \$1.8

billion during that twenty-five year period—leaving about \$1.7 billion for the stockholder and the creditors of the estates. However, the law states that we must estimate the current value of this \$1.7 billion flow of cash at the time of conveyance of property, about March 1 next year. For example, what we had to do was determine what a dollar which might be received by the estates in 1985 for sale of land or other assets would be worth today. It is not the same; it is less. Looking at it in another way, if one felt he could sell property for a given sum ten years hence, how much less would he be willing to take today for that same property. One would accept a substantial discount, and the degree of discount would include risk that the prospect of sale might not be fulfilled.

Thus, we had to determine a reasonable discount of that net flow of \$1.7 billion in cash over the twenty-five-year period—and our discount rates reduced it to a current value of \$621.0 million. We think that is the current value of the net proceeds which would come from a decision to begin liquidation of the rail properties today.

The question then comes, is this the real measure of the value of the property that is to remain in rail operation. The answer is, of course, "no." The real value of that property is its ability to earn money as a railroad. It is the capitalization of earnings of that property which determines its real worth. To properly compensate the stockholders and creditors of the bankrupt estates for the use of that property, we have given them 100 percent of the common stock of the company so that these earnings, whatever they may be, belongs 100 percent to them, including the very real potential for earnings substantially in excess of our forecast. It should be noted, however, that those earnings cannot be realized without heavy investment in the rehabilitation of these badly deteriorated properties, with capital provided on highly favorable terms by the government. The actual cost of this essential capital we see as a proper prior claim on ConRail's earnings.

Of course, taking into consideration the trend of the stock market, and other variables, we could not with certainty say what the stock of ConRail will sell for—and we could not be certain that ConRail would have sufficient earnings to give value to its stock under any market conditions. Thus, we then become concerned with what value the estates should receive for their property if ConRail stock did not have value or if the value were minimal; in other words, if ConRail could not be reorganized successfully; or if, in legal terms, we did not have an "income based reorganization." We believe that legal precedent clearly states that, if the property cannot be operated at a profit for its owners, then what they could get if they liquidated the firm will constitute the fair and just consideration for its owners. Thus, we believe, that "net liquidation value" we have described in the Plan is the fair and equitable value they should receive.

To make certain that the creditors and stockholders receive that "constitutional minimum" the Association recommended the creation of the Certificate of Value guaranteed by the full faith and credit of the U.S. Government to make up any shortfall that might exist if ConRail securities fail to have a market value equal to that constitutional minimum.

The creditors say this isn't enough. In effect, they say, "We have given you assembled property with bridges and buildings that will not be torn down; ties and rail that won't be ripped up; and tunnels that will not be plugged; thus, you owe us 'assemblage values', or cost of reproduction new, less depreciation, or today's net book value."

We recognize the properties will not be sold off, ripped up, torn down, etc. Those properties designated to ConRail will be operated as an ongoing rail system by a private, for-profit corporation. And, it is for that reason that we hold that the intrinsic value

of that property is determined by its earnings value, and that a capitalization of these earnings determines the value of the property.

And, that gets us back to the second area of controversy surrounding the Plan—is it too optimistic in its financial projection? In this regard, however, I would like to emphasize again that the earnings we have forecast and the value derived therefrom, are realized only after the general taxpayer has put nearly \$2.0 billion in bonds and preferred stock in the operation and has granted subsidies in excess of \$500.0 million to current and future operation—no little sum to enhance the earnings capability of the dilapidated investment of the stockholders and creditors.

And, again, based on a reconsideration of our work, and with this financing assistance, I think those rail properties can be operated at profit sufficient to create securities distributed to the estates with values in excess of any constitutional minimum value.

Before I launch into a more detailed statement of the reasons I believe as I do, I'd like to emphasize one point—and that is that the United States Railway Association has not felt that it has had any specific ax to grind. Our goal has been to do what we could to optimize the profitability of these properties with the resources available. We did not try to force any answers. We would rather have returned to Congress and reported that the job it gave us could not be done, rather than to put something together we felt would not work. I am not saying that, in the inherently uncertain world of economic and financial forecasting, that we are infallible. I simply want to emphasize that we had no partisan interest in, nor preconceived answer to the solution and conclusions we developed.

In setting about our job, it readily became apparent that losses on the bankrupt carriers were coming from several sources other than line haul freight operation. The two largest cash drains came from certain passenger services and a large number of branch lines with very little traffic. Early on it became apparent that rail freight services were not sufficiently profitable that they could continue to subsidize losing operations which might be necessary to serve other social purposes than running a profitable rail freight service.

We recommend an elimination of cross subsidies and the adoption of a policy that the governments involved (Federal, state and local) pay the cost of losing operations if they wanted them to be operated. We have excluded such losses in the financial statement of the Final System Plan. We believe that both the Administration and Congress will agree to this general principle and recognize that we cannot have a private enterprise solution in reorganizing these bankrupt carriers if we try to force ConRail to carry these losses. To show you the importance of this element in affecting earnings, we estimate that in 1976 the combined losses from unprofitable passenger services (both AM-TRAK and commuter) and branch lines approached \$100.0 million. If ConRail were forced to continue those losses throughout the 1976-1985 period its cash requirements would rise by \$2.3 billion more than shown in the Plan. There is no way ConRail could accept that cash drain and the additional losses from operations involved and succeed as a private sector company.

With the elimination of the losses from passenger services and the large number of unprofitable branch lines operated by these bankrupts, it becomes meaningful to compare the financial performance of the bankrupt railroads with other railroads in the industry. On the basis of this comparison our forecast of ConRail viability by 1985 appears to be quite reasonable. For example, the critical ratio of ConRail operating expenses as a percent of revenue is estimated to decline steadily from 92.6 percent in 1976 to 70.7 percent in 1985. That compares to an

average for ten large rail systems in 1973 of 69.7 percent—not an unreasonable expectation in the tenth year, after the expenditure of \$6.0 billion on roadway, property and equipment improvements, a new management, the elimination of passenger and branch line losses, consolidation of yards and facilities to reduce costs and the introduction of many important systems to improve operating efficiency. I don't think this is an unreasonable projection. It assumes an extensive rationalization of duplicated properties during this period; it seems a carefully calculated improvement in operating costs due to the rehabilitation program with each dollar of rehabilitation cost justified by improvements in operating costs. It assumes a substantial but not radical improvement in car utilization by the use of modern management techniques which are available. It assumes only a small part of the improvement in yards which can be realized by a carefully planned capital expenditure program and by improved management practices in the yards. (Incidentally, we have looked at work rules as presently administered by the Penn Central and believe that a very significant portion of their particular problem of manpower utilization in the yards is in the daily administration of their contracts rather than in the specific limitations to worker productivity written in the contracts.) We have projected a substantial improvement in loadings per car reflecting the higher capacity of cars being added to the fleet as the older cars are retired, and, as you can imagine, a large part of the cars owned by the bankrupts today should be retired soon. We have also programmed many of the original consolidations of facilities which were thought to justify the merger of the Pennsylvania Railroad and the New York Central but which were never implemented due to lack of cash. Actually, we have been very conservative in forecasting the net benefits of improvements in operating efficiencies. We forecast an improvement in earnings of \$578.0 million by 1985 and of that only \$299.0 million is due to gains in operating efficiencies and changes in the traffic mix and volume. This is a very conservative figure considering the benefits that can flow from programs just mentioned, as well as to a new profit-oriented management dedicated solely to making the railroad succeed.

And, now I'd like to talk about the latter element, the new management, beginning with Ed Jordan, recently joined by Dick Spence. I think we are well on our way to developing an outstanding new management team and in creating a new management environment in the bankrupts (particularly the Penn Central.) This will have a direct positive impact. This statement should not be construed as my being critical of the present management of the Penn Central. I am not. With the constraints of a bankrupt company, the lack of cash, the indefiniteness of a future, with a Trusteeship with divided interests between rail service and preservation of assets, rail management has had an impossible job—and I lift my hat to Jervis Langdon who has held that company together under conditions impossible for an outsider to imagine.

But, the new management will be in sharp contrast to the management of the rail system when it went into bankruptcy—a new management capable of implementing the most sophisticated management systems and one dedicated to rail service only. No attempt will be made to disinvest from rail service, but rather a direct attempt will be made to show that a successful Phoenix can arise from the ashes of these failed companies. I am proud of the selections of executives we have made so far and I am sure you will begin to see more appointed of the same quality—and a substantial number of these will come from the bankrupt carriers themselves—but newly invigorated and stimulated by the possibilities of a resurgent new company. Mark my words, I think that

in three years that ConRail will be recognized as having the best management in the field of rail operations—not as a reflection against other rail management, but a reflection of the drawing power of the challenge of ConRail's rebirth.

The basic question is—can ConRail achieve the degree of profitability about equal to the average large railroad system after ten years operation under this new management; after freeing it of debilitating cross subsidies, after major capital expenditures made to improve efficiencies and the consolidations of facilities?—I think it can.

But, what I am concerned about also is what will be the rate of profit of the average rail carrier ten years hence. If it is no better than today, it will not be very profitable and thus, ConRail will be only marginal. To me, this is the critical problem both from the standpoint of the stockholders and creditors of the bankrupt estates as well as the government itself.

The problems of ConRail's profitability in the future will be the problems of the profitability of the industry as a whole. We think ConRail will be as good as the average, but no better. But this country needs an industry which, on an average, is more profitable than the rail industry is today. For many years it has been at or near the bottom of all U.S. industries in rate of return on investment.

The key fact is that over the last twenty years, the industry as a whole has failed to keep abreast of its developing capital needs. What capital expenditures it has made have come either (1) out of working capital (and for the industry as a whole it is now in a deficit working capital position), (2) by increasingly expensive leases and conditional sales agreements in acquisition of rolling stock, and (3) by deferring less critical maintenance of fixed plant and track when feasible.

Not only has the industry reached a point at which it cannot fully meet its current needs, it now faces a decade of capital expenditures and track and tie replacement unprecedented in its history.

And, unless basic and fundamental changes are made in the industry and in public support for the industry, it will fall even further behind in meeting its capital and maintenance requirements in the future. Increasingly, it will fail to provide essential transportation services—thus, for the industry and for ConRail, I need to say these things:

1. The industry, itself, must accelerate its efforts to improve productivity, and the strong roads as well as the weak, must recognize they stand to gain by industry programs which benefit all lines.

2. Rail labor, too, must recognize that its future is largely contingent on a sharp improvement in railroad efficiency—and it cannot rely on radical improvements in rail technology to bring that about. It, too, must increase its own productivity—and it should share in the benefits of increased productivity.

3. The regulatory philosophies in this country must change. They must be based on the present competitive conditions in the industry and not on the past. The common carrier must be given greater freedom to compete in the private sector and contract carriage of freight. Rates must reflect costs both inflationary as well as structural. Flexibility in competition, rate making and service must be the basic goal with protection for the public when lack of competition permits excesses to occur.

4. And public support policies must change—support for the various modes must be brought into balance. We should clearly determine the extent to which each mode is aided by public policy—to which it is subsidized either directly or indirectly in the administration of expenditures for highways, inland waterways and airways, and in tax policies. Each mode should be forced to com-

pensate the body politic fully for services used, including capital charges for the use of public capital. Either that, or all forms of transportation should be aided in an equitable manner. Certainly, we should stop the discrimination in public support which adversely affects the most energy efficient and the most environmentally compatible mode, the railroads.

5. And lastly, we need to integrate the planning for modal development. We have long passed the point when we can develop independently all modes of transportation without evaluating the interrelated needs for service. We cannot afford the waste of natural resources which indiscriminate development of all modes brings about.

Now, the above are the things we must do if rail transportation as an industry is to meet the developing needs of our society. Without direct and positive steps we will see the rail industry continue to lose market share at a time when energy and environmental factors should stimulate its growth. In that case, ConRail will suffer along with the industry.

On the other hand, we can step up to the basic problems of the industry and create conditions in which it will flourish. *ConRail then will flourish, too.* And this in large part will provide the answer as to whether the financing recommended for ConRail will be sufficient in the long run. The answer really depends on the exercise of public policy from this point forth and the degree to which it continues to starve the industry for funds or alternatively creates conditions which provide an adequate cash flow to make needed capital investments.

As we said, both in our Preliminary System Plan and in the Final System Plan, "the Association can only plan a system and recommend methods of financial assistance. . . . Others will have to share in the creation of an environment favorable to an economically viable rail system for the Nation."

We also went on to say that, "the Association believes ConRail can succeed as a viable private enterprise and is optimistic that the industry itself will remain in private operation. The public attitude toward the rail industry is changing from one of hostility or indifference to one of encouragement. With the resurgent use of coal to supply more and more of the Nation's energy needs, rail transportation will become even more important. With society concerned about the fragility of the environment, excessive consumption of petroleum and use of additional land for highway construction, greater recognition will be given to the railroad as a fuel efficient, land-conserving and low-polluting method of transportation."

"Thus, the Association's optimism for ConRail's future is not based solely on government support of new management. There is a changing public attitude toward regulatory policies, energy and the environment, a shift of attitudes that portend a fundamental turning point in the historical relationship between the Nation and its railroads."

"ConRail can succeed. The Nation can have an adequate rail system. The Nation can have the benefit of a rail industry which, operating in the private sector, serves its full and efficient role in the national transportation system. The Final System Plan is a single, but highly significant step toward achieving these goals for the benefit of the citizens of this Nation."

PERSONAL ANNOUNCEMENT

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. EDGAR. Mr. Speaker, as a result of an unavoidable out-of-town commit-

ment, I was not present when the House of Representatives voted on H.R. 9500, the Construction Industry Stabilization Act of 1975. I was a cosponsor of an identical bill. Had I been present, I would have voted in favor of passage.

While preserving the structure of unimpeded collective bargaining, H.R. 9500 provides a mechanism for anticipating and settling disputes in the construction industry with a minimum of Government interference. The impact of this bill will be to stabilize a fragmented industry, and help avoid ugly labor disputes which ultimately are costly to labor, management, and the consumer.

TO APPROVE THE PROPOSAL OF THE EARLY WARNING SYSTEM IN THE SINAI

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. JONES of Tennessee. Mr. Speaker, on Wednesday, this body passed House Joint Resolution 683, to approve the implementation of the U.S. proposal for an early warning system in the Sinai.

While I support our efforts aimed at bringing peace to the strife torn Middle East, I opposed this legislation as the incorrect way in going about such a settlement. First, it again places the well-being of American technicians in the same precarious position that got us involved in a land war in Southeast Asia and secondly, recent newspaper reports indicate that our Secretary of State believes that the approval of this resolution also commits, firmly, the U.S. pledge of billions of dollars of economic and military aid to both sides of that conflict.

I have long been an opponent of exorbitant foreign aid and I am certain that such aid in this case will only serve to strengthen the tension between countries who are armed to the teeth with our military hardware.

While the resolution states that our action yesterday had no effect on other proposals that are connected with the early warning system in the Sinai, I find it quite alarming that our Secretary of State would make public a statement that indicates that the approval of this resolution, in effect, approves the other portions of the agreement with which many Members of this body may not agree.

And, I think that there are still yet other questions in this matter that have not yet been dealt with. So far, the accords affect only the Egyptians and the Israelis. What will prevent the Arab nations from posing a threat to the safety of those "volunteers" who man these outposts and if they should be endangered through actions by parties other than the Israelis and the Egyptians, who will get them out, as called for in the agreement?

I am convinced that there are too many questions that have been left unanswered or answered only in part that could result in a greater involvement than we intended when this resolution passed.

ONE CITIZEN'S FAITH IN FREEDOM

HON. PAUL S. SARBANES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. SARBANES. Mr. Speaker, the Monorah Lodge of B'nai B'rith in Baltimore recently celebrated its 60th anniversary by sponsoring a Bicentennial essay contest, thereby continuing its long tradition of civic, educational, philanthropic and patriotic activities benefiting the entire Baltimore community. It was most appropriate that the lodge should have chosen as the essay topic "U.S.A. Flag: Faith in Freedom"—appropriate to our Nation's approaching Bicentennial and to the fact that the lodge itself was founded on Flag Day, 1915.

It is also fitting that the prize-winning essay should have been written by Lillian Lee Kim. Mrs. Kim is well-known and loved in Baltimore where she is a leader in the Chinese community and an outstanding and dedicated public servant. Her prize-winning essay expresses her feelings about our flag and our country in a very moving and original way.

The essay follows:

U.S.A. FLAG: FAITH IN FREEDOM

The colors of our flag represent Faith in Freedom. White (purity) symbolizes the land of the free where the world's oppressed and unfortunate have always found a haven of rest. Now, as always, her gates are open to the thousands of refugees and the homeless. Red (happiness and good fortune) speak of the courage of the American people who have always and will continue to face danger, to stand for, strive for, and fight for freedom and a better life. The blue in the field of stars represent loyalty . . . the loyalty of the American people who have stood by their flag and their country through adversities and challenges, responding to America's call to serve in combat, on peace missions, and wherever and whenever needed to preserve freedom.

Our flag has always filled me with pride and thanksgiving, yet, never before has it moved me as deeply as it did the first time that I saw the replica of our flag of 1814, handmade by Baltimore women (honoring the Sesquicentennial of the defense of Baltimore), being reverently unfolded by the Color Guard at an Oriole Opening Game. As the stirring words of our national anthem filled the air, my eyes were drawn from the fifteen-star flag on the field to the majestic symbol of freedom, its blue field covered with fifty stars, proudly waving in the breeze, representative of a nation whose people represented every creed, color, and race; of varied backgrounds and cultures. Each star, representing a state, spoke of the foresight, the strength, and the courage of the pioneers who had travelled westward, southward, and northward to conquer the wilderness, working together towards statehood for their new home.

Today, as we stand on the threshold of our Bicentennial Anniversary, our flag, born during the early years of our struggle for freedom, represents not only the Declaration of Independence; unending efforts for peace and good will among all nations; a haven of rest for the oppressed; a land of freedom and opportunity but she symbolizes protection for the weak; relief for the suffering; tolerance towards people of all creeds and races, and equality and opportunity for all. She tells of the achievements, principles and goals of America. She represents our dreams and hopes. Above all, to the world's oppressed, her Stars and Stripes represent

Faith in Freedom. She pleads with us not to turn our backs but to come forth; stand up for her and for our country, and be counted as worthwhile citizens. Today, our flag flies over fifty states. The domain over which she waves has expanded until the sun on her flying never sets.

God willing, may the Flag of the United States of America, the most beautiful flag in the world, always wave, proudly, majestically, and warmly amidst the clouds and blue skies. May she always represent freedom; freedom in its heroic and historic past; groping present, and a future made great by her people. Our flag and our country is the last and best hope of the world. Long may she fly!

THE EMERGENCY FLOOD CONTROL ACCELERATION ACT OF 1975

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. RINALDO. Mr. Speaker, I am today introducing a bill entitled the Emergency Flood Control Acceleration Act of 1975. This bill has a twofold purpose: To expedite the initiation and completion of needed flood control projects across the Nation, and to aid one of this country's most recession-afflicted industries, the construction industry.

According to data furnished by the U.S. Army Corps of Engineers, an average flood control project takes about 11 years to complete. In some instances, projects have been completed in under 9 years, but in far more instances, projects consume up to 18 years. To my mind, this is far too long. If the safety of a community is imperiled by potential flooding, it needs protection as soon as possible. Eighteen years later, that protection may be too late.

A graphic illustration may be found in my own district in New Jersey, some of which covers a flood plain area. There have been several flood control projects underway in my district for many years. None of them, however, was completed in time to save the district from the disastrous floods of recent years, including those which resulted from this month's extraordinarily heavy rainfall. And yet, these projects were requested years and years ago.

Why, after all this time, should the people of my district still be in danger of losing life and property from floods? One of the reasons, Mr. Speaker, why flood control projects take so long to complete is the myriad of procedural requirements adhered to by the Corps of Engineers, many of which are internally developed working arrangements. Some of these requirements are necessary, such as environmental impact statements and the like, but others are merely time-consuming and superfluous, with approvals of interim reports required on every stage of each project.

My bill proposes that these latter requirements be reduced or eliminated wherever possible, in order to speed up the initiation and completion of needed flood control projects. In so doing, badly needed assistance will be extended to the Nation's construction industry. This industry, as we are all aware, has been

among the hardest hit by the recession in terms of unemployment. By eliminating unnecessary procedural requirements, actual project construction can begin much sooner, and unemployment among construction workers will be alleviated.

Mr. Speaker, I think it is unnecessary to belabor the timeliness and importance of this bill.

I urge its support.

REMARKS ON THE INTRODUCTION OF A BILL REQUIRING PRESIDENTIAL REPORTS TO CONGRESS ON AGENTS' COMMISSIONS FOR MUNITIONS SALES

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. NIX. Mr. Speaker, today I have introduced a bill on behalf of the membership of the International Economic Policy Subcommittee of the House; that is, Mr. WHALEN, Mr. HAMILTON, Mr. SOLARZ, Mr. BIESTER, and myself as chairman. We have just completed 7 days of hearings on the response of Federal agencies to the problem of corporate bribery of foreign officials.

THE PURPOSE

The purpose of this legislation is to disclose the identity of munitions middlemen or sales agents and the fees they receive for acting as brokers in foreign military sales transactions. The fees paid to such middlemen are the most common source of bribes of foreign officials. Northrop Aircraft, for example, by their own admission, bribed two Saudi Arabian generals with a payment of \$450,000 through a sales agent.

The bill would merely add two items to two reports already filed by the President with the Foreign Affairs Committees of the Congress.

THE LANGUAGE

Section 1 of the bill amends section 36(a) of the Foreign Military Sales Act, 22 U.S.C. 2776, by inserting new language in subsection (a) in the second sentence, by striking the words "and (F)" and inserting in lieu thereof:

(F) the name of any sales agent or other person receiving any fee or commission in conjunction with the sale to such foreign country or international organization of such defense article or service (other than a person who is a bona fide employee of the manufacturer of such defense article or, in the case of a defense service to be furnished by a private contractor pursuant to a contract with the United States, of such contractor) and (G):

Section 2 of the bill amends section 414(e) Munitions Control of the Mutual Security Act of 1954, as amended (22 U.S.C. 1934), by adding a paragraph 5:

(5) the name of any sales agent or other person receiving any fee or commission in conjunction with the sale for export of such items (other than a person who is a bona fide employee of the manufacturer of such items), and the amount of such fee or commission.

THE POLICY JUSTIFICATION

The policy reason for introducing this legislation is the need to protect the

interests of American investors and financial institutions from the results of secret funding for the purpose of bribery. One of the chief results of such practices is the improper recording of corporate assets and liabilities.

In addition, the American people have an interest in preventing a repetition of illegal corporate campaign contributions which in 1972 were expended from secret funds maintained for payments to foreign officials. It was thought that such practices by overseas subsidiaries of corporations were beyond the effective enforcement of U.S. Government regulatory policy. These activities would not have come to light without the Water-gate investigations.

The major problem in the matter of the number and amount of bribes paid to foreign officials is in the sale of munitions. Bribery of foreign officials is often accomplished through the mechanism of paying foreign sales agents exorbitant commissions. This generally gives the exporter the opportunity to deny knowledge of the sales agents' activities and spending.

Northrop Aviation has admitted paying \$450,000 in bribes to two Saudi Arabian generals through a sales agent, Mr. Adnan Khashoggi. Mr. Khashoggi had an agent's contract with Northrop amounting to \$57 million. He also had been paid \$106 million by the Lockheed Corp. for similar services as a sales agent. It is this kind of information that regulatory agencies such as the Securities and Exchange Commission should be able to obtain on a regular basis. It is the kind of information that the public and Congress should have in order to determine whether or not the President is controlling the export and import of arms in the furtherance of world peace under the terms of 22 U.S.C. 1934, the Munitions Control Act.

JUSTICE DELAYED IS JUSTICE DENIED

The Securities and Exchange Commission has been refused the voluntary release of information by the Lockheed Corp. as the identity and specific amounts of money spent by the corporation on a 5-year program of admitted bribery amounting to at least a minimum of \$22 million. The admission that payments of this kind had been made to foreign officials came about as the result of the refusal of a financial consultant to Lockheed to certify their books as being correct to the Emergency Loan Guarantee Board, this past May. The Board, created by Congress in 1971 to prevent Lockheed's bankruptcy in that year, has since then guaranteed \$195 million in loans to Lockheed, without the knowledge of this extensive campaign of bribery. What is more, Lockheed improperly has taken tax deductions for this amount as if it were a normal business expense.

In refusing the request of the Securities and Exchange Commission for specific facts on this matter, Lockheed knows that, while the Commission has extensive statutory powers, it must rely on lengthy litigation to obtain evidence of this kind.

The legislation presented today would solve this issue in the future in that the regular reports presented to Congress by

the President, would be furnished in a timely and regular way. The listing of agent's identity and commissions for export license over \$100,000 for items on the U.S. munitions list and each letter of offer to sell military articles or services subject to the Foreign Military Sales Act, over \$25 million in value would present a public record for the first time of the activity of arms middlemen.

CONCLUSION

Securities and Exchange Commissioner Loomis testified on September 30 this year before our subcommittee. He said that one reason offered by Lockheed for refusing information on bribery requested by the Commission, was that this was a matter of congressional concern.

We accept that challenge today.

If this bill becomes law, we will know who the middlemen in the arms trade are. We will know what they are paid.

The American people will be better able to judge whether the President and Congress are doing what is necessary to control the munitions traffic. I hope that the House will adopt this legislation.

The Military Sales Act and the Mutual Security Act of 1954 will read as follows if this legislation is enacted:

CHAPTER 2—Foreign Military Sales Authorizations

SEC. 36. REPORTS ON COMMERCIAL AND GOVERNMENTAL MILITARY EXPORTS.—

(a) The President shall submit to the Speaker of the House of Representatives and to the Chairman of Foreign Relations of the Senate quarterly reports containing—

(1) a listing of all letters of offer to sell any defense articles or services under this Act, if such offer had not been accepted or cancelled;

(2) a cumulative listing of all such letters of offer to sell that have been accepted during the fiscal year in which such report is submitted;

(3) the cumulative dollar amounts, by foreign country and international organization, of credit sales under section 23 and guaranty agreements under section 24 made before the submission of such quarterly report and during the fiscal year in which such report is submitted;

(4) projections of the cumulative dollar amounts, by foreign country and international organization, of credit sales under section 23 and guaranty agreements under section 24 to be made in the quarter of the fiscal year immediately following the quarter for which such report is submitted.

For each letter of offer to sell under paragraphs (1) and (2), the report shall specify (A) the foreign country or international organization to which the defense article or service is offered,

(B) the dollar amount of the offer to sell under paragraph (1) or of the completed sale under paragraph (2), (C) a brief description of the defense article or service offered, (D) the United States armed forces which is making the offer to sell, (E) the date of such offer, (F) the name of any sales agent or other person receiving any fee or commission in conjunction with the sale to such foreign country or international organization of such defense article or service (other than a person who is a bona fide employee of the manufacturer of such defense article or, in the case of a defense service to be furnished by a private contractor pursuant to a contract with the United States, of such contractor).

THE MUTUAL SECURITY ACT OF 1954, AS AMENDED

SEC. 414. MUNITIONS CONTROL.—

(e) Licenses issued for the export of articles on the United States Munitions List in excess of \$100,000 shall be reported promptly

to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives, which report shall contain—

(1) the items to be exported under the license;

(2) the quantity of each item to be furnished;

(3) the name and address of the consignee and of the ultimate user of each such item; and

(4) an injunction whenever appropriate, concerning the necessity to protect the confidentiality of the information provided.

(5) the name of any sales agent or other person receiving any fee or commission in conjunction with the sale for export of such items (other than a person who is a bona fide employee of the manufacturer of such items), and the amount of such fee or commission.

HIGHER PENALTIES FOR CORPORATE CONSPIRATORS

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. HEINZ. Mr. Speaker, I am today introducing legislation aimed at increasing the penalties that a Federal court may levy against persons convicted of conspiracy to commit an offense against the United States or to defraud the United States. This bill would increase the maximum fine allowable under the conspiracy clause of the United States Code from \$10,000 to \$1,000,000 in the case of corporations, and to \$100,000 in the case of individuals.

In many cases, the \$10,000 ceiling on fines currently in the conspiracy law amounts to nothing more than a license for large corporations to steal millions of dollars from the consumer and to defraud the American public or taxpayer. To a company of any great size, a \$10,000 fine cannot and will not serve as a deterrent when it stands to gain a thousand times more than that from illegal activities. The American consumer deserves decent protection against corporate fraud, and the current law simply does not provide that protection.

The case of the Bunge Corp., which was decided yesterday in Federal district court, is a perfect example of the ironic situation created by the unnecessarily low ceiling on monetary penalties in conspiracy cases.

According to testimony in that trial, Bunge was guilty of extensive corruption in grain export trade. Not only did the company misgrade its grain and bribe Federal grain inspectors, but it also hid stolen grain in a storage elevator at a rate of 25,000 bushels every 3 or 4 months for 9 years. It is estimated that Bunge accumulated millions of dollars in illegal profits from that one storage operation alone. But the judge in that case could only levy a \$10,000 fine on each of the two counts of conspiracy to which Bunge pleaded nolo contendere. In announcing the penalty, Federal District Court Judge Jack M. Gordon made specific reference to the limitation on his judicial discretion imposed by this meager ceiling.

Mr. Speaker, it is nothing more or less than sheer absurdity to allow a company to take millions of dollars in illegal prof-

its from the American people at so little cost to itself. In the Bunge case, Federal attorneys won a \$2 million consent decree from the offending firm to prevent future corruption, but we cannot allow plea-bargaining to become the sole method by which justice can be done in a matter such as this. It is necessary to impose stiffer fines by law, or at least to give the judge sufficient authority to insure that the penalty does fit the crime.

The \$1,000,000 maximum fine established in my bill is not without precedent in matters of this sort. In the last Congress, we raised the criminal penalty for corporations in antitrust cases from \$50,000 to \$1,000,000. That action was a progressive step in protecting the consumer and in insuring the proper functioning of our market system. My bill is a necessary followup to that decision to get tough with those unscrupulous operators—be they corporations or individuals—that would steal millions from the consumer. I hope my colleagues will give this bill the most serious consideration.

For the benefit of my colleagues who might have missed these stories, I would like at this time to insert in the RECORD two newspaper accounts of the Bunge case:

[From the New York Times]

BUNGE IS GUILTY IN THEFT OF GRAIN: COMPANY FINED \$20,000 ON NO CONTEST PLEA—PLEDGES \$2-MILLION FOR SAFEGUARDS

(By William Robbins)

NEW ORLEANS, October 8.—The Bunge Corporation, one of the world's largest grain companies, was judged guilty today after pleading nolo contendere, or no contest, to two Federal Counts of conspiracy in systematic thefts of grain and in a cover-up of the thefts and was required to spend more than \$2-million over the next three years on procedures to guard against future corruption.

In addition to the \$2 million commitment, the company was fined \$20,000—a fine of \$10,000 here on the theft conspiracy charge and a \$10,000 fine in Houston for the cover-up.

In imposing a maximum fine of \$10,000 here, Federal District Court Judge Jack M. Gordon said. "This is not a difficult decision because of the limited punishment that the law provides and the fact that a corporation cannot be sent to prison."

The judge pointed out that a plea of nolo contendere was equivalent to a plea of guilty so far as possible punishment is concerned.

In a nolo contendere plea, the judge first must decide whether he will accept the plea. If he does, he then hears the evidence, makes a judgment of guilty or not guilty, and if he finds the defendant guilty, pronounces sentence.

Besides the criminal penalties, the company faces possibly heavy additional costs that could result from civil suits by Government, its customers and transportation companies.

The company's commitment to spend internal and external accounting procedures, reports, and the costs of extra supervision of its operations by the Department of Agriculture—was the result of plea bargaining that allowed Bunge to plead nolo contendere and avoid the embarrassment of a protracted trial and disclosures of details of its thefts.

The \$2-million commitment was described by the United States Attorney here as an "unprecedented" result of plea bargaining.

The Bunge plea has no bearing on the cases of 13 current and former officials and employees indicted along with the corpora-

tion. Eight of those have pleaded guilty thus far to the theft charges or related offenses, and one has told the court he intends to plead guilty. Of the others, three await trial, and one has been told that charges against him will be dropped.

The Bunge Corporation was the first to be indicted among several large companies under investigation in a spreading inquiry into corruption in the grain export trade. The investigation, which began in New Orleans and spread to other ports, has resulted thus far in 57 indictments, including charges against four corporations and 53 individuals.

In the New Orleans area, a total of 43 defendants—both individuals and corporations—have either been convicted or pleaded guilty thus far.

The investigation was precipitated by the office of the United States Attorney here, Gerald J. Gallinhouse, and his chief assistant, Cornelius R. Heusel, pursued by, among others, the United States Attorney in Houston, and aided by the Federal Bureau of Investigation, the Agriculture Department's Office of Investigation and the Internal Revenue Service.

Since the investigation began, it has become one of the most extensive ever pursued in the United States. Several committees of Congress are conducting investigations, aided by their own investigative staffs and 41 agents of the General Accounting Office.

Under the plea-bargaining agreement between Bunge and the prosecutors, one of two felony counts was dropped in cases both here and in Houston. Thus, the company faced maximum fines of \$10,000 in each of the two courts.

As is customary in cases where the defendant pleads nolo contendere, a simple outline of the facts of the cases was presented here and in Houston without contest or cross-examination by attorneys for the defendant.

In the case here, Robert J. Isakson, an F.B.I. agent, was put on the stand to describe how the company had conspired to steal grain from the customers.

SCALES MANIPULATED

The method used, he testified, was to manipulate scales at the company's grain elevator in the Port of New Orleans and record more grain on a tape than was put aboard ships for foreign customers.

Data presented in the Houston case were also made available here.

In the proceedings there, the case involved the methods used to account for grain accumulated in such thefts. According to the testimony, false records for "phantom" railroad cars, trucks and barges of grain were created, and records were falsified to make it appear that stolen grain to be shipped from the company's elevator in Galveston had actually been purchased.

The conspiracy, according to the testimony, involved telephone calls between the local elevator, the regional headquarters in Kansas City and the company's headquarters in New York City. Credit for the profits was also divided between Galveston, Kansas City and New York.

According to the testimony, about 25,000 bushels of stolen grain were accumulated in the Galveston elevator every three or four months. Such an operation could aggregate millions of dollars in illegal profits over the period of the conspiracy—from 1964 to 1973—in that elevator alone.

The company's commitment to spend more than \$2 million—to guard against future thefts as well as other problems that have emerged in the investigation, such as misgrading of grain—were described by Mr. Gallinhouse, the United States Attorney here, as "unprecedented."

It includes funds to pay the salary and expenses of a compliance officer for internal

and external auditors, and, for Government costs of increased supervision of the company's grain-shipping and grain-grading operations.

In a statement issued here, Mr. Gallinhouse urged similar "affirmative action programs" on other large grain companies.

In a statement issued from its New York office, Bunge described its affirmative action program as "voluntary."

The company added, "The now-resolved charges did not involve ongoing irregularities but instead related to unauthorized activities by local personnel pre-1971 at one location and pre-mid-1973 at the other."

[From the Wall Street Journal]

BUNGE NOW PLEADS NO CONTEST TO CHARGES IN GRAIN SCANDAL, VOWS CORRECTIVE MOVES

NEW ORLEANS.—In what the U.S. attorney here called "a most significant development," Bunge Corp. changed its earlier innocent plea to "no contest" to a grand jury indictment and also agreed to a sweeping "affirmative action" program involving its handling of grain.

Bunge, a privately held concern, pleaded "no contest" in federal court here and in Galveston, Texas, to charges of conspiracy to commit thefts of grain from interstate and foreign shipments at its port elevators at Destrehan, La., and Galveston from August 1961 to June 1973.

Bunge, the nation's third-largest grain-exporting company, originally entered a plea of innocent in August. The company's indictment last July was part of what has become a widening scandal involving grain handling in the New Orleans port area. So far, 52 persons and companies have been indicted on charges related to the scandal.

Bunge officials couldn't be reached immediately for additional comment.

Federal courts here and in Galveston assessed Bunge the maximum fine of \$10,000 at each location for a total of \$20,000.

The indictments had charged that Bunge and 13 former employees conspired to short-weight ships being loaded with grain at the two elevators and then tried to conceal the short-weighting through false records.

U.S. Attorney Gerald Gallinhouse said in New Orleans that the affirmative action program agreed to by Bunge was a "most significant development in our efforts to encourage the grain companies to clean up their own elevators. We hope this will set a pattern."

Under terms of the program, which Mr. Gallinhouse estimated would cost Bunge between \$2 million and \$3 million over the next three years, the company will undertake a program of self-regulation and self-policing to prevent recurrence of some of the alleged abuses in the grain-handling industry here and at other export centers.

According to Bunge, its expenditures for the three-year program will include:

- \$450,000 for 20% more federal appeal inspections at its Destrehan and Galveston elevators. Appeal inspections are second or third inspections made to verify original grading of grain.

- \$210,000 to employ an experienced compliance officer.

- \$450,000 to employ five internal auditors.

- \$270,000 to employ three additional auditors on the elevators' premises.

- \$150,000 for additional fees for independent certified public accountants.

- \$75,000 to employ an outside compliance consultant.

- \$400,000 for automation of the scales at the Destrehan and Galveston elevators.

The agreement also forbids all "actual and potential" conflicts of interest between elevator and inspection personnel. Bunge also must dismiss any employee who pleads guilty to or is convicted of any criminal charge relating to the handling of grain.

Bunge also agreed to maintain a system of internal and external audit controls with frequent visits by the auditors to each of its five

port elevators and four terminal elevators in the U.S. It also agreed to ensure that scales at these elevators are tested periodically by an outside company to make sure they are tamper-proof and in operating condition. Periodic inventories also will be conducted at the elevators.

TO PROCRASTINATE OR TO PLAN

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. HARRINGTON. Mr. Speaker, an article by Leon H. Keyserling which appeared in Viewpoint—Second Quarter, 1975—"To Procrastinate or to Plan" has recently come to my attention. It deals with "Reconstruction in National Economic Policy," and it is my feeling that such proposals deserve the serious consideration of us all as we continue to experience high unemployment and inflation.

Leon Keyserling, who was chairman of the Council of Economic Advisers under President Truman, and is currently President of the Conference on Economic Progress, has set forth nine economic errors which have plagued our country since the end of the Truman administration when unemployment was a lowly 2.9 percent.

As Keyserling wrote, "we are now in the longest and deepest economic downturn since the Depression of the 1930's—the true level of unemployment in April of 1975 was 11.7 percent, or more than 10.5 million."

What changes must be made to curtail inflation, reduce unemployment and reach our production potential? These are the problems which Mr. Keyserling's article deals with. Therefore, I would like to insert the entire text in the RECORD at this time so that we may all be better able to understand the problems, and hopefully to implement the economic policies necessary to eliminate these pressing economic problems that have handicapped us for such duration.

The text follows:

RECONSTRUCTION IN NATIONAL ECONOMIC POLICY

(By Leon H. Keyserling)

We are now in the longest and deepest economic downturn since the Great Crash in the 1930's. In April, 1975, full-time unemployment as customarily measured was 8.9 percent, or about 8 million. The full-time equivalent of part-time unemployment was 1.7 percent. The concealed unemployment, those discouraged from actively looking for jobs by scarcity of job opportunity, and therefore not officially counted as unemployed, was 1.2 percent. Thus, the true level of unemployment was 11.7 percent,* or more than 10.5 million.

Through the degree of our failure to maintain full employment and full production from 1953 forward, the deficiency in total national production (GNP) in first quarter 1975 was about \$300 billion at an annual rate. And even if we write off as lost forever a substantial part of the larger gains in productivity which would have resulted from 1953 forward if we had enjoyed a fully used economy throughout, the economy in first quarter was operating at an annual rate about \$215 billion below reasonably full production.

* Discrepancy due to rounding.

This in itself meant a loss of more than \$50 billion in public revenues at all levels of government at existing tax rates. With these revenues, we would have just that much more to apply to the sorely starved priorities of our domestic needs—housing, education, and health services; mass transportation and energy development; increases in other human well-being payments; income supports to overcome poverty among those really unable to work; and a number of other great domestic priorities requiring public outlays.

We cannot forge the programs and policies needed to lift us from where we are now to where we ought to be, unless we recognize that where we are now is neither new nor radically different in cause or effects from the troubles we have had before. From 1953 to date, we have five times repeated a fairly consistent pattern of inadequate upturn, stagnation, and recession or absolute downturn. With some ups and downs to be sure, we have in the long run moved further and further away from full employment and full production. And the processes by which this has happened have been, due to essentially the same errors of analysis and defects in policy and program all along.

During the period 1953 through 1974 as a whole we forfeited more than \$2.6 trillion worth of GNP (1974 dollars), and consequently forfeited in the neighborhood of \$700 billion of public revenues at all levels which could have been put to very good use. Currently, we suffered more than 54 million man-years of excessive unemployment, true employment concept.

If we do not do much better in the future than we have done in the past—and I see no prospect of doing much better without drastic changes in national policies and programs—we will during 1976–1980 inclusive forfeit another \$1.2 trillion of GNP and more than \$300 billion of public revenues at all levels (1974 dollars), and experience another 16.5 million man-years of excessive unemployment, true employment concept. The ratio of unemployment to GNP loss would not be nearly as large as in the long past, because higher incomes and other factors increase the number of dollars received by each employed worker. But another 16.5 million man-years of excessive unemployment would be intolerable and dangerous beyond description.

What must we now start to do, as we decide not to piddle but to plan?

PURPOSEFUL PLANNING INSTEAD OF FORECASTS

The first error to correct is to substitute purposeful and planned goals for excessive emphasis upon pure forecasts. The President's January, 1975 Economic Report forecast 7.8 percent full-time officially reported unemployment in 1976; 7.5 percent in 1977; 6.9 percent in 1978; and 6.8 in 1979. The new Budget Committees in the Senate and the House forecast 7 to 7.5 percent full-time unemployment at the end of 1976. Instead of resigning ourselves to these alarming forecasts, we should at once set about resolutely to reduce full-time or officially recorded unemployment to about 3 percent by the end of 1977. After that, we should set about to do still better. Through setting specific quantitative goals and devising means toward their attainment, the morbid forecasts of what is going to happen should be reversed instead of vindicated.

This task is difficult, but not beyond our capabilities. President Roosevelt in early 1933, confronted by almost 13 million unemployed or 24.9 percent of the civilian labor force, did not ask for forecasts. Vigorous policies and programs were set in motion which cut unemployment about in half by early 1937. Thereafter through 1939, unemployment increased. But this was not because nobody knew what to do; it was rather because conservative or reactionary forces grew strong enough to prevent continuing what had been so well-started.

In 1939, unemployment was 9.5 million, or 17.2 percent of the civilian labor force. By

1944 it was reduced to 670 thousand, or 1.2 percent. World War II in itself did not do this. It happened because we recognized that jobs are more beneficial to individuals and to the economy than unemployment. And it was no easier to attain full employment through the process of making weapons of destruction than to attain it now through the happier process of meeting essential domestic needs.

President Truman, whom I served as Chairman of the Council of Economic Advisers, never asked me to forecast unemployment. He dedicated himself to the achievement of full employment, and by 1953 full-time unemployment was only 2.9 percent. Again, this was not just because of the Korean war. In 1972, when the Vietnam war was in full swing, full-time unemployment was 5.9 percent of the civilian labor force.

Full-time unemployment in 1961 was 6.7 percent, in consequence of the policies of the Eisenhower Administration during eight years. President Kennedy did not ask for forecasts; he commenced action, and President Johnson continued it. By 1969, unemployment was 3.5 percent.

Let us now turn to an examination of where national policies and programs have gone wrong, as a foundation for developing corrective measures.

MANAGEMENT OF THE PROBLEM OF INFLATION

A second reason why we have done so badly is that staginations and recessions have been repeatedly contrived, responsive to the "trade-off" theory that higher employment and greater resource use bring more inflation, and that higher unemployment and more deficient resource use bring less inflation. Even today, an adequate program of economic restoration is being estopped by this false theory.

It is unconscionable that the full-time equivalent of more than 10.5 million breadwinners and their families suffer the distress and humiliation of unemployment, in order (hypothetically) that Mr. Keyserling may be able to buy a third car or another steak banquet for somewhat less than if unemployment were one-third or one-fourth that amount. More important, the empirical evidence for more than 20 years is that a healthy economy generates far less price inflation than a sick economy.

During the Truman years, 1947–1953, the average annual rate of real economic growth was 4.9 percent. Full-time unemployment averaged 4.0 percent and, as earlier stated, was reduced to 2.9 percent in the last year. Average annual inflation, despite the Korean war during almost half the time, was 3 percent, and was reduced to 0.8 percent during the last year. In vivid contrast, during the Nixon-Ford years, 1969–1974, the real average annual rate of economic growth was only 2.5 percent. Full-time unemployment averaged 5.1 percent, and was 5.6 percent in the last year. Inflation averaged 6.1 percent, and rose to 12.2 in the last year.

The most poignant example was from first quarter 1974 to first quarter 1975. The real economic growth rate was minus 5.8 percent. Full-time unemployment was 6.2 percent, and as earlier stated rose to 8.9 percent in April, 1975. The rate of price inflation was 11.2 percent.

The very recent reduction in the inflation rate from more than 13 percent to about 8 percent is not properly attributable to the false claim that this happened because we have continued to accept an intolerable amount of unemployment. It is rather because some of the transitory factors generating double-digit inflation have disappeared or waned. We would never have gotten up to 13 percent or even 8 percent inflation if we had maintained a healthy economy and the

surest and best way to reduce inflation much further is to restore a fully healthy economy as rapidly as feasible. Under the goals and programs I recommend, I estimate that inflation might be reduced to 3 percent by the end of 1977.

THE TRUE FUNCTION OF PRICES HAS BEEN OVERLOOKED

The third reason for our troubles is that the true function of prices has been misinterpreted. Our real wealth and well-being are not determined by price trends *per se*, but rather by how close we come to full use of our resources, social justice in the allocation of resources and incomes, and taking care of the great priorities of our needs. Historically, rising, stable, or falling price trends have been contributory or inimical to these three great purposes, depending upon whether these price trends within the complex of other trends and policies have worked toward or against these great purposes in terms of the relationships between price trends and other trends.

The problem is basically distributive. For example, during most upturn periods, we have had profit-investment inflation and a lag in wages and other consumer incomes. If the actual price increases since 1969 had been in the context of policies successfully designed to achieve the great purposes, we would have made an acceptable bargain. But these same price increases, accompanied and augmented by national policies designed to maldistribute incomes and resources and thus to thwart these three great purposes, have been a cruel, indefensible, and stupid inflation. Such policies certainly ignore the true function of prices.

MISUSE OF KEYNESIAN ECONOMICS

The fourth persistent error has been the distorted use of the Keynesian economics in an aggregative or blunderbus manner to stimulate the economy when it is too slack, and restrain it when it is too tight. This approach feeds the fat and starves the lean. For, in fact, a deficiency or excess in total demand is due primarily to misallocations of resource use and incomes which destroy the balance essential to optimum performance. We must simultaneously restrain relative excesses in some parts of the economy and overcome relative shortfalls in other sectors. As already stated, the U.S. economic problem is essentially distributive, and current policies are not paying enough attention to this. Some still move in the opposite direction.

THE FALSE DICHOTOMY BETWEEN ECONOMIC AND SOCIAL GOALS

The fifth cardinal error is adherence to a false dichotomy between purely economic objectives and fulfillment of the priorities of our human and social needs. Even if vindication of these needs imported a somewhat lower rate of economic growth, we have become rich enough to value justice and human decency above progress narrowly conceived. However, under current and prospective technological conditions, the improved distribution of income, and the relative as well as the absolute enlargement of services to human welfare, are the foremost requirement for a fully used economy in conventional terms.

THE PROBLEM OF THE SELECTIVE SHORTAGES

The sixth important error is the prevalent thinking about selective shortages. Despite the actions of the Arabs, the shortages of energy, which include not only oil but also gas and electricity, have become critical rather than merely inconvenient because during long years we have not planned to expand energy in accord with full economic needs; actually, we have deliberately reduced energy expansion because we did not have nor even aspire to a full economy.

Critical shortages of food have not resulted because of a few "crop failures." Instead, for 20 years or longer, national farm policy fol-

lowed the false dogma that we were "over-producing" food, even while millions of Americans were malnourished, while we were exporting too little food to fight starvation elsewhere, and while millions of farm people were transferred to urban unemployment. In addition, domestic food and fiber consumption would have been much higher if income distribution had been better, and if the economy had been full. The shortages of mass transportation have been due primarily to the scarcity philosophy of the railroads, promoted rather than prohibited by such national policies as the approval of the Penn-Central merger. We have had shortages by misconception or neglect; not abundance through planning.

Even today, there are no shortages which should prevent us from moving toward full employment and full production by the end of 1977. And the shifts in the pattern of production and employment which are essential to this basic objective would be energy conserving, i.e., shifting more employment and production toward housing, mass transportation, educational and health services, and anti-pollution efforts.

THE FEDERAL BUDGET AND THE NATIONAL ECONOMY

The seventh error is that unfounded concern about the immediate size of the Federal deficit stands in the way of the needed stimulative measures. Recent pronouncements of the new Committees on the Budget in the Senate and the House do not set even tolerable goals for production, employment, and service of priority needs, and then shape the budget as one of many instruments to be attuned to these ends. Instead, these Committees have first decided what the budget and the deficit should be, and then resigned themselves to the miserable production, employment, and priority results which a budget of this type and size promotes.

The deficient average performance of the economy during the fiscal years 1971-1976 (1976 estimated) resulted in an average annual federal deficit of \$25.1 billion, and \$51.9 billion in 1976 alone according to the President's original budget. In fiscal 1976 dollars, the needed increases in the budget which I propose below would result in a deficit of \$59.5 billion in that year.* But the average annual deficit during fiscal 1976-1980 would be only 14.3 billion. Further, the budget would be balanced by fiscal 1979, and would show a surplus of \$7.5 billion in fiscal 1980 and \$13.0 billion in calendar 1980.

THE LOGISTICS OF THE ECONOMIC PROBLEM

The eighth error, and in some ways the most important today, is the neglect of the logistics of the economic restoration task. As already stated, the economy today is running at an annual rate about \$215 billion below reasonably full resource use. And toward achieving this reasonably full use and full employment by the end of 1977, we need an expansion of \$295 billion in the annual total national production between now and 1977 as a whole. This goal is in 1974 dollars; it would be considerably higher in current dollars. We need to increase civilian employment by 8.4 million for 1977 as a whole.

Measured against this need, the \$23 billion tax reduction is terribly inadequate, and is misallocated in large part. The "multiplier" effect of such tax reduction is relatively low, so that its total stimulative effect may be only in the neighborhood of \$30 billion. This is why we should supplement the tax reduction with a \$30 billion increase in federal spending above the President's proposed fiscal 1976 program. A large part of this increased investment would have a "multiplier" effect of about three, and would employ two to three times as many people per dollar

* Smaller than the estimates of others, because more real economic growth is projected due to greater stimulative efforts.

spent as the recent type of tax reduction. This kind of federal budget, if the economic performance becomes optimum, would result in a budget considerably smaller in ratio to GNP in calendar 1980 than now.

Measured in fiscal 1976 dollars, I propose that the federal budget in fiscal 1976 be \$379.5 billion, contrasted with \$349.4 billion as proposed by the President, and that the budget be \$470 billion in calendar 1980 (much more in current dollars). To indicate how these increases would serve the great domestic priorities, my proposals for fiscal 1976 would provide \$30.1 billion more than the President's Budget for all domestic programs; \$9.9 billion more for income security other than veterans and excluding subsidized housing; \$8 billion more for manpower programs, including public and private service jobs; about \$2.5 billion more for subsidized housing; \$2.2 billion more for agriculture, natural resources, environment, and energy; \$2.1 billion more for education; \$2 billion more for health; and \$2.6 billion more for transportation. The increases by calendar 1980 would be much greater, and the total Budget in fiscal 1976 dollars would be \$120.6 billion above the President's fiscal 1976 budget. Outlays for health would be \$22 billion higher than that budget. Outlays for housing and community development would be \$11.6 billion higher than that budget.

THE NEED FOR A WIDER RANGE OF INTEGRATED POLICIES

The ninth error is excessive reliance upon fiscal policy. No fiscal policy, even if correct, can achieve the needed results if monetary policy continues to lean heavily in the opposite direction. And many other national policies need to be joined in the drive for a full and just economy. This includes, among others, social insurance, housing, agriculture, energy, mass transportation, and income distribution. We now have a confused medley of policies and programs, but no coherent policy or program.

THE NEEDED PLANNING EFFORT

Under the Employment Act of 1946, the President should set forth, for the guidance of all Executive programs and for submission to the Congress, a short-range and long-range program (under planning, the two are essentially one) directed toward restoration of full employment, production, and purchasing power by the end of 1977. These goals should relate not only to the volume of activity, but also to priority programs and the enlargement of social justice. They should involve broad quantitative analysis of the needed amount and distribution of purchasing power, both private and public, with appropriate stress upon equitable considerations.

The federal government, of course, would not fulfill all of these objectives. It would instead provide a perspective for the mutual efforts of private enterprise, voluntary associations, and governments at all levels. But the federal government would meet its bedrock responsibility to close the gap between these goals and what others do, and toward this end would fuse its manifold economic and social programs into a unified and consistent policy and program. These efforts must include, by legislation if necessary, changes in the policies of the Federal Reserve System to bring them to the support of the vital goals and policies to be set forth in the Economic Report of the President.

For reasons already set forth, I believe that these approaches are the best way to reduce inflation, and would prevent an unbalanced preoccupation with inflation as the top problem from turning us away from even more essential goals and giving us horrendous inflation to boot. But if controls equitably applied are needed for a time, they should be used, recalling that these worked effectively when they were sincerely and intelligently evoked.

The Hawkins-Humphrey Bill, introduced last year and now under active consideration

in improved form as H.R. 50, makes a large start in these directions. That measure, and the testimony thus far offered, are worthy of the attention of all concerned with where we are now and need to go.

Planning is not in ideological conflict with our way of life. It represents an immediate and imperative step toward the intelligent deployment of our full economic capabilities, improved understanding and enlarged consciousness among an informed citizenry, and realization of the human promise of America.

MARCELINO INES, DISTINGUISHED
CITIZEN OF CARSON, CALIF.

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. ANDERSON of California. Mr. Speaker, today I am proud to announce that Mr. Marcelino Ines has been chosen to receive the Distinguished Community Citizen and Humanitarian Award from the city of Carson, Calif.

Mr. Ines, or "Marcy" as he is known to his many friends, is truly deserving of this honor. He has been active in our area for many years, and charity and humanitarianism have marked his devotion to the people of our community.

A cofounder and chairman of the Carson Sister City program, Marcelino has been an active organizer of a fund-raising drive to aid typhoon victims in the city of Sinait, in Ilocos Sur, Philippines. School buildings, homes, and the city hall of Carson's sister city in the Philippines, will be repaired with money raised through Marcy's efforts.

Marcelino has also been active in benefiting his own community. As an agent for the Prudential Insurance Co., he was honored with that company's Community Service Century Award just last March. This award is of special significance this year as Prudential celebrates its 100th birthday. Out of approximately 60,000 employees, only 100 were honored with this unique award, and Marcy was certainly among those who most deserved it. In his name, \$500 was donated to the community group of his choice—and considering his many activities, that must have been a difficult decision for Marcy to make.

As chairman of the Filipino Community of Los Angeles Harbor Area's fund-raising drive, Marcy helped bring in enough money to repair and remodel the local community center, and to purchase equipment for the Eder Memorial Senior Citizens Center, and the Filipino Youth Club. He also served as a board member of the Filipino-American Optimist Club, chairing its youth oriented activities and raising money to support the club's boys' home. Marcy also was a volunteer worker during the Optimists' Youth Appreciation Week.

Marcelino Ines is also a board member of both the Filipino Community Action Services, and the Filipino Community of the Los Angeles Harbor Area.

Marcelino's interest in youth activities is understandable: his family includes three wonderful children along with his beautiful wife, Lily. I am sure they are all proud of the recognition he has re-

ceived because of his unselfish work in the community: few people I know are as deserving, as Marcelino Ines, Carson's outstanding humanitarian.

H.R. 8070—CONFERENCE REPORT

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. SCHEUER. Mr. Speaker, I wish to inform my colleagues that my vote against the amendment offered by Mr. BOLAND urging the House to accept the provision of the conference report on H.R. 8070, HUD appropriations, was a vote against the \$50 million appropriation under section 8 which would provide for construction of public housing.

For decades, I have been an advocate of public housing and publicly-assisted housing. During my brief departure from these halls in 1973 and 1974, I served as president of the National Housing Conference—the national umbrella organization representing dozens of civic, religious, labor, business, and banking groups supporting public housing. Also, during the late 1950's, before my congressional service, I served several years as president of the Citizens Housing and Planning Council of New York—the Nation's largest and most influential citizens organization at the municipal level—in support of public housing.

Nevertheless, I must voice my dismay over the present state of Federal housing programs and their failure to meet the purposes for which they were established. While there remains an urgent need to provide adequate housing for the poor, we should reflect on the dismal history of our efforts to date to provide such housing—the large scale, high-rise projects in our central cities.

We have been building public housing in America for four decades and despite some early successes, we find today, that rather than helping to upgrade communities throughout the country, public housing furthers the decline and fall of neighborhood after neighborhood. Let's take a glance back at a few of our major public housing projects:

Stella Wright, Newark, N.J., built in 1960. It has 1,200 units of which only 500 are presently occupied.

Scutter Homes, Newark, N.J., built in 1960, facing Stella Wright. It has 680 units of which over 20 percent are separately unoccupied.

Columbus Homes, Newark, N.J., built in 1956. It has 1,556 units, 400 of which are presently vacant.

Raymond-Rosen, Philadelphia, Pa., built in 1954, has had all its units sealed-off above the sixth floor because of an inability to attract new tenants due to the already high percentage of welfare families living there.

Schuylkill Falls, Philadelphia, Pa., built in 1955, also has had all units above the sixth floor sealed off for the same reason as Raymond-Rosen.

Cabrini-Green Homes, Chicago, Ill., built between 1958 and 1964, has 3,587 units. There are 23 buildings with 18 stories. In any building with more than

14 floors, the upper floors have been sealed off.

And finally our most dismal failure, Pruitt-Igoe, St. Louis, Mo., built in the 1950's. Pruitt-Igoe has 3,740 units but was never fully occupied, and for the past 10 years has had only 40 to 50 percent occupancy. In every direction for blocks, this section of St. Louis resembles a bombed-out city, if only because the city has finally decided to dynamite this eyesore from its vision.

All these projects have common denominators which doomed them to failure from their inception. Each was designed for high-density family living. That is, these projects each contained more than 400 units which are located in buildings of 6 floors or higher. Each was designed to house almost exclusively working-class poor and welfare families. Traditionally families on welfare are those which have single heads of households with teenage children. Both of these characteristics combined with living in high-rise housing contribute greatly to inadequate parental supervision, in turn, which leads to vandalism and violent criminal activity. The alienation and dehumanization which accompanies such vast, large-scale projects, encourages juvenile delinquency.

When the working-class poor can afford it, they usually leave these housing projects because of the crime which occurs there. Welfare families do not move because they cannot afford to. As a result, the percentage of welfare families steadily increases until it becomes greater than 50 percent—making it even more unattractive to prospective working-class tenants. This results in the eventual disintegration of the housing projects—figuratively and in some cases, literally.

The solution does not lie in continued expenditures for public housing as it now functions but rather in a revamping of our housing concepts. To begin with, we must reclaim that which we have already built. Many of these projects could and should be converted into housing for the elderly. High-rises, when proper security precautions are taken, provide ideal housing for the elderly. The elderly are not very mobile, and need the security and comfort of close companionship. In addition, exclusive housing for the elderly is relatively easy to police because people who do not belong there can be easily recognized.

High-rises which are not converted into housing for the elderly must be altered in terms of population make-up. A mixture of up to 10 or 15 percent of welfare families is the maximum which high-rises can safely absorb. About 85 percent of each project's occupancy should be low and moderate income families above the welfare level.

For the vast majority of welfare families, a desirable living situation is in garden apartments and six-story complexes in smaller communities. This is because such small buildings and small communities do not allow for the anonymity which leads kids to believe that they can get away with vandalism and violent personal crime, unrecognized and untouched by the criminal justice system. Smaller buildings also afford greater parental supervision. But even with

smaller housing projects it is necessary to keep the level of welfare families below approximately 30 percent of total occupancy. Unless this is done, the crime rates seem to become uncontrollable and projects eventually decline to the point of physical and social disintegration.

We have learned how not to house welfare families with children—especially the prototypical family with a female head of household with two, three, four or more rambunctious teenagers whom she cannot control. Her discipline problems become unmanageable when her family is housed in a vast project located in a central city. Such projects are criminogenic and are time bombs set in the neighborhoods in which they are placed, particularly when they are located in theretofore stable middle-class communities. One need only examine the history of public housing in the new predominantly middle class Southwest area of Washington, D.C. or the Arverne-Edgemere project built about a decade ago in the Rockaways—a middle-class bedroom community in New York City which I now represent—to see stark and irrefutable evidence of the criminogenic impact of public housing as it now functions in our large cities.

We should have a complete moratorium on building any more large scale, high-rise public housing projects for our welfare families in central cities or in middle-class areas of those cities, until we devise far more workable solutions than we have achieved to date.

OUR AID KEEPS MARCOS IN POWER

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. JOHN L. BURTON. Mr. Speaker, I would call the Members' attention to the following letter sent to President Ford by Col. N. L. Monzano. Colonel Monzano was a hero of World War II. He fought with General MacArthur in the Philippines. He is a respected member of the Filipino community and he knows whereof he speaks.

The letter follows:

OCTOBER 1, 1975.

THE PRESIDENT OF THE UNITED STATES,
Washington, D.C.

DEAR MR. PRESIDENT: This is an urgent appeal.

I urge our government to withdraw its support to the Marcos regime before it is too late. Only our aid keeps Marcos in power.

His regime is tottering. When Marcos falls—and fall he will—our participation in keeping him in power will determine the attitude towards us by the succeeding Philippine government. Can we expect otherwise?

Opposition to Marcos in the Philippines is growing and becoming bolder. He is now purging thousands of civil service employees using the excuse of inefficiency or corruption. Actually, these are people who are now voicing dissatisfaction with the regime. A serious blow to the dictatorship was struck recently by the Philippine Civil Liberties Union.

Unlike its American counterpart, the Philippine Civil Liberties Union takes an active part in the political life of the Philippines and its membership is drawn from a select group of civic-minded political, legal and other intellectual leaders of the community.

Among the present members are, a retired Chief Justice of the Supreme Court, several retired and active members of the Supreme Court, several ex-Senators and ex-Representatives, professors, publishers and other professionals, all with unblemished reputation for integrity. Because of the high regard these men are held in by responsible Filipinos, Marcos does not dare act against this open rebellion against his regime.

There is now talk in the Philippines to ask members of the uniformed services, through their relatives, to start forming cells of resistance to the regime. Because of the poverty and suffering of the people, a Portuguese type of rebellion may well succeed in the Philippines. Marcos may hold the personal loyalty of his generals, but we know generals without troops are a sorry lot.

I earnestly hope that my appeal to withdraw our support to Marcos is heeded. The national interest of the United States demands it.

Respectfully,

N. L. MANZANO.

(NOTE.—The Philippine Civil Liberties Union constituted the core of the resistance against the Japanese occupation during World War II. The writer was then the military leader of the organization.)

URANIUM ENRICHMENT

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. HORTON. Mr. Speaker, Senator HOWARD BAKER, in a statement before the American Nuclear Society on September 18, proposed that the Government provide the next increment of uranium enrichment capacity by adding on to one of its three present uranium enrichment plants. It will be recalled that the administration proposed on June 26 that the next plant, which is urgently needed to supply our requirements for enriched uranium to fuel additional nuclear plants, be built by a consortium of private industrial organizations, with a portion of its financing derived from investments of foreign nations. Senator BAKER stated he advocates that, at the same time the Government proceeds with an add-on plant, we also encourage private efforts, with whatever backup of Government guarantees are reasonable, to build the plants which will be needed after the Government addition is completed.

I concur in the basic approach Senator BAKER suggests for getting the next most urgently needed unit of additional uranium enrichment capacity. I do not believe we can finish building a completely new plant in time to meet this need under the proposed plan which envisions cooperative funding by a number of private domestic companies and foreign nations. In my view, it will take too long to make the necessary arrangements, especially since foreign negotiations are involved, to meet our more immediate needs. There will be adequate opportunity for the entry of the private sector after the add-on plant is completed, since additional plants will be required every year or two starting in the 1980's.

Adding on to the existing Government plant for the next unit of capacity is logical for a number of reasons. The

Congress several years ago authorized preliminary design efforts to determine the best way to increase enriched uranium production by adding on to one or more of its three present plants. Much work has already been done. ERDA requested and received authorization approval of both the House and Senate for continuation of its work on the add-on to the Portsmouth plant. Senator BAKER, although he took no credit for it in his prepared American Nuclear Society remarks, won the addition of \$25,000,000 to the Senate-passed ERDA authorization bill for more construction planning and design efforts on an add-on plant. The availability of electrical energy to operate such a plant has also been checked, and it has been found that needs can be accommodated by the American Electric Power Company whose affiliates serve the area. It is fortunate that conditions are favorable for proceeding with the Government add-on plant since the schedule which must be followed to meet our projected needs requires the design work for the plant to be started early next year.

I realize that there are those who suggest that conservation and the recent history of decreased growth in demand of electricity make it unnecessary to add to our electrical generating capacity. Of course every reasonable effort should be made to eliminate energy waste and increase the efficiency in the way we utilize energy, but the problem cannot be completely solved in these ways. Major increases in the use of completely domestically controlled energy sources must still be made to meet our growing needs and to cut down on our foreign dependence on petroleum. Nuclear energy, which requires the production of more enriched uranium, and coal are the most practical energy sources to accomplish these goals. Therefore, we cannot chance running short of enriched uranium by not facing up to the long lead times needed to build enriched uranium production plants. Our present best estimates of requirements and construction schedules indicate, as I mentioned before, that the next uranium production plant must be started early next year.

Senator BAKER said that we must build more enrichment capacity soon in order to maintain international leadership in the field. He referred to the problem which would be created by the worldwide proliferation of enriching plants. He said that other nations may get in the business of supplying enriched uranium if we do not keep a lead in supplying this material. Foreign nations are already in the business of enriching uranium. The Soviet Union, for example, is performing enriching services for a number of nations and offering its services to others. A consortium of three nations—Britain, Holland and West Germany—are signing up customers. The French are also proceeding with an expansion program and soliciting orders. From these developments, the urgency of proceeding with our own additional production facilities is obvious.

The President has pointed out the importance of adding both nuclear and coal fueled electrical generating capacity. It should also be pointed out that, because of the lack of firm plans to add addi-

tional enriching capacity, all long term sales of additional uranium enrichment services were suspended over a year ago. This suspension is still in effect, and could be lifted immediately once the decision to proceed with the government add-on plant is made. This potential impediment to the utilization of nuclear energy could thereby be eliminated quickly.

Adding on to one of the Government's existing plants, as the interim step to meet our most critical needs for enriched fuel, has self-financing potentials which should be kept in mind. Financing data assembled by the Energy Research and Development Administration indicates that within about 4 years the outlays for enrichment with the addition of an add-on plant to the present Government enrichment plants will be liquidated by income from the sales of the enriched uranium which is produced. The data also shows that by approximately 1990, there will be a net accumulation of over \$8 billion from the operation, over and above operating and fixed costs.

Senator BAKER also proposed that the Government proceed with the construction of the first centrifuge-type demonstration enrichment plant. This type of enrichment plant utilizes centrifugal forces in lieu of the gaseous diffusion principle of our present enrichment plants for separating uranium isotopes. The centrifuge technology was, for the most part, developed by the Government. It is an advanced technology which appears to offer economic and competitive advantages, although it has not been carried through a commercial scale demonstration phase. The administration's June 26 plan for enrichment proposed that the Government enter into cooperative agreement with private industry for the construction of several centrifuge demonstration plants. I believe the alternative proposal of Senator BAKER should receive consideration, but I do not believe the administration proposal should be abandoned at this time. A number of industrial firms have spent a considerable amount of effort in qualifying in the field of centrifuge enrichment. The proposals of private industry, which were due last week, should be carefully evaluated, and the route which offers the best path to the development of a commercial competitive base of centrifuge enrichment technology should be selected. Centrifuge technology should be aggressively pursued since it holds the promise of technological leadership in the future. Competition is intense in the field. A number of European nations and Japan are concentrating on this technique for uranium enrichment.

It is clear that if we do not obtain additional enrichment capacity on the schedule mentioned by the President in his June 26 message, two adverse consequences will result: first, the addition of nuclear energy generating capacity will be slowed down, and second, we will irretrievably lose international leadership in the enrichment field.

The bill proposed by the administration to authorize cooperative arrangements with private enterprise for the enrichment of uranium was introduced by Congressmen MEL PRICE and JOHN

ANDERSON—by request—on July 8. This bill, H.R. 8401, was referred to the Joint Committee on Atomic Energy. The Joint Committee, of which I am a member, expects to consider this legislation soon. I am sure the alternatives proposed by Senator BAKER will receive consideration at that time. Since this matter is directly related to the solution of our energy problem, it warrants our priority attention.

DECONTROL OF DOMESTIC OIL PRICES—A CRITICAL QUESTION

HON. ANDREW MAGUIRE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. MAGUIRE. Mr. Speaker, as the critical question of whether or not to decontrol domestic oil prices continues to be debated, I would like to call to the attention of my colleagues a statement by Prof. Larry Falk, formerly an analyst with the Shell Oil Co. and now an economist on the faculty at Rutgers University, which he delivered to the New Jersey congressional delegation at a seminar at Princeton University on September 27.

I particularly wish to call attention to that part of Professor Falk's analysis which demonstrates that President Ford's decontrol plan would result in less, not more, production of domestic oil during any decontrol period of less than 10 years.

This restriction of production would result from the fact that it would be economically less advantageous for a producer to produce oil than to hold oil in the ground to wait for the higher prices he would receive later as the price curve for decontrolled oil moved rapidly upward on a 39 month, or 45 month curve—or any curve up to 120 months. On a 120 month decontrol curve the advantage of producing would outweigh the advantage of holding the oil—that is the costs of holding the oil would become greater than the gains from waiting for the higher prices—but 120 months is not Mr. Ford's proposal.

So, if Professor Falk's analysis is correct, not only will we have the adverse economic impact of Mr. Ford's phased decontrol plan, we will also have a drop in production—precisely the opposite of what is intended.

The text of Professor Falk's paper follows:

ENERGY IN THE FUTURE: HARMONY OR DISASTER?

(By L. H. Falk)

Whether or not the world is headed toward political and economic chaos will be largely determined by its future handling of its endowment of fossil fuels. The sudden quadrupling of the world crude oil price since 1973 is at least partly responsible for the severity of the present worldwide recession. Moreover, OPEC's crude oil prices which are now very high, and which are scheduled to climb even higher, will remain a serious threat to the survival of the world monetary system during the next decade. If the monetary system does weather the shocks of the next ten years or so, world demand for oil is expected to triple by the year 2000, and if this trend were to continue, it would be

multiplied seven to nine times by the year 2025. When we look back at the damage to the environment associated with the trebling of fuel use during the last 30 years, we might well wonder how mankind itself could withstand another half century of unrestrained growth of fossil fuel output.

My introductory statements are intended to suggest some short, intermediate and long run goals for U.S. energy policy. In the short run we should not do anything that will worsen the existing problems of unemployment and inflation. Breaking the OPEC cartel seems a desirable intermediate run goal. Short run and intermediate run policy measures that may be decided upon in the very near future should not conflict with a long range goal of reducing—not increasing—the use of fossil fuels and replacing them as much as possible with cleaner forms of energy: power produced by harnessing the winds, waves, tides, gravity, and the energy of the sun (including, perhaps, clean fusion power).

My two objectives in this presentation are: 1) to examine the current domestic crude oil price control controversy, and 2) to argue for an oil import policy change, keeping in mind the short, intermediate and long range goals which I have suggested.

As you know, the President is opposed to price controls on domestic oil. A majority in Congress wants to at least maintain controls on "old" oil, and perhaps to extend controls to all domestic oil production. Paradoxically, both Congress and the President seem to share at least two reasons for their diametrically opposed stances: they wish to preserve American jobs and avoid stifling the growth of the national economy. Given the present state of economic theory, the confusion about how to achieve these objectives is indeed understandable.

I would opt for a firm set of controlled prices similar to those passed by the House early this week. I believe that domestic production has been falling off partly because producers have been holding back in anticipation of higher prices. If they knew what the future price was going to be, they would have no reason to hold oil in the ground. The House's proposed \$7.50 price for new uncontrolled oil would lower the existing incentive to cut back wells with low production rates to the stripper well level of 10 bbls per day. (Stripper production is exempt from control, and 20 bbls. per day at \$5.25 per bbl. is not worth as much to a company as 10 bbls. per day at the existing uncontrolled price of \$13.50 per bbl.) Moreover, from the evidence of a Brookings Papers study conducted by Paul Davidson, Hoesung Lee and myself, \$7.50 per bbl. is a price more than adequate to bring forth additional domestic crude oil supplies during the next few years.

The President's proposal to phase out price controls over approximately three years' time (actually 39 months, I think) could cause a significant further short term reduction in domestic output. Given a cost of capital of about ten percent, the cost of holding crude in the ground for three years is approximately \$1.75 per bbl. If the price were allowed to rise from the current \$5.25 to, say, \$13.00 per bbl., the \$7.75 price rise over the three years would greatly exceed the cost of holding back on production. The first diagram demonstrates the effect of a 36 month phase-out. The red line shows the per bbl. price allowed at any time over the 36 month period. The blue line shows the cost of holding one barrel of crude oil (including the \$5.25 price not received by selling it now), and the vertical distance between the two lines shows the per barrel benefit to the producing company of holding the barrel of oil off of the market. The second diagram shows the effect of phasing out price controls over a ten year (or 120 month) period. Now the cost of holding a barrel of crude slightly exceeds the allowable prices over the entire period of phaseout. Obviously, there would be no in-

centive to hold back on crude production under this second arrangement. The conclusion: if there is to be a phaseout of price controls, it should be over a long period of time—as long as ten years. But any phaseout is only second best to a firm system of price controls; for many reasons, free domestic market prices cannot be expected to properly allocate the time rate of oil production. A firm set of controls would reduce unearned oil company profits without conflicting with desirable short, intermediate and long range goals. Unemployment and inflation would not be worsened; our ability to compete with OPEC would not be weakened, but we would not be doing anything to greatly increase fossil fuel production.

To achieve the intermediate range goals of breaking the OPEC cartel, with the desirable attendant reduction in Arab-country power over Western Europe and the Third World, I would argue for elimination of the seven sisters as purchasers of OPEC crude for the U.S. (The seven sisters, as you probably know, are seven major international oil companies.) The OPEC cartel has not broken down, as a cartel usually will (because of its members cheating on quotas), for two reasons: (1) the solidarity among the Arab producers, and (2) because the seven sisters willingly police quotas in non-Arab OPEC countries. The seven sisters oversee quota adherence for the Arab countries. To act differently would threaten their Arab oil concessions. For example, Aramco, the sole producer in Saudi Arabia is a combination of four of the seven sisters. These four companies must not purchase in excess of quota amounts outside Saudi Arabia, or else they will be in serious danger of losing their control of more than six million bbls. per day of crude production in Saudi Arabia.

To eliminate the seven sisters as producers, I strongly recommend the proposal to establish a federal agency as the sole purchaser of imported crude and petroleum products. (This proposal is contained, for example, in Senate Bill 1430.) In addition, I join my Rutgers colleague, Paul Davidson, in recommending that the agency's purchasing procedure require that sealed bids for 30 to 90 day contracts be rejected if the price bid is higher than the world price; four months contracts (say) should be rejected if bids are higher than five percent below world prices; year contracts should be at least ten percent below world prices; two year contracts 15 percent, and so on. Very long term arrangements could only be made at prices far below current short term price. This procedure would provide great incentive for OPEC members to cheat to gain a guaranteed profitable price for a long period of time. (Mideast crude production costs only about 15¢ per bbl.) The government purchasing agency would, in turn, sell its supplies to domestic refiners at market prices through sealed bids. This might involve government profits when the domestic market price is higher than the agency's cost, but it would then prevent refiners from receiving windfall profits. It might also involve government losses on long term contracts when the domestic refinery market price is lower than the long term purchase price abroad, but this would occur only when the cartel has been broken, and the necessary agency subsidy would be a small price for taxpayers to pay for the economic security we would have gained.

The two recommendations I have made would obviously not solve all of the world's energy problems, but they would work in the direction of the suggested short, intermediate and long term goals. Firm price controls on domestic crude would not worsen unemployment and inflation. Breaking the OPEC cartel would allow for expanded use of low cost (in terms of world resources) Middle East crude instead of expensive and environmentally damaging production of additional domestic crude (including Baltimore canyon-

offshore New Jersey) strip-mined coal, and radioactive waste-producing nuclear plants.

COLUMBUS DAY, 1975

HON. JEROME A. AMBRO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. AMBRO. Mr. Speaker, on October 13, this Nation will once again pay tribute to Christopher Columbus, a man of vision and daring whose voyages literally and figuratively changed the shape of the world in which he lived and altered the course of history. In our own high specialized technological age it is easy to minimize the import of the lonely journeys undertaken by Columbus and his crew in their three small, fragile vessels, the *Nina*, the *Pinta*, and the *Santa Maria*. However, nearly five centuries ago, one man was determined to act in the face of superstition and ignorance and despite every attempt to discourage him sailed westward and discovered two new continents—a whole new world. Taken in proper perspective, Columbus' mission must be judged far more spectacular than our own landing of men on the Moon in 1969.

In 1492, Spain was in the grip of an Inquisition that seemed to herald the victory of ignorance and intolerance over sanity and reason. But also in 1492 the explorations begun by Christopher Columbus were to open up new civilizations of freedom and liberty which would set the standard for the entire world. It is not an overstatement to say that because of Christopher Columbus civilization took a giant step forward.

Several years ago, the Federal Government took a long-overdue step and officially extended national recognition to the exploits of Columbus by making the second Monday of each October a national holiday paying tribute to this great Italian explorer.

In celebrating this holiday, we are not only commemorating the deeds of Columbus, but also the contributions to American society of all of the millions of Italian-Americans who have immigrated to the United States. As we celebrate our Bicentennial as an independent Nation, it is fitting that we take notice of all of the different groups who have made this country their home, and added to its greatness as a society. Italian-Americans have participated in every phase of this Nation's growth and development, and are represented in prominent positions in the arts, government, commerce, and industry, and the religious world. Indeed, the first American to be canonized was the Italian-born Mother Cabrini. American society is richer by far for the contributions made by Italian-Americans, who, like Christopher Columbus, have brought to this Nation gifts of spirit and faith—of challenge and awakening.

Mr. Speaker, as we celebrate Columbus Day this year, it will be my privilege to be the honorary Grand Marshal of the Suffolk County Columbus Day Parade which, this year, as in the past, will have hundreds of participants from all over Long Island proudly proclaiming

their tribute to Columbus and to the Italian-Americans who followed in his footsteps by coming to this land and contributing so very much to its betterment.

A TRIBUTE TO BENJAMIN H. SWIG

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. SCHEUER. Mr. Speaker, upon occasion we become aware of remarkable individuals in our society who have amassed impressive honors and achievements in the world of business, industry, and finance. The history of American private enterprise is star-studded with names of men and women who have risen to spectacular heights in their business endeavors.

Rarely, however, do these towering business leaders possess the capacity for social concern, enthusiasm, magnanimity and selflessness not only to excel in the world of business, but also to give unsparingly of their superb leadership qualities in civic and community service as Benjamin H. Swig of San Francisco. If America is viewed around the world as the legendary land of opportunity, then surely Ben Swig is living testimony to the truth of that legend.

Ben Swig is the owner and operator of the famed Fairmont Hotel in the center of San Francisco—long a gracious landmark in the thriving Golden Gate City. While raising a family of three children with his devoted late wife, Mae, and maintaining the Fairmont as one of the Nation's finest hostels, Ben Swig has somehow found the time and energy to be a director or advisor to 70 educational, religious, social and civic organizations. And at the age of 81, when most others his age are consigned to a shawl and a wheelchair on the front porch, he remains an active board chairman of the Fairmont and president of three other hotel companies.

As a symptom of his unfailing dedication to his fellow citizens across the Nation—and especially in the State of Israel—Ben Swig has received more than 135 personal awards and commendations. To date, this man has been cited by a vast variety of Jewish and Catholic organizations, the Boys' Clubs, NAACP, the Republics of Italy, West Germany and Korea, as well as the city of Paris; the Selective Service System, the ROTC, the Veterans of Foreign Wars, the Eagles, and the Salvation Army. To list more, one must include the U.S. Army, Air Force, and Coast Guard, the Veterans' Administration, the National Conference of Christians and Jews, the Scottish Rite of Freemasonry, local newspapers and a host of other educational and civic organizations. So far he has been granted five honorary doctoral degrees from U.S. colleges and universities, and has been notable for his support of the Stanford Research Institute and the University of Santa Clara.

Ben Swig has earned the tribute and esteem of such diverse groups as the Association of the U.S. Army, the Order of

Merit of the Italian Republic, and the Jerusalem Medal.

Ben Swig has been preeminent in his devotion and commitment to the creation and the development of the State of Israel to which he has given of his prodigious leadership, as well as continuing magnificent financial support for over more than half a century.

Ben Swig has crammed such achievement and service into his ebullient 81 years that he honors all of us who are his countrymen and his friends.

Ben Swig personifies the American Bicentennial—the 200th anniversary of a country in which a Ben Swig can grow and thrive, and serve his fellow men with such unbounded energy, enthusiasm and compassion.

Ben Swig's work and devotion to the goodness of America is an inspiration to us all.

It is a privilege to know this great American who is one of the truly inexhaustible natural resources in all our Nation.

PULASKI DAY, 1975

HON. JEROME A. AMBRO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. AMBRO. Mr. Speaker, on Saturday, October 11, we will mark the 196th anniversary of the death of that outstanding Polish patriot who gave his life for our country during our Revolutionary War, Count Casimir Pulaski. His name is known to Americans, and to all who value freedom, as a person whose selfless contributions and sacrifices personified the ideals which gave birth to our Nation.

Born in 1748 in Poland to an aristocratic and distinguished family, Count Pulaski turned his back on a life of leisure and ease and spent the 31 years of his life fighting to free his native land from the yoke of slavery, and then traveled thousands of miles to a strange new land to assist a small band of young Americans engaged in a similar battle. His decision to join the American revolutionists is explained in his own eloquent words:

I would rather live free, or die for liberty. I suffer more because I cannot avenge myself against the tyranny of those who seek to oppress humanity. That is why I want to go to America.

In the summer of 1777, Pulaski volunteered as a private in Washington's army and distinguished himself at the Battle of Brandywine. The Continental Congress then granted him a commission as a brigadier general and placed him in charge of the fledgling American cavalry. Following additional military action, Pulaski organized an independent corps of cavalry and light infantry—the Pulaski Legion—and contributed to the successes of the American military cause throughout 1778. His aggressive and daring action inspired his men and intimidated the enemy as he moved into the South in 1779. His courage and determination helped save Charleston, S.C., from a superior force. During the fierce

siege of Savannah, Pulaski displayed undaunted courage in the face of fierce enemy resistance as he bravely led his cavalry into the thick of the battle. Mortally wounded, he was removed to the American brig *Wasp* where he died on October 11, 1799.

Casimir Pulaski, a Polish aristocrat fought and died for an American democracy. While he never lived to see a free America, he has become by virtue of his dedication and devotion, a true American hero and patriot. The banner of freedom Pulaski so dearly cherished and defended was passed on to other Poles who journeyed to the New World to search for personal liberty. Throughout this country, and in every walk of life, Polish Americans have contributed to the growth and progress of the Nation. Whenever the rallying call was "freedom" Polish Americans have answered eagerly and without hesitation. The heroic honor rolls of America's fallen sons during this century alone contain the names of multitudes of Polish Americans—just as the list of dead from the War of Independence contains the name of Count Casimir Pulaski and other who joined in the cause.

Mr. Speaker, I am honored to represent a congressional district which contains many Polish Americans. Like their ancestors and kinsmen throughout this Nation, these citizens have exhibited energy, industry, love of family and country, and devotion to duty which have added significant dimensions to the success of this great land. On this Pulaski Day, I salute a proud and gracious people.

MONDAY, OCTOBER 13, WE CELEBRATE COLUMBUS DAY

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. GIAIMO. Mr. Speaker, toward the end of the 15th century a self-made mariner from Italy dared the perils of the Atlantic and found a New World.

It is indeed appropriate that we have established the second Monday in October as a national holiday on which to reaffirm the faith, optimism, and creative vision which sustained Christopher Columbus on his journey and inspired his great achievement.

As an American of Italian extraction and as a participant on the official visit to Italy commemorating the first anniversary of the enactment of legislation declaring a new national holiday in honor of Christopher Columbus, I am particularly pleased to have played a part in establishing the official recognition we now annually give to this great Genoese navigator and explorer.

All Americans truly can share in the accomplishment of the man who led three fragile sailing ships to the shores of the Western Hemisphere 483 years ago this month, for the history of our country is the history of immigrants from other continents.

Overcoming uncharted seas and the threat of mutiny, Christopher Columbus symbolizes the independent spirit of

America, the dedication to conviction and the perseverance in the face of adversity. His discovery opened the New World to the Old, and to the new idea that there could be established a land with opportunity for all and governmental authority vested in the people.

Mr. Speaker, Columbus Day offers all of us an opportunity to rededicate ourselves to the principles upon which our country is founded, and to the spirit which led to her founding.

A RESOLUTION OF PEACE

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. HANSEN. Mr. Speaker, I bring to the attention of my colleagues and readers of the CONGRESSIONAL RECORD a resolution of peace from the Basque community of America.

The Basque community of America, Mr. Speaker, is estimated at a population of 10,000 to 12,000 and is centered in southern Idaho, eastern Oregon, and parts of Nevada. They are among our most stalwart citizens.

A leader of the Basque community is Idaho secretary of state, Pete Cenarrusa. In the following resolution, Mr. Cenarrusa challenges America to act on behalf of probably one of the smallest minorities in our country—the Basques—and an oppressed minority in Spain.

We have read the headlines of the terrorism, murders, and executions currently taking place in Spain. This is a most serious matter causing great concern among the people of this Nation and the world.

Being of the firm opinion that tyranny and violence must cease, I present the following resolution to open a discussion on behalf of the Basque community of America who are most concerned for the rights and safety of the Basques in Spain.

The resolution follows:

RESOLUTION ON BEHALF OF THE AMERICAN BASQUE COMMUNITY OF THE STATE OF IDAHO TO THE GOVERNMENT OF THE UNITED STATES

Whereas, the history and traditions of this nation rest upon the principles of freedom from oppression and the rights of all citizens to life, liberty and the pursuit of happiness; and

Whereas, we believe that democracy and freedom, when denied in one country, stand threatened everywhere; therefore, it is our responsibility to bring to the attention of the people of the entire world that these very freedoms of the Basque people are threatened under the Franco regime in Spain today; and

Whereas, the Basque people have a long and glorious history of personal accomplishment and a devotion to the preservation of their national heritage; and

Whereas, the Basques have been denied the right to learn their own language, have been jailed, and have been denied their human rights by the Franco regime and are virtually threatened in their continued existence; and

Whereas, the Basques, who once enjoyed the oldest democratic republic in Europe, fought for the Allies in World War II; and

Whereas, the current "State of Exception" in the Basque provinces of Spain is resulting in the complete denial of all basic and

fundamental, civil and humanitarian rights, and the imprisonment and torture of thousands of men, women and children; and

Whereas, the government of the United States has recently concluded negotiating a mutual security agreement with the Spanish government, guaranteeing millions of dollars in economic and military aid; and

Whereas, the Basques and other citizens of the State of Idaho believe that the Basque traditions of democracy, humanity, charity and mercy should be allowed to be carried on by the Basque people of Spain.

Now, Therefore, Be It Resolved by the American Basque Community of the State of Idaho and of the United States that we voice our strong belief that as a nation we should reward our friends and not our enemies, and we deplore any free and democratic nation providing assistance to a ruthless, totalitarian government, directly or indirectly.

Be It Further Resolved, That we urge all steps be taken to cause the Spanish government to cease and desist the denial of the Universal Declaration of Human Rights of Man, and insist that total general amnesty for all Basques and Spaniards now imprisoned or exiled for their political and social activities be extended by the Franco government, as well as the right of habeas corpus. We further urge that steps be taken to cause the Spanish government to immediately revoke the "State of Exception" in the Basque provinces of Spain.

Be It Further Resolved that if such steps are not carried out, the President of the United States, the Secretary of State, and the Congress of the United States take all necessary steps to withdraw all foreign aid and benefits to the Spanish dictatorship, and that the American government join the nations of Free Europe in severing diplomatic relations with the Spanish government, and further demand the expulsion of Spain from the United Nations.

100TH ANNIVERSARY OF ST. JOHN'S CHURCH

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. McKINNEY. Mr. Speaker, on October 18, the Rev. William A. Nagle is prepared to celebrate the centennial observance of the founding of St. John's Church, a church that has clearly become a landmark in the city of Stamford. I join with many others in wishing Reverend Nagle well in such a joyous occasion to commemorate the founding of a church so rich in history and tradition.

Truly a church created for and from the community, St. John's was founded over 100 years ago by Irish immigrants who came to settle near the center of town. Thus, from its beginnings, St. John's Church occupied a central location and grew along with the community surrounding it. By the 1870's the congregation has increased considerably, as a result of which the Rev. John Fagen, then pastor, recognized the need for a larger church. In a joint effort with the community, Reverend Fagen purchased the Atlantic Street property, its present location, and oversaw the original stages of construction. Although he did not live long enough to witness the completed structure, his successor, the Rev. Michael A. Tierney, made the church ready for dedication in 1875.

Over the years numerous changes have

taken place in the surrounding community that affected the parish church. In the 1960's approximately 4,000 families attended St. John's, but by the last census the figure had dwindled to a low of 905. The church that began with the community had started to disintegrate along with it. However, with the recent revitalization of the area and the construction of the superblock complex, St. John's is once again enjoying a resurgence in membership, drawing worshippers, as before, from the downtown area. To further establish its link with the entire community, St. John's, in 1971, abandoned the parish church and became one of the founding members of the Stamford Catholic Regional School System, Inc.

It is truly fitting and refreshing that on the eve of its centennial, St. John's once again stands committed to its original goal—to serve the needs of an ever-growing and newly vitalized community.

DELEGATE TO THE 15TH CONFERENCE ON MEXICO-UNITED STATES INTERPARLIAMENTARY GROUP

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. BADILLO. Mr. Speaker, from March 27-31 of this year, I was privileged to be a delegate to the 15th conference of the Mexico-United States Interparliamentary Group in Campeche, Mexico.

I would like to quote from the final joint statement by the heads of the Mexican and U.S. delegations:

Ocean resources constitute a basic source of food for human consumption. It is therefore necessary to rationalize exploitation of these resources so that optimum and lasting yields can be obtained. Consequently, it is essential that at this stage of the Third United Nations Conference on the Law of the Sea, presently being held in Geneva, a compromise formula be achieved. A broad-based law of the sea treaty, founded on the principles of justice and equality, must be concluded as soon as possible.

The statement also says,

Both delegations affirm that the points of agreement between our respective countries are far more numerous and far more profound than the points of disagreement, and both commend to their respective nations full consideration of that fact.

That to me is of critical importance. Our relations with Mexico continue to improve, and it is in our best interests that they continue to do so. I am fearful that were we to unilaterally institute a 200-mile limit on our waters, we would be tempting the Mexican Chamber of Deputies to retaliate. Our countries are too close, both physically and diplomatically, and our waters run together, literally and figuratively.

Mr. Speaker, there are many persuasive arguments on both sides of this very sensitive issue. But I have concluded that it is in the greater interest of this country, and its neighbors, to rely on the recommendations of the Law of the Sea Conference to set international policy. Therefore, I shall vote against this bill.

ENOUGH TO MAKE A MAN CRY

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. HANSEN. Mr. Speaker, the following letter from my constituent, Warren Barry, a small businessman in Twin Falls, Idaho, outlines his frustrations over what we are doing to him here with more and more rules and regulations.

It is enough to make a grown man cry. Your day must have been better than mine, but perhaps you would like to share some of the problems that face any small businessman on any given day, particularly Monday.

First, my yard foreman walked in and announced that two men we had employed last week had quit on Friday evening. One indicated that he could get food stamps and unemployment. With a little welfare, he would not have to work for some time. The other had some unemployment coming from another job, and with food stamps, he did not have to work that hard. Off I go to the local Employment Security Agency, where I go through a whole waiting room of able-bodied people signing up for unemployment, in order to try and place an order for two men to work. My contact shrugs his shoulders and says he will find some men but that he has a whole list of unfilled jobs.

I return to my desk where I have the new requirements of the Equal Employment Opportunity Commission and we are trying to design a new job application form. Under your new requirements, it might as well be blank. We cannot, without being discriminatory, ask a person's sex, marital status, whether or not they have children, a person's physical condition, his criminal record, military status, age; except if over 18 and whether or not he owns his own home. How would you like to employ someone on your staff and not be able to know any of the above? We really need to know something about the people we hire for they are entrusted with our valuable material or money.

When I finish trying to work out this form, I will have to try to help design a new credit application to comply with the new Fair Credit Billing Act. We are told we cannot ask age, welfare status, sex, marital status, whether they own or rent, number of children, and we must respond to all applications in writing, within 30 days whether there is any available information or not. How would you like to try and operate and extend credit under these conditions? How can anyone hope to make any semblance of intelligent determination as to who constitutes a reasonable credit risk?

If there is any time left, I should run out into the yard and see if there are any saws left without a guard or storage rails left open for OSHA is due here any time again.

All we need is a little more Government harassment and regulation and our day would be complete. I really hope your day in Washington is better than mine here in Twin Falls.

CENTENNIAL FESTIVAL SERVICE AT ST. JOHN'S EVANGELICAL LUTHERAN CHURCH OF CHICAGO

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. ANNUNZIO. Mr. Speaker, I had the privilege to participate on Sunday, October 5, in the Centennial Celebration of St. John's Evangelical Lutheran Church located in the 11th Congressional District of Illinois which I have the privilege to represent.

St. John's Evangelical Lutheran Church has been serving the spiritual needs of our community for 100 years. Many of the parishioners who participated in the Centennial Service on October 5 were born in the vicinity of St. John's and are still members of the parish.

Dr. Oswald C. J. Hoffman, Lutheran Hour Speaker, St. Louis Mo., was present on Sunday, October 5, when the festival services were held, and gave a most stirring sermon which was appreciated by all of the parishioners.

Dr. John H. Lutz, Head pastor of St. John's, who has served as pastor since 1956, welcomed me at the door, and I was also greeted by Associate Pastor Hillman Fishher. At the end of the service, I had the privilege of addressing the parishioners for a few minutes.

I pointed out that the future of democracy is in the hands of the church because only the church can keep families together, and when families remain united, the church derives strength from that unity, just as democracy grows stronger because of that same unity.

It was a source of great inspiration to me to note that each of the parishioners had contributed in some way to the centennial observance of St. John's. I would like to mention especially that one of the parishioners, Ronald Prochnow, composed the "Anniversary Hymn" in honor of the occasion, and another parishioner, Don Pergande, designed the cover and did the artwork for the program.

Additionally, a "Centennial Proclamation" was written by Harold Weimer, president of St. John's Evangelical Lutheran Church; the members of the Murk Family will be serving on October 10 as centennial banquet entertainers; Henry Blanke, Sr., pastor of St. John's since 1937 and now pastor emeritus, will be the speaker at the October 10 centennial banquet; a special film "100 Years at St. John's" was produced by Mr. and Mrs. Charles Herron and will be shown on October 5; and many other fine events have been planned from now through September 1976 in observance of St. John's centennial year which began on October 3, 1975.

Since June 3, 1875, when St. John's was established to serve the spiritual needs of the community northwest of Chicago known as Mayfair in the township of Jefferson, it has performed an outstanding service to our community. Although I have mentioned only a few persons here because of limited space, I want to emphasize that St. John's has been successful in serving

the needs of our community because the parishioners themselves, in their own individual way, have contributed to the growth and stability of St. John's, which in turn has enabled their church to better serve their own needs.

I am pleased to have this opportunity to extend my best wishes to the parishioners of St. John's on reaching this milestone and in expressing the conviction that the strength of their heritage will enable them to continue to meet the challenges of the future with the same vision, determination, and good will that they have demonstrated in the past.

**TALCOTT LAUDS NAVY
BICENTENNIAL**

HON. BURT L. TALCOTT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. TALCOTT. Mr. Speaker, 200 years ago next Monday the Continental Congress presided over the birth of the U.S. Navy when they voted to arm a single "swift sailing vessel, to carry 10 carriage guns." That action, taken two centuries ago, set the course under which Navy men have swept the seas, and carried the Stars and Stripes to every part of this world, and well beyond.

In those early days a small group of brave men carried the fight to America's enemies, wherever they could be found. John Paul Jones, the father of the U.S. Navy, was to say on December 3, 1775, when he hoisted the American flag for the first time over the flagship *Alfred*, "I hoisted with my own hands the flag of freedom!" Later, in command of the *Bon Homme Richard*, he carried the battle to the very shores of the British Isles, and made good his boast, "Give me a fast ship, for I intend to go in harm's way."

The Continental Navy was a first step in a journey to freedom for America, and to honor and glory for those who would wear the Navy blue through the centuries. Mastery of the seas, and control of the sealanes, will always be critical to our survival as a free nation. The vast size of our country reduces our absolute need for foreign commerce, but our society and our economy have been based on a full and free commerce and communication with nations in all parts of the world. From time to time we have had to meet challenges from many sources to that freedom of the seas, but each time the U.S. Navy has carried the day.

Today, just as 200 years ago, America depends on a select group of blue water sailors to show the flag throughout the globe, and to defend American rights wherever they might be threatened. Today's Navy man is better equipped, better educated, and better supplied than John Paul Jones and his colleagues. But they are equally brave and equally able to survive any challenge to the flag.

Mr. Speaker, I join President Ford, Defense Secretary Schlesinger, and Navy Secretary Middendorf in commending the officers and men of the Navy on their bicentennial, and in telling them "well done."

**THE UNITED STATES AND THE
THIRD WORLD**

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. DIGGS. Mr. Speaker, the following statement on "The Changing International System and America's Role," by Zbigniew Brzezinski, one of this country's foremost commentators on international affairs is, I think, exemplary of the kind of serious consideration the United States needs to display on a sustained basis with respect to the plight of the developing countries of Africa, Asia and Latin America. Our approach to the Third World must be a positive one of cooperation instead of confrontation, which can only prove counterproductive to America's long-term national interest. With the blurring of East-West polarity, North-South tensions between developed and developing countries increasingly defines international conflict, thereby demanding a coherent U.S. policy. Secretary of State Kissinger's proposals delivered to the U.N. special session on economic issues was an excellent beginning. However, as the following essay points out, that will not be sufficient:

[From the New York Times, Oct. 5, 1975]

**THE CHANGING INTERNATIONAL SYSTEM AND
AMERICA'S ROLE**

(By Zbigniew Brzezinski)

The recently concluded debate in the special United Nations General Assembly concerning "the new world economic order" highlights the basic change that is now taking place in the international system as a whole. It is important that Americans see this change in its proper historical perspective and also appreciate its far-reaching and longer-term consequences.

The essence of that change can be expressed as follows: The international system is changing from a system designed to promote interstate peace to a system also designed to promote intrastate progress; from a system designed to make possible greater global economic productivity to a system also designed to enhance greater economic equity.

Changes of such historic proportions do not come about easily, nor can they be given in advance a precise definition. The process of transformation will necessarily involve protracted debates, clashing interests and values. It is bound to be full of inconsistencies and paradoxes.

For example, one of the most cherished principles of international politics is that of sovereignty and noninterference.

The new nations are particularly sensitive about it. Yet it is also these nations that are especially insistent that the international system increasingly shift the focus of its concern from a preoccupation with the preservation of peace to a greater concern with the promotion of global development, especially in order to obviate the existing inequalities in the material conditions of humanity.

To accomplish that objective, closer cooperation among nations, and a measure of interference in the internal affairs of some by others, will almost be inevitable.

Just as in our domestic societies, the shift from a government concerned with the preservation of order to a government concerned with the promotion of welfare has involved inevitably an expansion in the government's scope of social interference, so on the global

scene the assumption of new responsibilities by the "system" vis-a-vis its participants is bound to involve limitations on national sovereignty, contrary to the desires of the elites of the many new nations.

The shift from an emphasis on productivity to a greater concern with global equity is similarly not going to be easy. A rapidly expanding world product is certainly less difficult to divide than one which grows more slowly. Yet lower rates of growth are likely in a system in which considerations other than those bearing on productivity are the point of departure for international economic decisions, and this will make more equitable and voluntary distribution of global wealth more difficult to achieve. The result might well be more conflicting demands and less chance of compromise.

These are thus changes of truly major dimensions; they involve changes both in basic values and in processes. Moreover, some of them are likely to be in conflict with our domestic standards and views.

Many might feel that international arrangements should not be concerned with social progress nor that we should sacrifice productivity to equity. Yet we must also realize that these changes are inherent in the far-reaching transformation of the political character of the globe that has been taking place during the century.

Until quite recently most of the globe's population has been politically pliant. This is now less and less the case—be it in Papua New Guinea or Bangladesh or in Portugal. We are witnessing today a rapid expansion in political awareness and an increasing activation of hitherto dormant masses.

Unlike the initial phases of the Industrial Revolution, when the way people lived tended to change more rapidly than how they thought, today—because of mass communications and education—the way people think is changing more rapidly than how they live. All this makes for higher political awareness, increasingly focused on the desire to eliminate the enormous disparities in the global standard of living.

This general mood is channeled through sovereign states, which today number approximately 150 and provide the basic framework for the political organization of mankind. The rapid expansion in the number of states from approximately 40 to 150 in the last 30 years, thereby altering drastically the distribution of voting power in the United Nations, has further enhanced the pressures for the transformation of the international system, of which the recent special General Assembly session is but the latest symptom.

The American response to these changes has been hesitant and, until very recently, lacking in foresight. The basic predisposition has been to avoid facing the emerging realities, to delay change, to use the Organization of Petroleum Exporting countries as a specter, rather than to try to give more positive and responsible direction to the inflamed emotions and often unrealistic aspirations that these fundamental changes have been generating.

This is why the recent American initiative taken in the special General Assembly is so much to be welcomed. The speech presented by Ambassador Daniel P. Moynihan on Secretary of State Kissinger's behalf, in which the United States called for the creation to assure the developing countries greater opportunity and stability for their development, contained a realistic and thoughtful program, though much overdue.

It received, deservedly, a positive response, and it averted an immediate and divisive North-South confrontation. It helped to focus debate on practical and serious aspects of the problem, searching for concrete solutions, and avoiding the rhetoric either of confrontation or of illusion.

It represented a much-needed step toward a more responsible—and less doctrinaire—discussion of what can be changed in the existing global arrangements.

It would be wrong, however, to assume that the danger inherent in the pressures for a fundamental transformation of the international system has been averted. The United States has bought time, and that in itself is a precious thing and a major accomplishment.

But should it turn out that all that the United States had in mind was to buy time, should it turn out that the measures proposed to the United Nations by Mr. Kissinger have been essentially of a cosmetic character, then the long-range costs of the disappointment and irritation thereby engendered will be enormous.

A new and more violent cycle of confrontations will be set in motion, with the United States threatened increasingly by isolation and worldwide hostility.

This danger was averted during the special session and the contrast between the thoughtful presentation of the United States and the totally empty Soviet rhetoric spoke well for the United States and for its role in the world.

What is now needed is sustained and serious follow-through, based on Congressional support and broad popular understanding of the need for a truly historical effort to update and reform the international system.

In the post-Vietnam mood of abnegation made grimmer by the present recession, the notion that American initiative and leadership are needed might not be very popular—but their absence could make for an international system that provides neither peace nor progress.

CASIMIR PULASKI DAY

HON. JAMES J. BLANCHARD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. BLANCHARD. Mr. Speaker, on Saturday, October 11, Polish Americans will honor one of our country's greatest Revolutionary heroes—Casimir Pulaski.

Casimir Pulaski is rightly honored, not only as a patriot of our Nation's youth, but also as a man who risked, and finally gave, his life to the cause of freedom for the oppressed of his own nation and others.

In Poland, he joined at a youthful age in open rebellion against Russian domination of that country. Although his efforts met with failure, he persisted for several years in attempts to rouse opposition to Russia's autocratic monarchy.

After being reduced to poverty, he joined the Continental Army as a volunteer in 1777, at a time when freedom fighters from many nations were joining the cause of the united colonies.

During the following 2 years, he advanced to the rank of brigadier general before being fatally wounded in the Battle of Savannah.

Mr. Speaker, it is a mark of the great good fortune of our Nation in its early years that men of the caliber of Casimir Pulaski were attracted to its battle for freedom.

The debt we owe to Casimir Pulaski and others can never be fully repaid.

Today, as a mature Nation of many creeds, cultures and peoples, America has reached the greatness which they foresaw so many years ago.

Let us, therefore, join with all Americans of Polish descent in paying de-

served tribute to a great and courageous American—Casimir Pulaski.

SUPPORT OF HOUSE RESOLUTION 683

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. JOHN L. BURTON. Mr. Speaker, I supported House Joint Resolution 683 which provides congressional approval for the utilization of 200 volunteer civilian personnel who are private contractors to monitor the Sinai Peace Agreement between Egypt and Israel.

This resolution and the committee report clearly states that the approval of House Joint Resolution 683 in no way commits the Congress or this Nation to any action besides the authorization of up to 200 volunteer civilians to serve as private contractors to monitor the peace agreement.

The basis for my support is the fact that both sides involved in the Israeli-Egyptian War sought utilization of volunteer American civilians and that these persons would solely be volunteers monitoring the peace and serving the cause of peace.

As an early opponent of American involvement in Vietnam, where this country sent military advisors to provide aid and support in a war on the side of one of the combatants, I can, and easily do, distinguish America's role in South Vietnam where we were, in fact, initially providing military advisers, and wound up as combatants ourselves, from the peacekeeping role of these civilian technicians.

One of the greatest threats to world peace is the Middle East. I do not say that the Sinai Agreement would guarantee peace in that area. I do feel, however, that this agreement between Israel and Egypt for the first time provides a basis and possibility for lasting peace in that troubled part of the world. It is definitely in the best interest of our Nation to help bring stability through peace not only to that area of the world, but to all peoples. Should a new major war break out in the Middle East, there is no telling whether or not it would be confined to that section of the world, or would in fact trigger a nuclear holocaust.

Since the early 1960's I have been active in the peace movement and in the fight for nuclear disarmament. I feel that my vote on this issue is consistent with my dedication to the cause of peace. Throughout the years, the instability and off-and-on conflict in the Middle East has caused great concern to the people of this Nation, and great amounts of taxpayers' dollars.

A program of lasting peace in the Middle East would not only lessen the possibilities of potential nuclear holocaust, but would also have the effect, in my judgment, of lessening American expenditures in that area, as well as having an impact on the economic blackmail of the oil-producing nations in the Middle East.

As the committee report and floor de-

bate have brought out, the adoption of this resolution in no way commits one American military person to be involved in the Middle East conflict. I would point out that at the present time there are as many as 20 to 30 Americans serving in the United Nations peace-keeping buffer force in the Sinai area. Therefore, the introduction of volunteer civilians to the Sinai to help monitor the peace agreement in no way can be considered as opening the door to American military involvement. Rather, I consider the Sinai Agreement to be the first time the door of opportunity to lasting peace in the Middle East has been opened in almost 30 years. This can only benefit this Nation and all the nations of the world.

THE VALUE OF THE BREEDER REACTOR CONCEPT

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. HORTON. Mr. Speaker, the October issue of Fortune contains two comprehensive articles by Dr. Ralph E. Lapp on uranium availability and the potential of the breeder reactor in providing virtually limitless sources of energy from the nuclear fission process. Dr. Lapp is a nuclear physicist with nuclear experience extending back to the development of our first nuclear weapon. He has for the past decade concentrated on fossil fuel sources.

The two complementary articles are entitled, "It's a Long Haul From Mine to Reactor" and "We May Find Ourselves Short of Uranium, Too." I highly commend them to all who are interested in solving the serious energy dilemma we face.

I would like to invite special attention to Dr. Lapp's comments on the potential of the power breeder reactor. The two paragraphs I am referring to are the following:

Among other things, the power breeder would let us tap the energy in the uranium tailings that are now stored in 20,500 green-painted steel vessels at Oak Ridge and other sites. These vessels contain over 200,000 tons of discarded uranium. Since its U 235 content has been depleted, the uranium is not useful at present as a nuclear fuel and lies in a dormant condition.

This stockpile of uranium tailings can be used for plutonium production in future power breeders—a technological metamorphosis that would convert the dormant uranium into energy equal to that in over 400 billion tons of coal. That's about as much coal as the U.S. has underground in recoverable form—and the tailings are all above ground, neatly packaged, ready for future use. If the dormant uranium in U.S. stockpiles were valued at the equivalent price of \$50 per ton of coal, a price that some utilities have already had to pay in the spot market, then it represents a fuel asset worth \$20 trillion. Yet opponents of the power breeder carp at the \$10-billion cost of the breeder development.

In other words completing the development of the breeder reactor and putting it into use will provide a virtually limitless supply of energy without digging one more shovel of uranium. The rela-

tive cost of obtaining the breeder reactor versus its potential monetary value when figured in terms of equivalent energy costs is one very important point to keep in mind also. The data indicates that at a cost of approximately \$10 billion to complete the development job the energy value such a system will produce will approach \$20 trillion. It is difficult to understand that there are those objecting to investing the \$10 billion for completing the job of developing the breeder, which is now in the final commercialization stages, considering the importance of the breeder to the future of our Nation.

THE BUSIEST AIRPORT IN THE WORLD

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. MILFORD. Mr. Speaker, Members of Congress from New York, Chicago, Los Angeles, Dallas or Fort Worth, and Atlanta often brag about their busy airports. O'Hare International, in Chicago, currently claims to be the busiest airport in the world, with an average of 1,890 aircraft operations per day. O'Hare is followed by Los Angeles with 1,357 operations; Atlanta with 1,287; and New York's Kennedy with 1,009 operations per day.

On any given day each of these huge airports must groundmaneuver and park up to 250 airplanes—mostly huge jetliners—on the field at one time. Literally thousands of people including FAA air traffic controllers, ramp attendants, dispatchers, fuel service personnel, baggage handlers, food service people, mechanics, meteorologists and a horde of others are required to keep the planes landing, parking, taxiing, and taking off.

I think all Members, plus thousands of aviation pundits are going to be shocked to learn that the busiest airport in the world is Whittman Field in Oshkosh, Wis.

Now while you are digging out your magnifying glass to search the map for Oshkosh, Wis., let me hasten to add that the entire full-time airport operation's crew members less than 100—plus one walkie-talkie-equipped character in a topless red Volkswagen.

While O'Hare, with its estimated full time operations personnel complement of 34,000 people—Chicago's second largest employer—moves more than 1,890 airplanes in and out of the field each day, and parks about 250. I was present at Whittman Field the day that 16,232 airplanes moved in or out of the field and over 5,000 airplanes had to be parked.

How is such a miracle possible? Well, it starts with the walkie-talkie-equipped character in the topless red Volkswagen.

The name of this miracle man is Paul H. Poberenzy. He is the founder and president of the Experimental Aircraft Association—EAA.

EAA is a world wide organization with over 43,000 active members and over 500 local chapters in the Free World.

The EAA'ers, as they call themselves,

are a dedicated group. To say that they are flying enthusiasts would be a vast understatement. Many people like to fly and such a love is, indeed, not uncommon. The EAA'ers not only like to fly, but also like to build their own airplanes, or to redesign and modify an existing aircraft model, or restore and resurrect an aircraft of the past, or—in the last resort—to keep his standard make aircraft in superior mechanical condition.

In short, the EAA'er is a modern-day pioneer. He continues to seek the greener pastures of aviation—not in the sense of an idle dreamer, but as a practical engineer seeking the perfect machine.

I think it is very important to emphasize at this point, that the EAA'er is usually not an engineer or even a qualified aircraft mechanic. With very few exceptions they are among the nameless faceless horde of people, with whom most of us are in contact each day. They usually—but not always—are capable pilots.

Amateur aircraft building began in 1903 when a couple of bicycle mechanics got the peculiar notion that they could build an apparatus that would fly—and did.

The EAA'ers are purists, perfectionists, and, insatiable explorers. As far as they are concerned an airplane must be of the highest caliber, best design, and maintained to perfection with tender loving care. Every spare moment of his time away from work and family is devoted to his dedication of "making it better."

In the mind of typical EAA'ers, the perfect airplane is the one he is currently building, restoring or modifying. This notion prevails—until he finishes his project. Usually a few hours of flying time, after he completes his months, sometimes years of building, the restless EAA'er begins to think of a way or an idea that would make his plane "better." More often than not, the plane goes back to his hobby workshop in his home garage or whatever nook he has been able to obtain to do his work.

The amateur aircraft builders' insatiable appetite for perfection, his unquenchable thirst for improvement, and his never-ending love for flying has been one of the staunch cornerposts of this Nation's lead in aviation technology. He is the restless "tinkerer," in the junky home garage work shop or the cluttered back rooms of old hangars, who becomes the inventor of innovations which create jumbo jets and SST's. The products and ideas of the amateur aircraft builder are primarily responsible for America's vast lead in the use of general aviation airplanes.

Now let us return to the "World's Busiest Airport" and its unlikely location at Oshkosh, Wis. Particularly, let us return to the walkie-talkie-equipped character in the topless red Volkswagen with a name few can pronounce—Paul Poberenzy.

We often read in the newspapers about the "leaders" in Washington, or in the statehouses and courthouses of our Nation. We also often read of the leaders in business or industry. But Paul Poberenzy is the type of true leader that few citizens have ever heard about. His

name is never seen in banner headlines of our newspapers or heard on the national TV newscasts. Yet, his work and dedication have indirectly brought about a major impact on our entire national economy. As the President of the Experimental Aircraft Association—EAA—he is the leader, the dean, of the airplane tinkers of the world. Paul is a pretty good psychologist and observer, too. His keen sense, in his respect, in fact, was the germ that spawned EAA.

The amateur aircraft builder has a basic psychological need—he has got to exchange ideas with others possessing similar interests. The psychologists have a fancy term for this need, but most people would simply call it the ability to "think out loud." By talking to others, with mutual interests, we clarify our own thinking, share ideas, and thereby move on into uncharted areas.

The amateur aircraft builder, who is normally not trained in either aircraft engineering or mechanics, has a peculiar problem. He has to begin by self-study in aviation basics. What is more, the amateur receives little or no help from professional aircraft mechanics and engineers.

As any person that frequents an airport can tell you, the professional aircraft mechanic is most often a "loner." He does not usually like to talk to people. He makes his living because of his knowledge and skill. His income is directly dependent on "time applied to task." In short, he does not like to discuss his work with people in general and the amateur aircraft builder in particular.

The professional aviation engineer, designer or aerodynamicist is also a person with a "hang-up." He usually can communicate only by means of mathematics, formulas, and accepted theories. The amateur simply cannot understand him. Therefore, the amateur aircraft builder and tinkerer seeks out others with amateur interests to satisfy the psychological need to exchange ideas.

In 1953, Paul Poberenzy recognized this need and founded the Experimental Aircraft Association, beginning as a small group of enthusiasts at Milwaukee's Timmerman Field.

This year the annual Experimental Aircraft Association met—at the "World's Busiest Airport" and attracted 275,000 aviation enthusiasts. A total of 1,338 home-built airplanes were on display by owners who had spent months and years building, restoring, and modifying them. This does not count some 4,000 other aircraft parked during the "fly-in" in every nook and cranny of the 700 acres allotted to convention operation at Whittman Field's 1,100-acre airfield. Nor does it count the 8,000-plus transient aircraft that flew in and out of Whittman Field during the one-week event.

In the general public area was the new and much expanded commercial exhibit building which this year housed 162 booths. This was certainly a big step from the days when the convention was held at Rockford, Ill. and a few EAA members spread their wares out on the dirt floor in a tent. Displaying their products this year were such well-known

aviation names as Collins Radio, Beech Aircraft, Piper, Bellanca, Mooney, Taylorcraft, Grumman-American, Champion Spark Plug, FAA, Private Pilot, and Air Progress magazines, Teledyne Continental, AVCO, Lycoming, Narco, Avionics, NASA, Bendix Corp., and many others. There were a total of 197 exhibits, 148 of which were located in the building.

One of the highlights of the convention this year, and every year, are the forums conducted simultaneously in the various areas of the convention site and which provides a wealth of information for the veteran aviation enthusiasts and the newcomers. These forums covered every aspect of sport aircraft, including design, operation, maintenance, and construction. Present were numerous designers of custom-built aircraft and who fielded questions and led discussions on their brands of sport aircraft. These included such names as Ken Rand, Ladislao Pazmany, Bob Bushy, John Monnett, John Dyke, Jim Bede, Pete Bowers, Dick VanGrunsven, Molt Taylor, Nick D'Apuzzo, LaMar Steen, Dr. Igor Bensen, Steve Whittman, Jim Osborne, Burt Rutan, Gene Turner, Jim Miller, and many others. All of these men contributed greatly to the central theme of the convention education. Where else could one go and benefit from this type of experience?

If you could have seen the beehive of activity this year at Whittman Field's EAA convention and fly-in, you would quickly agree that it is the "busiest airport in the world." The visual mosaic is a flight pattern of homebuilt and antique aircraft to the south and east with landings on runway 18, simultaneously with itinerant aircraft streaming in to a landing on runway 27, with an occasional departure sandwiched in between—all of this coordinated by a special team of FAA air traffic controllers brought to Oshkosh to help the local controllers during this gargantuan event. One has to agree that to experience 7 days of this incredible activity with only one mishap—and that due to vortex from a helicopter—is a mind boggling feat. The uninitiated might call it luck. But it certainly is not. If you knew the background you would know that it was strictly the result of careful planning and adherence to procedures developed and executed for this event—plus the walkie-talkie-equipped character running around in his topless red Volkswagen, Paul Poberezny. Red One, as he is known, is never without his walkie-talkie and his little VW touring car. He is visible to all and just his "being there" keeps everyone in line because of a deep respect for him and for what EAA represents.

During these 7 days, there is a daily briefing of all pilots who are going to fly locally, and after they thoroughly understand the "rules for the day" each pilot is issued a colored card—a "pass" which must be shown to the traffic controller for permission to taxi into position for takeoff. In addition to the tower operation, another crew of controllers are stationed at the takeoff ends of the runways to direct traffic by visual means—

paddles—similar to landing and takeoff on a Navy aircraft carrier.

A final observation will confirm my statement that Paul Poberezny is, indeed, a major leader. As the mingling mass of 275,000 fascinated visitors gaped at airplanes, ate tons of hot dogs and drank barrels of soft drinks, not a single piece of debris could be found on the ground.

We have all seen pictures of the vacated ground following rock festivals, county fairs and other public gatherings. The area usually looks like the results of a tornado moving across the city dump.

While Paul Poberezny has no legally vested authority or commission, true leadership became evident as he marshalled hundreds of disciplined and dedicated volunteers to man the often menial tasks required to keep the show going. Parking cars, hauling trash, directing traffic, moving booths, acting as messengers and keeping kids out of propellers were just a few of the volunteer tasks.

The entire crowd became "volunteer" in the sense that they were constantly reminded not to throw trash on the ground. If someone ignored the request or forgot to comply, a nearby EEA'er would remind him or simply pick up the trash and place it in a deposit. Even the so-called "high and mighty" were not exempt. One U.S. Congressman threw an empty cigarette package away, only to be promptly reminded by an EEA'er: "We do not throw paper on the ground here, sir." The EEA'er picked up the paper. The Congressman's resulting embarrassment will forever remind him that paper should never be thrown on the ground anywhere.

While New York, Chicago, Dallas-Fort Worth and Los Angeles will continue to regularly employ thousands of people to handle their flights, they can no longer boast of being the busiest. The world's busiest airport at Oshkosh, Wis., will be breaking new records again next year with its complement of a few regular employees, a horde of dedicated volunteers and a walkie-talkie-equipped character in a topless red Volkswagen.

GILMAN SUPPORTS SCHOOL LUNCHES AND NUTRITION

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. GILMAN. Mr. Speaker, this week, along with a vast majority of my colleagues in both Houses, I voted to override the President's veto of the National School Lunch and Nutrition Act and amendments. While I staunchly support fiscal responsibility and have sought a reduction in the Federal budget, I believe that the veto of this vital measure was improper.

The National School Lunch and Child Nutrition Act assures a proper diet for

a large number of women and children throughout our Nation. In southeastern New York alone, some 50,000 youngsters and women will be able to continue to receive assistance through the national school lunch and milk programs, the women, infants and children—WIC—program, Head Start, and other day care programs as well as programs sponsored by a large number of hospitals, shelters, and orphanages. Without this funding, these programs would all be substantially curtailed and some of these programs would be discontinued completely.

In this time of economic stress, it is of utmost importance to closely scrutinize both the costs and benefits of all new and existing Federal programs. Along with my colleagues, I concur that the cost of the School Lunch and Child Nutrition Act is but a small price to pay to make certain that our Nation receives a sound diet. Sound bodies and sound minds will help us build a better nation.

TECHNICIANS TO SINAI

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. PRESSLER. Mr. Speaker, my purpose in voting against sending technicians to Sinai was in no way based on a lack of support of Israel or desire for peace in the Middle East. It is based on some very firm convictions that I acquired while serving in the Army in Vietnam. I am very skeptical about stationing U.S. personnel overseas at this particular point. I would support sending U.N. personnel or a consortium of nations' personnel. I realize that this delicate agreement requires that Americans be sent to Sinai; and I also realize that supporters of the bill felt that the whole thing might fall through if we do not send U.S. personnel. The bill passed overwhelmingly and if that is the sense of the Congress, I will certainly give support to our people who are over there.

I wanted to make it very clear that my objections were in no way based on any weakening of my support for the State of Israel nor were they in any way based on a lack of desire for peace in the Middle East. I believe that the United States has vital interests in seeing that there be peace in the Middle East.

CONSTRUCTION INDUSTRY STABILIZATION ACT

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 9, 1975

Mr. McDADE. Mr. Speaker, I was unavoidably detained and unable to cast my vote in favor of H.R. 9500, the Construction Industry Stabilization Act, on Tuesday, October 7, 1975. I wish to clarify for the record, that had I been present, I would have voted aye.