HOUSE OF REPRESENTATIVES—*Monday, May 16, 1977*

The House met at 12 o'clock noon.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BRADEMAS) laid before the House the following communication from the Speaker:

WASHINGTON, D.C.,
May 16, 1977.

I hereby designate the Honorable JOHN BRADEMAS to act as Speaker pro tempore for today.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Be doers of the word and not hearers only.—James 1: 22.

O God and Father of us all, fit us for the duties of this day and this week by bringing us closer to you that forgetting ourselves in an earnest desire to do good things for a great people we may demonstrate the value of our democratic spirit. Renew our faith, restore our courage, release our enthusiasm, and revive our concern for what is right that we may not only work for it but even more may want to work for it until our life's end. Thus may we choose wisely, speak softly, and act nobly, that good may come to our Nation and to all mankind; for Thine is the kingdom and the power and the glory forever. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 4088. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the concurrent resolution (S. Con. Res. 19) entitled "A concurrent resolution setting forth the congressional budget for the United States Government for the fiscal year 1978."

The message also announced that the Senate agreed to the House amendment with an amendment to the foregoing concurrent resolution.

The message also announced that the Senate agrees to the amendment of the House with amendments to a bill of the Senate of the following title: "An act to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes."

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 425. An act to authorize the President of the United States to present on behalf of the Congress a specially struck gold medal to Lieutenant General Ira C. Eaker, United States Air Force (retired);

S. 810. An act granting an extension of patent to the United Daughters of the Confederacy;

S. 853. An act to extend the Defense Production Act of 1950, as amended; and

S. 1474. An act to authorize certain construction at military installations, and for other purposes.

CONSENT CALENDAR

The SPEAKER pro tempore. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

SABINE RIVER COMPACT AMENDMENT

The Clerk called the bill (H.R. 1551) granting the consent of Congress to an amendment to the Sabine River compact entered into by the States of Texas and Louisiana.

There being no objection, the Clerk read the bill, as follows:

H.R. 1551

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is given to an amendment to the Sabine River Compact (68 Stat. 690) entered into by the State of Texas and Louisiana, which amendment strikes out the last paragraph of the preamble to such compact.

SEC. 2. The right to amend or repeal the first section of this Act is expressly reserved.

Mr. DANIELSON. Mr. Speaker, the bill H.R. 1551 grants the consent of Congress to an amendment to the Sabine River Compact, between the States of Texas and Louisiana. By striking the last paragraph of the preamble of the compact, the amendment permits the Sabine River authorities to handle the problems of pollution abatement and saline intrusion in the river subject to the powers already vested in them under the present compact. In 1954, the Congress gave its consent to the establishment of an interstate compact between the States of Texas and Louisiana. The compact provided that those States could equitably apportion the water of the Sabine River and its tributaries between them (Public Law 83-578, 68 Stat. 690).

The amendment provided for in this bill has been approved by both States. The legislature of the State of Texas adopted the amendment on June 12, 1973, and the Louisiana Legislature followed suit on July 12, 1974.

The amendment would strike the last paragraph of the preamble to the existing compact, which reads:

It is recognized that pollution abatement and salt water intrusion are problems which are of concern to the States of Louisiana and Texas, but inasmuch as this compact is limited to the equitable apportionment of the waters of the Sabine River and its tributaries between the States of Louisiana and Texas, this compact does not undertake the solution of those problems.

Thus, under the provisions of the compact, the two States are prohibited from taking joint action to solve the problems excluded from the compact by that paragraph. The States and the authorities acting under the compact have expressed a desire to attack the problems of pollution and saline intrusion at a State level, rather than rely heavily upon Federal action. They are anxious to remove the technical obstacle posed by its language. If the amendment is consented to, each State would be able to use an appropriate governmental body already in existence with established expertise capable of seeking solutions to those problems.

Based on its study of the amendments adopted by the respective State legislatures and the testimony received by the Subcommittee on Administrative Law and Governmental Relations, it is clear that the amendment will accomplish this purpose. Its purpose is wholly consistent with recent Federal legislation which was enacted to encourage States to combine their efforts to combat water pollution wherever possible.

The Congressional Budget Office in its report to the committee on the bill has stated that it has reviewed the matter and concluded that no additional cost to the Government would be incurred as the result of the enactment of this bill.

At a hearing held on this bill on March 7, 1977, a statement presented in behalf of the Environmental Protective Agency stated that the agency concluded that this bill in making it possible for the Sabine River Compact Administration to exercise its authorities in the areas of water rights apportionment and water resources conversation planning so as to further the objectives of salinity control and pollution control is generally consistent with the purposes of section 103 of the Federal Water Pollution Control Act, which encourages "compacts between States for the prevention and control of pollution." The EPA also noted that it is both appropriate and desirable for water resource control authorities

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such as the Sabine River Compact Administration to take environmental protection into account in exercising their authorities. One legitimate use of water allocation authority, for example, is in the preservation of stream quality, particularly in periods of low flow and hot weather, which can combine to produce in-stream conditions inhospitable to fish and other organisms. At such times, controlled release of stored water can protect such organisms against destruction.

The Environmental Protection Agency concluded that nothing in the compact or in H.R. 1551 alters the FWPCA in any way. EPA studied that it will continue to implement that statute's provisions and policies. A pertinent provision is section 102(b), which provides that streamflow augmentation by Federal reservoirs may not substitute for "adequate treatment or other methods of controlling waste at the source."

In view of the testimony at the hearing and the information supplied by the EPA, the committee concluded that this is a needed and logical change in the compact. It is recommended that the bill be considered favorably.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMVETS

The Clerk called the bill (H.R. 1952) to amend the corporate name of AMVETS (American Veterans of World War II), and for other purposes.

There being no objection, the Clerk read the bill, as follows:

H.R. 1952

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the first section and sections 2, 8, 9, 17, 18, and 19 of the Act entitled "An Act to incorporate the AMVETS, American Veterans of World War II", approved July 23, 1947 (61 Stat. 403–408; 36 U.S.C. 67–67s), are each amended by striking out "World War II)" wherever it appears and inserting in lieu thereof "World War II, Korea, and Vietnam)".

(b) Such Act of July 23, 1947, is further amended—

(1) by inserting immediately after "World War II" in section 3(2) the following: ", the Korean conflict, and the Vietnam era";

(2) by striking out "on or after September 16, 1940, and on or before the date of cessation of hostilities as determined by the Government of the United States," in the first sentence of section 6 and inserting in lieu thereof "at any time after September 15, 1940, and before May 8, 1975,"; and

(3) by striking out the period after "World War II" in section 9 and inserting in lieu thereof ", the Korean conflict and the Vietnam era.".

SEC. 2. The amendments made by the first section of this Act shall take effect on the first day of the second calendar month following the date of enactment of this Act.

With the following committee amendment:

Page 1, line 3, strike "9,".

The committee amendment was agreed to.

Mr. DANIELSON. Mr. Speaker, the bill H.R. 1952 would amend the law incorporating the AMVETS to change the official name of the organization from "American Veterans of World War II" to "American Veterans of World War II, Korea and Vietnam." The organization was originally incorporated by an act of Congress in 1947. Under that charter, only persons who served honorably "in the Armed Forces of the United States or citizens who served in the Armed Forces of an allied nation of the United States on or after September 6, 1940, and on or before the date of cessation of hostilities as determined by the Government of the United States" were admitted by AMVETS as regular members. On August 1, 1971, the Constitution and By-Laws Committee recommended to the 27th Annual Convention at Los Angeles, Calif., that the preamble of the constitution be made to conform to the organizations' determination to include those who served during the Korea and Vietnam hostilities. The committee agreed to this change. AMVETS petitioned the Congress to reflect this change of policy in the organization's Federal charter, and this bill provides for the change.

The committee is of the opinion that the new membership policy is a sound one and one which operates to further the purposes of AMVETS as reflected in its existing charter (36 U.S.C. § 67B). Therefore, it is recommended that H.R. 1952, as amended, be considered favorably.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MISSISSIPPI-LOUISIANA BRIDGE CONSTRUCTION COMPACT

The Clerk called the bill (H.R. 3662) granting the consent of Congress to the Mississippi-Louisiana Bridge construction compact.

There being no objection, the Clerk read the bill, as follows:

H.R. 3662

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is given to the Mississippi-Louisiana Bridge construction compact entered into between the States of Mississippi and Louisiana, which compact reads as follows:

"Mississippi-Louisiana Bridge Construction Compact"

"Article I. The purpose of this compact is to promote the construction of a bridge connecting the States of Mississippi and Louisiana at or near Natchez, Mississippi, and Vidalia, Louisiana, and to establish a joint interstate authority to assist in these efforts.

"Article II. This compact shall become effective immediately as to the States ratifying it whenever the States of Louisiana and Mississippi have ratified it and Congress has given consent thereto. Any State not mentioned in this article which is contiguous with any member State may become a party to this compact, subject to approval by the Legislature of each of the member States.

"Article III. The States which are parties to this compact (hereinafter referred to as 'party States') do hereby establish and create a joint agency which shall be known as the Mississippi-Louisiana Bridge Authority (hereinafter referred to as the 'authority'). The membership of such authority shall consist of the Governor of each party State, one representative each from the Mississippi State Highway Department and the Louisiana Department of Highways, five other citizens of each party State, to be appointed by the Governor thereof. The appointive members of the authority shall serve for terms of four years each. Vacancies on the authority shall be filled by appointment by the Governor for the unexpired portion of the term. The members of the authority shall not be compensated for service on the authority, but each of the appointed members shall be entitled to actual and reasonable expenses incurred in attending meetings, or incurred otherwise in the performance of his duties as a member of the authority. The members of the authority shall hold regular quarterly meetings and such special meetings as its business may require. They shall choose annually a chairman and vice chairman from among their members, and the chairmanship shall rotate each year among the party States in order of their acceptance of this compact. The secretary of the authority (hereinafter provided for) shall notify each member in writing of all meetings of the authority in such a manner and under such rules and regulations as the authority may prescribe. The authority shall adopt rules and regulations for the transaction of its business; and the secretary shall keep a record of all its business and shall furnish a copy thereof to each member of the authority. It shall be the duty of the authority, in general, to promote, encourage, and coordinate the efforts of the party States to secure the development of the Mississippi-Louisiana Bridge at or near Natchez, Mississippi, and Vidalia, Louisiana. Toward this end, the authority shall have power to hold hearings; to conduct studies and surveys of all problems, benefits, and other matters associated with the construction of the Mississippi-Louisiana Bridge, and to make reports thereon; to acquire, by gift, grant, or otherwise, from local, State, Federal, or private sources such money or property as may be provided for the proper performance of their function, and to hold and dispose of same; to cooperate with other public or private groups, whether local, State, regional or national, having an interest in the bridge construction; to formulate and execute plans and policies for emphasizing the purpose of this compact before the Congress of the United States and other appropriate officers and agencies of the United States; and to exercise such other powers as may be appropriate to enable it to accomplish its functions and duties in connection with the construction of the Mississippi-Louisiana Bridge and to carry out the purposes of this compact.

"Article IV. The authority shall appoint a secretary, who shall be a person familiar with the nature, procedures, and significance of the bridge construction and the informational, educational, and publicity methods of stimulating general interest in such developments, and who shall be the compact administrator. The term of office of the secretary shall be at the pleasure of the authority and such officer shall receive such compensation as the authority shall prescribe. The secretary shall maintain custody of the authority's books, records, and papers, which shall be kept by the secretary at the office of the authority, and shall perform all functions and duties and exercise all powers and authorities which may be delegated to the secretary by the authority.

"Article V. Each party State agrees that its legislature may, in its discretion, from time to time make available and pay over to the authority funds for the establishment and operation of the authority. The contribution of each party State will be in equal amounts.

"Article VI. Nothing in this compact shall

be construed so as to conflict with any existing statute, or to limit the powers of any party State, or to repeal or prevent legislation, or to authorize or permit curtailment or diminution of any other bridge project, or to affect any existing or future cooperative arrangement or relationship between any Federal agency and a party State.

"Article VII. This compact shall continue in force and remain binding upon each party State until the legislature or Governor of each or either State takes action to withdraw therefrom; provided that such withdrawal shall not become effective until six months after the date of the action taken by the legislature or Governor. Notice of such action shall be given to the other party State or States by the secretary of state of the party State which takes such action."

SEC. 2. The right to alter, amend, or repeal this Act is expressly reserved.

With the following committee amendment:

Page 2, lines 6, 7, 8, and 9: Strike "Any State not mentioned in this article which is contiguous with any member State may become a party to this compact, subject to approval by the Legislature of each of the member States."

The committee amendment was agreed to.

Mr. DANIELSON. Mr. Speaker, the bill H.R. 3662 would grant the consent of Congress to the compact entered into by both Mississippi and Louisiana and entitled the "Mississippi-Louisiana Bridge Construction Compact." The purpose of the compact is to promote the construction of a bridge across the Mississippi, and will go into effect upon State ratification and Congressional consent as is provided in this bill.

Under the compact, a joint agency known as the Mississippi-Louisiana Bridge Authority would be created to coordinate State efforts to develop a bridge between Natchez, Miss., and Vidalia, La., and to take necessary action to construct the bridge. The authority is to appoint a secretary who is to be the compact administrator and to exercise authority and power as delegated to him.

On the question of funding, it is provided that each State agrees to furnish funds on an equal basis to operate the authority.

In order to clarify the effect of provisions, it is stated that the compact is not to be interpreted as conflicting with existing law or to limit the powers of a member State or to repeal or prevent legislation or to authorize or permit curtailment of any other bridge project, or to affect any existing or further cooperative arrangement or relationship between a Federal agency and a party State.

The compact is to continue in effect and shall bind the States until the legislature or Governor of either party withdraw the State from the compact, and such withdrawal is effective after 6 months of such action.

Section 2 of the bill itself reserves the right of the Congress to alter, amend, or repeal the act.

The Subcommittee on Administrative Law and Governmental Relations conducted a hearing on this bill and companion measures on March 7, 1977. The testimony at that hearing described the basis for the compact and the necessity for State cooperation as provided therein. The committee also received a report from the Department of Transportation which indicated that it had no objection to the provisions of the compact in that they were essentially concerned with subjects which relate to matters of State policy.

In view of the testimony developed at the hearing and the information supplied the committee by the department, it was concluded that this bill merits favorable action. Therefore, it is recommended by the committee that the bill be considered favorably.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DANIELSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks with respect to each of the last three bills just passed by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. McKAY. Mr. Speaker, I ask unanimous consent that the reading of the Consent Calendar be discontinued at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

THE NATION'S WHEAT FARMER IS OUR FORGOTTEN AMERICAN

(Mr. HIGHTOWER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HIGHTOWER. Mr. Speaker, last Friday, May 13, was not a lucky day for the wheat farmers of this country. The wheat market has been at a very low level for many months. As a result of depressed prices the wolf is standing at the door of many farmers in my area.

Last Thursday in the markup of the farm bill in the Agriculture Committee some of us who represent rather large wheat-producing areas tried to increase the target price and loan levels for wheat to at least the levels contained in the Senate bill. We failed by one vote, 22 ayes, 23 nays. The committee bill, H.R. 7171, was introduced on Friday; it was an unlucky day.

In Sunday's Washington Star, Eliot Janeway's column was titled, "America's Agripower—A Forgotten Weapon." The nation's wheat farmer is our "Forgotten American." We have a habit of forgetting groups of minorities in this country until something happens in a drastic manner that gets the attention of the entire country. Breaking the back of our agricultural economy will get the attention of every Member of this body.

It will get our attention because an economic depression of the farm sector traditionally has brought the rest of the country right along with it. The few pennies we fought so hard for in the farm bill might have been enough to save many family farms from going under in the next few months.

A replay of the economic conditions of the 1920's and 1930's will cost this country billions more than the few millions we "saved" last week. The Nation's wheat farmer needs far more help than is provided in the House Agriculture Committee's farm bill. If we do not reach out and help these who are in trouble, we might as well not have a farm bill. Congress must respond to the needs of all the people of this country, urban and rural, consumer and producer. We cannot turn our backs on any sector of our economy or any group of our people. I appeal for your help, your compassion and your understanding.

Thank you, Mr. Speaker.

PRESERVE THE "SEQUOIA"

(Mr. GLICKMAN asked and was given permission to address the House for one minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, during the past weekend when I was in Kansas, I talked with a former mayor and now city commissioner of the city of Wichita, James Donnell and he informed me about something that very few of us recognize is going to happen shortly, and that is the fact that on this Wednesday, the Presidential yacht, the *Sequoia*, is going to be sold. This is in line with the austerity program of the President. I applaud President Carter's efforts to save money. But, Mr. Speaker, the more I thought about it, the more ridiculous it seemed to me to sell the *Sequoia* because when we do that, we will be selling another part of our history that will go to whatever form of commercialism that a purchaser will want to use her to exploit. I realize that selling the *Sequoia* is not the kind of thing that will cause too much concern, but this ship is a vitally important and interesting part of our historical past. It would seem ridiculous to me to sell the ship which has become so much of our history to a commercial private enterprise, which will attempt to exploit its historic value. The ship has not been used, and should not be used, in the "imperial" fashion that President Nixon was so accustomed to. But, it should be made a part of our American heritage—perhaps a floating museum would be appropriate; one that all Americans might have access to see.

I urge the President to seriously reconsider selling this ship. In an effort to save this country money, let us let the President know that he is acting in the national interest by seeing that the yacht is not imorudently used, but is not acting in the national interest by insuring its commercial exploitation.

THE GIVEAWAY SUGAR PROGRAM

(Mr. GRASSLEY asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. GRASSLEY. Mr. Speaker, at a time when the country is struggling to put its balance of trade with the world in order, the giveaway program proposed by the President for sugar growers and processors strikes me as ill advised and ill timed. One of the big contributors to our balance-of-trade deficit is foreign raw sugar. The scheme the administration has proposed to prop up U.S. sugar growers will do nothing to stem this flow, and strikes a direct competitive blow at a U.S. industry which helps our balance of trade.

Through the efforts of corn farmers and processors, the United States has been moving in the direction of self-efficiency in its sweetener supply. Millions of bushels of corn each year are being converted into high fructose corn syrup, which can replace foreign sugar in numerous foods. American corn and American labor are used to make this product—more economically than sugar.

By proposing to hand out a quarter-billion dollars to sugar growers and processors—and to do nothing to restrict the flow of imported sugar—the President has used the power of the Government to slow the growth of this important American industry. Because of our basically nontropical climate, the United States has been forced to rely to a large degree on imported sugar. In the past several years, however, sweeteners from corn have grown to supply a larger and larger share of our sweetener needs. This action by the President to subsidize their competitors in the sugar industry can only harm corn growers and processors. The extra demand for corn generated by its use for sweeteners contributes to the export earnings we realize through our large corn exports. Corn sweeteners replace foreign raw sugar—a trade deficit item.

If for no other reason than the balance-of-trade problems it creates, this giveaway program should be withdrawn.

RETURN TO CONSENT CALENDAR

Mr. McKAY. Mr. Speaker, having received further information, I would ask unanimous consent that the House at this point return to the Consent Calendar and consider House Joint Resolution 424.

The SPEAKER pro tempore. Mr. BRADEMAS. Is there objection to the request of the gentleman from Utah?

There was no objection.

JOHN FITZGERALD KENNEDY PRESIDENTIAL LIBRARY

The Clerk called the joint resolution (H.J. Res. 424), to authorize the Administrator of General Services to accept land, buildings, and equipment, without reimbursement, for the John Fitzgerald Kennedy Library, and for other purposes.

There being no objection, the Clerk read the joint resolution, as follows:

H.J. RES. 424

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to accept, for and in the name of the United States, and take title on behalf of the United States to, any land, buildings, and equipment that have been or may be offered to the United States, without reimbursement, for the purpose of maintaining, operating, and protecting a Presidential archival depository in memory of John Fitzgerald Kennedy at Columbia Point, city of Boston, Commonwealth of Massachusetts, as part of the National Archives system. The Administrator may accept such property and make agreements, as necessary, to complete the transfer of title to the United States without regard to the provision of section 2108(a) of title 44, United States Code, that the Administrator may not take title to land, buildings, and equipment or make an agreement, until the expiration of the first period of sixty calendar days of continuous session of the Congress following the date on which a report in writing on any such proposed Presidential archival depository is transmitted by the Administrator to the President of the Senate and the Speaker of the House of Representatives.

SEC. 2. Nothing in this Act shall be construed to impair or affect the authority of the Administrator under any other provision of section 2108 of title 44, United States Code, or any provision of other law.

Mr. JOHN L. BURTON. Mr. Speaker, the purpose of this resolution is to authorize the Administrator of General Services to accept land, buildings, and equipment offered to the United States, without reimbursement, for the purpose of maintaining, operating, and protecting a Presidential Archival Depository in memory of John Fitzgerald Kennedy. It is to be located next to the University of Massachusetts campus on Columbia Point, in the city of Boston.

By this resolution, the Congress will declare approval of a proposal which GSA presented to the House and to the Senate on April 1, 1977. The proposal is that the United States accept and operate the John Fitzgerald Kennedy Library as part of the National Archives system. The GSA report is set forth in the report of the committee on the resolution, which is House Report 95–273. Copies are available at the rear of the hall.

Enactment of this resolution will enable the Administrator to proceed without delay to take the necessary steps to begin the project. A groundbreaking ceremony on June 12, 1977, is planned, and the facility is expected to be completed in about 18 months.

Hearings by the Government Activities and Transportation Subcommittee of the Committee on Government Operations were held covering the report. Witnesses included the Acting Administrator of General Services, the Archivist of the United States, and Senator EDWARD M. KENNEDY, of Massachusetts. The full Committee on Government Operations unanimously approved the resolution at its meeting of May 4, 1977.

Let me summarize the proposed project which will be the 6th Presidential library incorporated into the National Archives system:

Land for the library is 12.5 acres. The Commonwealth of Massachusetts has authorized and directed the University of Massachuetts to convey the property to the United States without consideration.

The Kennedy Library Corp. at its own expense will design and equip a building to be donated to the United States, which will contain adequate facilities for scholarly research and exhibit rooms for the public.

The Commonwealth of Massachusetts has authorized the Governor to make a conditional offer to the United States of $2 million to finance improvements to the property.

Environmental studies and procedures have been accomplished. There appear to be no environmental problems, and the new site has full local support.

The total annual Federal costs for operation and maintenance of the facilities are estimated to be about $1.2 million, beginning with fiscal year 1980.

Last year the Congress enacted Public Law 94–300, which enabled GSA to return to the Commonwealth of Massachusetts land which had been accepted in 1968 pursuant to Public Law 89–547. That land, located in Cambridge, Mass., was not used for the library because of certain environmental factors, which happily do not encumber the site with which this resolution deals.

Mr. Speaker, our Presidential libraries are not just memorials to the Presidents, but extremely valuable sources of history and inspiration for scholars and the general public. The interest which scholars and the public generally have shown in the present temporary Kennedy Library at Waltham, Mass., where the collections now are housed, foreshadows rapid growth in use and visitation of the new facility. It is especially fitting that the library will be next to a great institution of learning and next to the sea. Both meant much in the life of John Fitzgerald Kennedy.

Mr. Speaker, I urge approval of House Joint Resolution 424 so that construction of this institution for our 35th President may soon be under way.

Mr. THONE. Mr. Speaker, I would like briefly to express my support for House Joint Resolution 424, now before the House. This resolution passed the House Committee on Government Operations by a unanimous vote on May 4 of this year.

This legislation simply would waive the required waiting period of the General Services Administration to accept the buildings and equipment connected with the John Fitzgerald Kennedy Presidential Library.

In April the Government Activities and Transportation Subcommittee, of which I am a member, held hearings on House Joint Resolution 424, and we were privileged to hear from such distinguished personalities as Chairman JACK BROOKS of the House Government Operations Committee, the well-known senior Senator from Massachusetts, EDWARD KENNEDY, the Acting Administrator of the General Service Administration, Robert Griffin, and the Archivist of the United States, James Rhoads. All of

these noted gentlemen spoke in favor of the resolution.

Mr. Speaker, I urge favorable consideration of House Joint Resolution 424 today. By accelerating the process by which the buildings and equipment can be accepted, we will hasten the day when the John Fitzgerald Kennedy Presidential Library will open its doors to the public.

Mr. BROOKS. Mr. Speaker, there has been far too much delay in getting a John F. Kennedy Library built and in use, and I hope, with the passage of this resolution, this project will finally get underway.

It was my privilege in 1966 to introduce a similar resolution to waive the 60-day waiting period for accepting a site in Cambridge for the library. However, the local situation in Cambridge made it necessary for the Kennedy Library Corp. to find another site. That problem has caused some delay but apparently it has now been resolved and the project can get under way.

From what I have seen of the new plans for the library, it appears to be a well-chosen site. I think it is particularly appropriate that it commands a view of the ocean. For, in addition to being a library, this is to be a memorial to a great President. The sea played an important part in the life and development of John F. Kennedy—from the many happy days of sailing with his family and the heroic exploits with the torpedo boats in World War II, to the long, solitary walks along the shore when he gained a brief respite from the stresses of high office.

It is also especially suitable that there be a library honoring the memory of John F. Kennedy. He had a great appreciation of the importance to historians and scholars of the preservation of records of public officials.

He was, after all, an author. He may well have made his name as an historian if he had not gone into politics. I recall that when he was President and I was chairman of this subcommittee, we worked together on legislation to provide for a coordinated program for preserving Government documents. President Kennedy wrote a letter in support of the legislation in which he said:

> Documents are the primary sources of history; they are the means by which later generations draw close to historical events and enter into the thoughts, fears and hopes of the past.

The Kennedy papers will provide rich material for those who study the all-too-brief years of his presidency. Although short in time, they were packed with important events—the first travel by Americans in space—the rising turmoil of racial disturbances—the Cuban missile crisis, when his cool leadership averted what might have been man's first nuclear war.

So I hope this legislation will be speedily enacted, the generous gift of land by the State of Massachusetts formally accepted, and the work of building this fitting memorial to a fallen President begun.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JOHN L. BURTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution (H.J. Res. 424) just passed by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CHANGE IN LEGISLATIVE PROGRAM

(Mr. FOLEY asked and was given permission to address the House for 1 minute.)

Mr. FOLEY. Mr. Speaker, I take this time to announce two changes in the legislative program. H.R. 1139, amendments to the National School Lunch Act will not be taken up today, but will be considered tomorrow after consideration of the conference report on the budget resolution.

We will also have one additional suspension for consideration tomorrow: S. 1279, the Community Emergency Drought Relief Act of 1977 will be scheduled as a suspension for tomorrow.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO FILE REPORT ON H.R. 7171, THE OMNIBUS FARM BILL

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight tonight to file a report on the bill H.R. 7171, the omnibus farm bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO FILE REPORTS ON H.R. 6135, H.R. 7073, AND H.R. 75

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight tonight to file reports on the bills H.R. 6135, H.R. 7073, and H.R. 75.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER pro tempore. The Chair desires to make an announcement.

Pursuant to the provisions of clause 3(b) of rule XXVII, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

After all motions to suspend the rules have been entertained and debated, and after those motions to be determined by nonrecord votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

NATIONAL SEA GRANT PROGRAM ACT AUTHORIZATION — FISCAL YEAR 1978

Mr. MURPHY of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4301) to authorize appropriations for the National Sea Grant Program Act during fiscal year 1978, as amended.

The Clerk read as follows:

H.R. 4301

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections 206 and 212 of the National Sea Grant Program Act (33 U.S.C. 1125 and 1131) are each amended by striking out "the fiscal year ending September 30, 1977" and inserting in lieu thereof "each of the fiscal years ending September 30, 1977, and September 30, 1978".

SEC. 2. Section 3(c) of the Sea Grant Program Improvement Act of 1976 (33 U.S.C. 1124a) is amended by striking out "the fiscal year ending September 30, 1977" and inserting in lieu thereof "each of the fiscal years ending September 30, 1977, and September 30, 1978".

The SPEAKER pro tempore. Is a second demanded?

Mr. BAUMAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. MURPHY) and the gentleman from Maryland (Mr. BAUMAN) will be recognized for 20 minutes each.

The Chair recognizes the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. MURPHY of New York. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. I appreciate the gentleman's yielding. I thank the gentleman for giving me this opportunity to bring up a matter which I cleared with the Parliamentarian, and it would be in order.

One of our colleagues has returned to the floor after a serious operation; I would like to have the gentleman from Texas (Mr. TEAGUE) stand up so we can welcome him back.

Mr. TEAGUE. Mr. Speaker, will the gentleman yield?

Mr. MURPHY of New York. I yield to the gentleman from Texas.

Mr. TEAGUE. I thank the gentleman for yielding.

Might I just say how very much I appreciate the many visitors, the cards, telephone calls, flowers, and candy that I received from all the Members of this House. I appreciate it very much. I guarantee the Members that the rest of my life I will send more cards and get well cards than I have in the past. I thank everyone.

Mr. MURPHY of New York. Mr. Speaker, I might say to my colleagues that Texas A. & M. will have a new "kicker offer" this year of a unique variety.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. MURPHY of New York. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. I thank the gentleman for yielding.

This side of the aisle would like to join most warmly and heartily in welcoming back our dear colleague, the gentleman from Texas (Mr. TEAGUE) for whom we have such affection and respect.

Mr. MURPHY of New York. Mr. Speaker, H.R. 4301 is a bill to extend the authorization of appropriations for the National Sea Grant Program Act during the fiscal year 1978.

The sea grant program is a Federal-State cooperative effort of matching grants to carry out important ocean, coastal, and marine research. The research is of the applied nature and the program is beginning to produce significant commercial results, some of which lead to the exportation of products from the United States.

Recently, Profs. Herbert Holloman and James Utterback, from the Massachusetts Institute of Technology, conducted a major study on the commercial and foreign trade impacts of the sea grant program. From the 77 projects which they selected for their analysis, 21 were in aquaculture, 11 in fishing, 9 in food processing, 11 in pharmaceutical and farming chemicals, 8 in waste treatment, 2 in leisure and land development, 6 in marine mining, 2 in marine construction, and the remaining ones were in miscellaneous categories.

Professors Holloman and Utterback concluded that a substantial part of the sea grant projects examined in detail received matching funds from industry rather than from either the State or Federal Governments or from institutions.

Two of the projects have potential commercial sales in excess of $10 million, 13 have potential commercial sales between $1 and $10 million, and 23 have less than $1 million of potential commercial sales. Finally, they concluded that the cooperative use of facilities, ideas, and people is possibly unique to sea grant activities with respect to relationships between universities and industry.

The potential value of the sea grant program has clearly been demonstrated. It is important, then, that the authorizations for appropriations for this program be continued for fiscal year 1978.

H.R. 4301 will continue three authorization funds that were agreed upon last year by the House-Senate conferees.

The main program funds were authorized at $50 million with $5 million and $3 million for national and international programs respectively.

The major problem with the sea grant program has not been in the authorizing committee, but with the requests of the administration for appropriations. Last year, for example, we made similar requests for authorizations as we have in this legislation. However, only $27.7 million was appropriated for the main program and no funds were allocated for either of the new international or national efforts.

I urge my colleagues to continue our authorization levels from last year and I hope that the administration will reexamine its appropriation requests with respect to this important ocean-related research effort.

Mr. Speaker, I yield such time as he may consume to the gentleman from Louisiana (Mr. BREAUX), the chairman of the subcommittee.

Mr. BREAUX. Mr. Speaker, I would just like to echo the remarks of the gentleman from New York (Mr. MURPHY), the chairman of our full committee, in explaining the sea grant authorization program.

Mr. Speaker, I am pleased to present to the House, H.R. 430, a bill to authorize appropriations for the National Sea Grant Program Act during fiscal year 1978. I urge your support for this legislation which is designed to strengthen our knowledge about one of our most precious resources—the waters and coastal areas of our oceans and great lakes.

When this legislation was enacted in 1966, it was felt that the sea grant program could do for marine resources development what the land grant program had achieved for agriculture by developing a solid base of expertise in universities and colleges. This would be done by utilizing the existing capability in State and private institutions already involved in the study of marine sciences.

Today sea grant is a unique Federal-State-university partnership. Sea grant is a three-prong program consisting of research, education and training, and advisory service activities. It supports a network of sea grant colleges and local sea grant programs through its granting process. The present funding method provides Federal funding in the form of grants to provide up to 66⅔ percent of the total cost of the project to universities, colleges and private organizations and the remaining one-third is matched by State or local sources.

There are four stages of sea grant activity. It begins with an institution obtaining a grant for an individual project having a clearly defined objective. The next step is a coherent project which is a collection of interrelated projects under management of a single institution or consortium. After a program has expanded in multiproject efforts covering a wide range of marine resource fields in all three areas of education, research and advisory services, it can achieve institutional status. Following a minimum of 3 years in an institutional status, the designation of "sea grant college" can then be conferred upon an institution.

In its first 11 years of existence, sea grant has supported more than 4,000 projects under nearly 500 grants. Twelve institutions have been designated sea grant colleges, five are now designated institutional programs and another eight are operating coherent programs.

In testimony before the Oceanography Subcommittee on March 8, Profs. Herbert Holloman and James Utterback of the Massachusetts Institute of Technology informed the subcommittee that they had just completed a major study entitled "An Analysis of the Potential Commercial and Foreign Trade Impacts of the Sea Grant Program."

Their testimony was very encouraging. Their study concluded that a $5 million to $10 million investment in sea grant projects underway in 1975 will yield $122 million in sales in the year 1980. They further stated that they were surprised that sea grant has demonstrated the kind of activity which produces significant commercial results, some of which lead to exportation of products from the United States.

When the Congress passed the Sea Grant Improvement Act of 1976 last year, we initiated two new programs to meet national and international needs. Both programs were authorized separate from the main program so as not to encroach upon the basic program funds. Sea grant's success has derived in large part from its system of developing programs at universities and other institutions in which local and regional funding sources have been able to provide matching funds. Conversely, the matching fund requirement has limited the program to projects of a local and/or regional nature.

The Congress was convinced that sea grant's service to State and local problems must be maintained but at the same time attention needed to be focused on ocean issues of major national and international importance. We therefore passed legislation last year authorizing $5 million for 100 percent grants for national projects. A restriction was placed, however, limiting national project funds to not more than 10 percent of funds appropriated for the main sea grant program in order to insure a proper balance between local and national projects; $3 million was authorized for 100 percent grants for international projects recognizing that coastal water problems are not unique to the United States; $50 million was authorized for the basic program.

The bill before us today, H.R. 4301, would extend this authorization level of $58 million for fiscal year 1978. Of the $58 million authorized last year, only $27.7 million was appropriated with no new programs being funded. The President has requested $27.8 million for fiscal year 1978—a mere $100,000 increase. I hope that sea grant will be more successful this year in obtaining the moneys that the Congress clearly intended they should have when we passed the Sea Grant Improvement Act of 1976—Public Law 94-461.

I urge your support for these authorizations.

Mr. BAUMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. PRITCHARD. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield 1 minute to the gentleman from Washington (Mr. PRITCHARD).

Mr. PRITCHARD. I thank the gentleman from Maryland for yielding.

Mr. Speaker, I rise in support of H.R. 4301 which amends the National Sea Grant College and Program Act of 1966. This bill would extend the authorization of the basic program funds under section 212—$50 million—for fiscal year 1978. It would also provide for a separate authorization of funds for programs national in scope under section 206—$5 million—and for programs international in scope under section 3(c)—$3 million—for fiscal year 1978.

The separate authorizations for the national and international programs are necessary to meet the requirements of the Sea Grant Improvement Act of 1976 which was given careful consideration by the Oceanography Subcommittee this past session of Congress. It was felt that separate authorizations were necessary for both of these programs so as not to detract from the basic program's funds.

The basic sea grant program funding has not kept pace with inflation. Therefore, it was impossible to expect the existing authorization to cover new national and international programs which fall outside perceived local and regional needs and the existing matching grant mechanisms.

With the emergence of extended jurisdiction over marine resources and continuing debate regarding the degree of coastal State sovereignty over marine scientific research it is important for sea grant to develop some degree of capability to promote international cooperation in marine affairs. Consequently, these new program areas should be given major support at this time without imposing further demands on an already meager sea-grant budget.

With the growing importance of offshore resources to our Nation's economy, it is essential that we fund programs like sea grant sufficiently to keep pace with the increasing demands made upon sea grant. At the same time, we must expect well-designed and carefully thought-out programs which will play a significant role in the national effort toward marine resource development, utilization, and protection.

Therefore, Mr. Speaker, I urge support of H.R. 4301 in order to encourage the type of marine research, education and advisory services which are essential for the development of a long-term, comprehensive, and adaptive policy toward the management of the ocean and its resources.

Mr. BAUMAN. Mr. Speaker, I have no further requests for time.

I concur with the statements the gentlemen made previously.

Mr. TEAGUE. Mr. Speaker, I am and have been a strong supporter of the sea grant program in this country. It is a unique Federal-State-university partnership which was established to develop a base of expertise in universities and colleges by utilizing the existing capability in State and private institutions already involved in the study of marine sciences. One of these institutions is my alma mater, Texas A. & M. University, which has just such a school in Galveston, Tex.

The program is essentially patterned after the land-grant college system which has proven its worth to this country many times over. I am of the opinion that the sea grant program will be, and in fact has been, as beneficial to this country as the land-grant system. The program consists of research, education, and training and practical usages of the knowledge gained. Its success has derived in large part from its system of developing programs in which local and regional needs are met.

With the advent of the international aspect of the program, worldwide needs will be met, such as new sources of food for an ever-burgeoning world population. The sea holds as many challenges for the future as does space, and I am glad that the committee has seen fit to report this legislation to us for consideration.

Mr. ROGERS. Mr. Speaker, I rise in support of legislation designed to extend the National Sea Grant Program Act for fiscal year 1978. As you know, I have always maintained a strong support for the Sea Grant program since I authored the original bill that was enacted into law in 1966.

As this Nation moves to protect its fishery resources through the enactment of a 200-mile fishery conservation zone and embarks on a program for the development of aquaculture, a sound program of research, education and advisory services in the marine field becomes indispensable.

The National Sea Grant program is a Federal-State-university partnership. It encompasses all three functions of American universities: research, education and advisory services. The present funding mechanism provides Federal funding in the form of grants to provide up to 66⅔ percent of the total cost of the project to universities, colleges and private organizations and the remaining one-third is matched by State or local sources.

It is certainly regrettable that actual appropriations have lagged far behind the authorizations that the House Merchant Marine and Fisheries Committee has sought to obtain for this vital program. The authorization request stands at $58 million which includes $5 million for a national projects section and $3 million for international projects. It is hoped that the Congress will be receptive to increasing the appropriations from the $27.7 million of last year so that these two programs can be implemented.

I refer my colleagues to the results of the study conducted by Prof. Herbert Holloman and Prof. James Utterback of the Massachusetts Institute of Technology, entitled "An Analysis of the Potential Commercial and Foreign Trade Impacts of the Sea Grant Program." The study concluded that a $5 to $10 million investment in the sea grant program in 1975 would yield $122 million in sales in 1980. Such significant commercial results point up the economic advantages of this program, which are complemented by the continuing advances in the marine science field.

It is with these facts in mind, coupled with my belief that Sea Grant has continued to live up to its original purposes, that prompt me to recommend passage of the National Sea Grant Program Act Authorization to my colleagues at this time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill H.R. 4301, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to authorize appropriations for the National Sea Grant Program Act during fiscal year 1978, and for other purposes.".

A motion to reconsider was laid on the table.

AUTHORIZATION FOR THE NATIONAL ADVISORY COMMITTEE ON THE OCEANS AND ATMOSPHERE (NACOA)

Mr. MURPHY of New York, Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3849) to establish qualifications for individuals appointed to the National Advisory Committee on Oceans and Atmosphere and to authorize appropriations for the committee for fiscal year 1978, as amended.

The Clerk read as follows:

H.R. 3849

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to establish the National Advisory Committee on the Oceans and Atmosphere", approved August 16, 1971 (33 U.S.C. 857-6 through 857-12), is amended—

(1) by adding the following new sentence at the end of section 2(a): "No individual shall be appointed as a member of the Advisory Committee unless such individual has knowledge and expertise in fields related to oceanic or atmospheric matters."; and

(2) by amending section 7—

(A) by striking out "and" immediately before "(4)", and

(B) by striking out "1977." and inserting "1977, and (5) $560,000 for the fiscal year ending September 30, 1978.".

The SPEAKER pro tempore. Is a second demanded?

Mr. BAUMAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. MURPHY) and the gentleman from Maryland (Mr. BAUMAN) are recognized for 20 minutes each.

The Chair recognizes the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3849 extends the authorization for the National Advisory Committee on the Oceans and Atmosphere—NACOA—for fiscal year 1978.

NACOA assumes three primary functions: First, to continuously review our Nation's marine and atmosphere policies and programs; second, to report to the President and Congress annually and upon request; and third, to advise the Secretary of Commerce with respect to the National Oceanic and Atmospheric Administration's activities.

The legislation would authorize an appropriation of $560,000 for fiscal year 1978 for the operation of the committee. Additionally the bill contains amendatory language providing a more rigid definition of the qualifications necessary for NACOA membership. The committee is composed of 25 members and the new amendment would prevent the appointment of persons lacking knowledge or expertise in fields related to oceanic and atmospheric matters.

The authorization represents an increase over the fiscal year 1977 level and is clearly justified based on the sound work which the committee has performed in the past and the responsibilities it will face in the future.

During its 5 years of operation, NACOA has played a significant role in providing insights and options for the complex issues which we face in the national ocean policy and marine affairs.

When I was chairman of the Oceanography Subcommittee of the full Merchant Marine and Fisheries Committee during the long and arduous consideration of the complex 1976 amendments to the Coastal Zone Management Act, we were fortunate in receiving clear and concise advice and expert staff assistance from NACOA.

Also, as chairman of the Ad Hoc Select Committee on the Outer Continental Shelf, I can attest to the valuable help which NACOA has provided and is continuing to provide on OCS legislation.

The administration has recommended a fiscal year 1978 appropriation equal to last year's funding. Given higher costs generally, and salary increases in particular, this, of course, represents an effective decrease in the committee's budget.

I urge my colleagues to support the authorization levels in H.R. 3849 and bring to the attention of the administration, the quality work which NACOA has performed in the past. Level funding for this important committee will clearly require a diminution of the important studies and analyses carried out by the staff and members of the committee.

Mr. Speaker, I yield such time as he may consume to the chairman of the subcommittee, the gentleman from Louisiana (Mr. BREAUX).

Mr. BREAUX. Mr. Speaker, does the gentleman from California wish me to yield?

Mr. BROWN of California. I do, Mr. Speaker.

Mr. BREAUX. I yield to the gentleman from California.

Mr. BROWN of California, Mr. Speaker, I thank the gentleman for the opportunity to speak in support of H.R. 3849 and to explain the interest in NACOA of the Science and Technology Committee, and in particular of the Environment and Atmosphere Subcommittee, which I chair.

The Science and Technology Committee has authorization and oversight responsibility for a range of atmospheric research and related matters, including those with NASA, NSF, ERDA, EPA's Office of Research and Development, parts of NOAA, et cetera. In particular, the Environment and Atmosphere Subcommittee has the responsibility to examine environmental research in a comprehensive and cross-cutting way.

The members of NACOA have regularly addressed their attention and advice to key atmospheric and marine problem areas, in a timely way. Their recommendations have been very useful to us in the Science and Technology Committee. One very current example is the progress of legislation to establish a national climate program.

In NACOA's third annual report, June 1974, noting that our current knowledge of climate and what causes it to change is unequal to the importance of its impact on world food supply and other human activities, additional cooperative programs between NOAA and USDA, and NOAA and NSF, were recommended. NACOA's urging help call the attention of several of our colleagues to the need for expanded and better coordinated climate research and monitoring.

NACOA's 1975 report recommended a coherent national program on climate. Members of the advisory committee then contributed to our hearings in early 1976. Their 1976 report endorsed climate legislation like that which the Science Committee considered this year, which has been reported, May 3, and is ready for House floor action.

NACOA's efforts to focus attention on climate questions early on, its counsel to us in the course of congressional deliberation on the climate bill, and the general ability of its members to provide critical yet constructive outside advice on a variety of ocean and atmosphere matters continue to have my thanks and support. I urge my colleagues to support the fiscal year 1978 authorization under consideration.

Mr. Speaker, I would also like to address for just a moment the question of qualifications of members of the National Advisory Committee on the Oceans and Atmosphere. I feel that it is very important for individuals chosen to be members of the NACOA to have premier knowledge and expertise in atmospheric and ocean matters, especially of research frontiers. The amendment is an important reminder that we need topnotch outside advice in isolating and scrutinizing topical and institutional problem areas, like the environmental-research-related ones which NACOA has helped to call to the attention of the Subcommittee on the Environment and the Atmosphere. I thank the gentleman for the opportunity to speak to the amendment.

Mr. BREAUX. Mr. Speaker, I thank the chairman of our full committee for yielding to me for some comments about NACOA.

Mr. Speaker, the bill being discussed today, H.R. 3849, is a bill to extend the authorization for NACOA, the National Advisory Committee on Oceans and Atmosphere.

NACOA was originally conceived by the Stratton Commission which in 1969 published a comprehensive ocean policy report which has had a powerful and pervasive impact upon our Nation's oceans effort. This report called for the formation of an advisory committee which would bring together people from outside the Federal Government having expertise in oceanic affairs. This group would provide a vital link between the various sectors of the oceanic community, including government, academia, and industry, and represent a broad range of geographical and disciplinary areas.

The National Advisory Committee on Oceans and Atmosphere was subsequently established by the passage of Public Law 92–125 on August 16, 1971. Atmospheric advisory functions were added to NACOA subsequent to the establishment of the National Oceanic and Atmospheric Administration in 1970. By law, NACOA is mandated three primary responsibilities. First, to continuously review our Nation's marine and atmosphere policies and programs; second, to report to the President and Congress annually or upon request; and third, to advise the Secretary of Commerce with respect to the National Oceanic and Atmospheric Administration.

NACOA's membership serves as a valuable source of knowledge and information. The credibility and effectiveness of NACOA is directly related to the quality of its members. H.R. 3849 provides language which will restrict NACOA membership to those persons bringing only the highest level of knowledge and expertise in fields which would complement and enhance the advisory capability of NACOA.

In addition, H.R. 3849 increases the level of authorization from $445,000 to $560,000 for fiscal year 1978, an amount necessary to maintain NACOA's current level of operations in the face of Government salary increases and other inflationary factors.

In my view, NACOA represents one of the few advisory committees that actively addresses ocean issues; 1977 marks the sixth year of existence for NACOA. In that time NACOA has contributed significantly to the formulation of many of our country's ocean and atmospheric policies. H.R. 3849 insures the continuation of NACOA at its present level of operation while providing for the strengthen-

ing of the qualifications of its membership. It is for these reasons that I urge the passage of this legislation.

Mr. BAUMAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. RUPPE).

Mr. RUPPE. Mr. Speaker, I rise in support of H.R. 3849 which is designed to extend the authorization of appropriations for the National Advisory Committee on Oceans and Atmosphere during fiscal year 1978 at a level of $560,000. The bill would also establish limitations on the individuals who could be appointed by the President to serve on the advisory committee.

NACOA, a 25-member advisory board, was formed in 1971 to establish an effective nonagency body which would be able to advise Congress and the President. NACOA was formed as an essential part of the Stratton Commission report which provided a foundation for the development of a national ocean policy. One of the most beneficial features of NACOA is its ability to assemble representatives from the relevant marine and atmospheric science disciplines as well as other recognized authorities in order to exchange information from their respective disciplines and areas of interest and evaluate policy alternatives.

H.R. 3849 would amend section 2 of the NACOA Act to include a narrower definition of the qualifications necessary to be appointed to NACOA. Specifically, only individuals with knowledge and expertise in the areas of oceans or atmosphere could be appointed to the committee. Mr. Speaker, this narrow definition could provide a situation where only scientists are represented, and I do not think this body would then be as effective as it has been in the past. I urge support of this bill, although I feel that it is important for Congress to continuously scrutinize the types of appointments made to this body.

This bill would also amend section 7 of the act to extend and increase the authorization for fiscal year 1978 from $445,000 to $560,000. This amount reflects mandated increases in Federal salaries and supply costs of NACOA which have been put off for several years.

Therefore, Mr. Speaker, I urge Congress to support H.R. 2349 in order that NACOA will be able to contribute substantially, especially in the next few years, as this country progresses toward a more rational and comprehensive national ocean policy.

Mr. BAUMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER per tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill H.R. 3849, as amended.

The question was taken.

Mr. MOTTL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

Mr. MOTTL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to the provisions of clause 3(b) of rule XXVII, and the prior announcement of the Chair, further proceedings on this motion will be postponed.

The point of order is considered withdrawn.

SEAL BEACH, GREAT DISMAL SWAMP, AND SAN FRANCISCO BAY NATIONAL WILDLIFE REFUGES AUTHORIZATIONS

Mr. MURPHY of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5493) to extend until October 1, 1980, the appropriation authorizations for the Seal Beach, Great Dismal Swamp, and San Francisco Bay National Wildlife Refuges.

The Clerk read as follows:

H.R. 5493

Be it enacted by the Senate nad House of Representatives of the United States of America in Congress assembled, That section 5 of the Act entitled "An Act to provide for the establishment of the San Francisco Bay National Wildlife Refuge", approved June 30, 1972 (16 U.S.C. 668jj), is amended by striking out "June 30, 1977" and inserting in lieu thereof "September 30, 1980".

SEC. 2. Section 4 of the Act entitled "An Act to establish the Seal Beach National Wildlife Refuge", approved August 29, 1972 (Public Law 92-408; 86 Stat. 663), is amended to read as follows:

"SEC. 4. There is authorized to be appropriated until the close of September 30, 1980, not to exceed $525,000 to carry out the purpose of this Act.".

SEC. 3. Section 4 of the Act entitled "An Act to establish the Great Dismal Swamp National Wildlife Refuge" (Public Law 93-402, 88 Stat. 801) is amended to read as follows:

"SEC. 4. For purposes of carrying out this Act, there are authorized to be appropriated not to exceed—

"(1) $1,000,000 for the fiscal year ending June 30, 1975;

"(2) $3,000,000 for the fiscal year ending June 30, 1976, and the transition quarter beginning July 1, 1976, and ending September 30, 1976;

"(3) $3,000,000 for the fiscal year ending September 3, 1977; and

"(4) $21,000,000 for the period beginning October 1, 1977, and ending September 30, 1980, of which not to exceed $15,750,000 shall be available for land acquisition and not to exceed $5,350,000 shall be available for purposes other than land acquisition.".

The SPEAKER pro tempore. Is a second demanded?

Mr. SNYDER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. MURPHY) and the gentleman from Kentucky (Mr. SNYDER) are recognized for 20 minutes each.

The Chair recognizes the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 5493 would provide additional funding for the purpose of assisting in the conservation and protection of our Nation's valuable fisheries and wildlife resources.

To assist in this regard, there were three wildlife refuges established as a result of legislation reported by the Committee on Merchant Marine and Fisheries in the early 1970's. The three refuges are the Seal Beach Refuge, the San Francisco Bay Refuge, both of which were established in 1972, and the Great Dismal Swamp Refuge, established in 1974.

The establishment of these refuges provided for the setting aside of over 100,000 acres of valuable habitat in the States of Virginia, North Carolina, and California.

In addition to assisting in the perpetuation of a number of endangered species of fish and wildlife, these refuges provide millions of man-days of hunting and fishing each year as well as additional recreational opportunities for the general public. Developments at these refuges will consist of such things as wildlife and environmental interpretive centers, wildlife trails, fishing piers, hunting blinds, boat tours and observation platforms.

Mr. Speaker, the need for H.R. 5493 arises from the fact that the appropriation authorizations for these three refuges expire this fiscal year.

H.R. 5493 would extend for 3 years the funding authorization of the Seal Beach Refuge at the same level of $525,000, the San Francisco Bay Refuge at the same level of $20,300,000, and the Great Dismal Swamp Refuge at an increased level of $21,100,000.

Mr. Speaker, this legislation received favorable departmental reports, and it was unanimously ordered reported by the Committee on Merchant Marine and Fisheries and I urge its passage.

I now yield to the gentleman from California, (Mr. LEGGETT), chairman of the subcommittee that reported this legislation, such time as he may consume.

Mr. LEGGETT. I thank the gentleman for yielding.

Mr. Speaker, the purpose of H.R. 5493 is to extend for an additional 3 years the appropriation authorizations for three National Wildlife Refuges, the Great Dismal Swamp Refuge in the States of Virginia and North Carolina, and the Seal Beach Refuge and the San Francisco Bay Refuge, both in the State of California.

Mr. Speaker, under present law, there is authorized to be appropriated until September 30, 1977, $525,000 for the Seal Beach Refuge. This refuge consists of about 700 acres of the Naval Weapons Station at Seal Beach and although it is still under the ownership of the Navy it is being jointly managed by the Department of the Interior and the Navy as a refuge pursuant to an approved management plan dating back to 1974.

Mr. Speaker, no funds have been appropriated under this authorization thus far since only personnel costs have been involved and the Interior Department is absorbing those costs under its general appropriation authority.

H.R. 5493 would extend the authorization at the same level of funding for the 3 additional years.

Mr. Speaker, the San Francisco Bay Refuge was established in 1972. It consists of four distinct units totaling about 23,000 acres. The refuge consists of lands and waters that constitute an ecological system that supports a rich diversity of fish and wildlife, including species known to be threatened with extinction, such as the California clapper rail, the least tern, and the salt water harvest mouse.

Its 11,000 acres of salt ponds, 3,000 acres of salt marsh, 6,000 acres of tidal flats, and 2,000 acres of open waters afford natural habitat to large numbers of migratory waterfowl, shore and water birds, fish, and aquatic animals, including a colony of harbor seals.

Mr. Speaker, present law authorizes to be appropriated $20,300,000 through fiscal year 1977 for the San Francisco Bay Refuge. To date, $9,600,000 of that authorization has been appropriated, all of which is earmarked for acquisitions. No acquisitions have taken place thus far, except for 203 acres that were donated. Most of the lands within the boundaries of the refuge are owned by Leslie Salt and Westbay Associates. Although negotiations for purchase of these lands have been underway for several years now, the Interior Department is optimistic that offers to purchase will be accepted within the next few months.

H.R. 5493 would extend the present funding authorization for an additional 3 years leaving to be appropriated during the 3-year period $10,700,000, all of which would be used for operation and development of the refuge.

Mr. Speaker, the Great Dismal Swamp Refuge was established in 1974. It presently consists of a 49,000-acre tract of land donated by the Union Camp Corp. and about 4,000 acres of additional lands purchased from private owners. Remaining to be acquired within the refuge is about 53,000 more acres of which 13,000 acres will probably be purchased within the next 6 months.

The swamp consists mostly of forest lands. It is abundant with fish and wildlife; it has a high bird population, including migratory waterfowl; and the largest mammal in the forest is the black bear.

Under present law there was authorized to be appropriated $7 million through fiscal year 1977 for this refuge.

H.R. 5493 would authorize to be appropriated $21,100,000 for the next 3 fiscal years provided that not more than $15,750,000 could be used for acquisitions and not more than $5,350,000 for purposes other than acquisitions.

Mr. Speaker, H.R. 5493 was ordered reported by the Committee on Merchant Marine and Fisheries unanimously. It has the support of the Department of the Interior, and it is widely supported by conservationists throughout the country.

I urge its prompt passage.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. LEGGETT. I yield to the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. I thank the gentleman for yielding.

Mr. Speaker, I hope my questions will not suggest in any way any reluctance to support this legislation, which I consider not only desirable, but essential. However, there is something which worries me here, and that is the fact that in many cases—for example, in the San Francisco area—there is less money for land acquisition than there is for development. This is something of which I am intimately aware in my own district. I think we should stop acquiring land for wildlife habitat and then proceed to change that habitat and construct dikes and roads and access, so that it is not really a wildlife habitat any more, very often with very startling and very unfortunate repercussions upon the neighboring areas.

For example, in one wildlife refuge of which I am intimately aware they have decided to make a dike in order to increase the pond area so that they can get more room for birds. As a result, the neighbors are having a back-up of water that they never had before.

When we are acquiring for wildlife, it seems to me we ought to leave it alone. If we put in walks and ways to make it possible for children and others interested in wildlife to see what is going on, it would be desirable; but to change the nature of the land, when we have acquired it for wildlife, does not seem to me to be quite straight. I wish somehow we could establish in the dialog here that it is the intention of the committee, so far as possible, to recommend to the Congress that land acquired for wildlife refuges should not be tampered with except for a minimal amount necessary to make it convenient for students and those who wish to study the area.

Mr. LEGGETT. Mr. Speaker, if the gentlewoman is asking the question of the subcommittee, we are very much concerned with our overall refuge program. We have some 32 million acres federally owned which we manage in the National Wildlife Refuge System. The States have others. We are thinking of adding to the system an additional 40 million acres in Alaska. With respect to the Alaskan acreage, that will be kept in its pristine state to the maximum extent possible. There are some projects, such as the Tinicum area, which we had on the floor the other day, which have been seriously eroded because of the digging of holes, dredging, and various other kinds of things in the refuge area.

So we do have to spend more money in an urban-type refuge to either restore it to its natural state or to make it consistent with the development that has already taken place there.

In San Francisco it so happens that the refuge, consisting of this 23,000 acres, that we are taking over is in large part in salt ponds. The salt ponds are not inconsistent with plans for the refuge. What we have found is that the salt water is consistent with the promotion of a wildlife habitat.

There are a number of levee activities that are taking place in the southern part of San Francisco Bay. There are also some salt development programs and nearby commercial activities. We do intend by this legislation not to create something artificial but to try to maintain as much of the area in its natural state as we possibly can.

However, each project is different. Fortunately, we have had one donor who has donated a rather substantial sum of money for an environmental center in the San Francisco Bay Refuge, and that will meet with the needs of students and others who are interested in wildlife.

Mrs. FENWICK. If the gentleman from New York (Mr. MURPHY) will yield further, it does seem questionable for us to spend only $9 million for land acquisition and then spend $11.3 million for development of what is meant to be a wildlife habitat. This is what is of concern to me.

It is not just a question of this particular wildlife refuge. This seems to be a policy that we generally follow; I am sure the chairman of the subcommittee is aware that in some of these wildlife refuges they have one area that is marked out for development.

How can that be used for development if the land is bought for wildlife? Why is it marked out for development?

Mr. LEGGETT. Mr. Speaker, it is not marked out for development for any purpose other than to create proper ponding so that we can acquire the desired wildlife. It is true that the amount of money used to take the land is small in relation to the development costs.

One of the reasons for that is that we are going to continue to allow the salt development program to take place in these lands. That is not inconsistent with the overall development program. As a result, the costs for the taking are lean as compared to development costs.

This is one of the better wildlife programs in the country. It is sponsored by the gentleman from California (Mr. MCCLOSKEY), a member on the gentlewoman's side of the aisle. The gentleman from California represents a district some miles away from my district. This program does have the full support of all the environmental community and all of the wildlife people in Northern California.

Mr. FENWICK. Mr. Speaker, I am sure it is an essential program. So is the San Francisco Bay Refuge program.

I am going to sit down now, and I will not take any more time of the Committee, but I did want to make the point that I think this is something we are going to have to resist. If we are taking lands for wildlife habitats, as I believe we must, I think we ought to be very careful before we fool around with the development of those lands.

Mr. LEGGETT. Mr. Speaker, if the gentleman from New York (Mr. MURPHY) will yield further, let me say this:

If the land is in a pristine state when we acquire it, we do not have to spend much money, if any, on it. However, when we acquire lands like this that have been within the heart of development areas, then we have to do some other things in order to attract the desired wildlife.

Mrs. FENWICK. Yes, I agree that has to be done where the lands have been tampered with. But in some cases we acquire some lands that are pristine, and then we decide they are not good enough and not enough birds are stopping there.

So then we start fooling around with dikes, and we begin to invade the land of the neighbors. This, it seems to me, is unfortunate.

In other words, I think we ought to simply accommodate what birds we have and stop developing our wildlife lands with the building of access roads. As I understand it, we have allowed carrier routes to be put through wildlife areas. Perhaps that is necessary, but I hope that trend will be resisted.

Mr. LEGGETT. Mr. Speaker, we are developing these lands to the minimum extent possible, and I hope the gentlewoman will believe me when I say that.

Mr. SNYDER. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. RUPPE), the ranking minority member of the subcommittee.

Mr. RUPPE. Mr. Speaker, I rise in support of H.R. 5493 which authorizes appropriations for the acquisition and development of three unique areas: the Seal Beach National Wildlife Refuge, the Great Dismal Swamp National Wildlife Refuge, and the San Francisco Bay National Wildlife Refuge.

The Seal Beach Refuge in California is one of the largest single undisturbed tracts of salt marsh remaining along the California coast. Over 100 species of marsh birds, migratory waterfowl, and shore birds, including three endangered species, nest or feed on or near the marsh.

The Great Dismal Swamp, which is one of the last undisturbed great swamps, is literally teeming with wildlife. In fact, the swamp supports the only breeding population of black bears in eastern Virginia and North Carolina. The swamp also offers visitors a chance to view many unique forms of vegetation.

The area is also rich in historic significance. In 1763, George Washington visited the area and later surveyed it. He was impressed by both the beauty of the swamp and the commercial possibilities of its timber resources. In 1764, he formed a company called the "Adventures for Draining the Great Dismal Swamp" which dug numerous ditches and canals in the area to facilitate a timber harvest. The first such ditch which was dug in the late 1760's was one of the first canals dug in the Colonies and may well be the oldest canal in usable condition in the United States.

The preservation of the Great Dismal Swamp has been a joint public and private effort. The Union Camp Corp., acting through the Nature Conservancy, has donated 49,000 acres of the Dismal Swamp for use as a wildlife refuge. This gift constitutes about 50 percent of the land area of the proposed refuge. The Federal contribution authorized by H.R. 5493 will match the private donation so that this great area will be preserved and protected.

The San Francisco Bay Wildlife Refuge is another unique ecosystem which will be protected by H.R. 5493. The estuarine environment of the bay provides a haven for numerous species of wildlife. In fact, nearly 70 percent of the Pacific flyways' shorebirds depend on the San Francisco Bay's tidal flats for feed at some time during the year. The bay area is also the home for several endangered species. Unfortunately, the bay's wetland area has been diked and filled to such an extent that the available wildlife habitat has been reduced by 75 percent.

Mr. Speaker, to protect the remaining wildlife habitat in the bay area, to preserve the Great Dismal Swamp, and to protect the marshes of Seal Beach, I urge the adoption of H.R. 5493.

Mr. SNYDER. Mr. Speaker, I have no further requests for time.

Mr. MURPHY of New York. I have no further requests for time, Mr. Speaker.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill H.R. 5493.

The question was taken.

Mr. MOTTL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

Mr. MOTTL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to the provisions of clause 3(b) of rule XXVII, and the prior announcement of the Chair, further proceedings on this motion will be postponed.

The point of order is considered withdrawn.

CANAL ZONE BIOLOGICAL AREA AUTHORIZATION

Mr. MURPHY of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3348) to amend the Act of July 2, 1940, as amended, to increase the amount authorized to be appropriated for the Canal Zone Biological Area, as amended.

The Clerk read as follows:

H.R. 3348

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7 of the Act of July 2, 1940 (20 U.S.C. 79e), is amended by striking out "$350,000" and inserting in lieu thereof "$750,000".

The SPEAKER pro tempore. Is a second demanded?

Mr. SNYDER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

The was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. MURPHY) and the gentleman from Kentucky (Mr. SNYDER) are recognized for 20 minutes each.

The chair recognizes the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support H.R. 3348 and urge the Members to approve this bill which is indispensible to a sustained level of resource protection and research activity for the Canal Zone biological area.

H.R. 3348 increases to $750,000 the statutory limitation on funds authorized to be appropriated to the biological area for its administration and the maintenance of suitable facilities for observation and scientific investigation. The present limitation of $350,000 was established in 1965.

A new $750,000 authorization ceiling for the area will recognize three elements: Rapidly rising operating costs caused chiefly by salary and other personnel expenses; a modest reconstruction and renovation program for deteriorating facilities; and the assignment of certain costs not previously included in the limitation.

A new ceiling could conceivably increase expenditures for the Canal Zone biological area by some $2 million total in the next 5 fiscal years. But the Committee on Merchant Marine and Fisheries estimates that the total actual increase in U.S. Government outlays over the next 5 years as a result of this legislation will not exceed $1 million.

Mr. Speaker, the Canal Zone biological area encompasses Barro Colorado Island and several tiny adjacent islands near the channel of the Panama Canal. The area is a prime world center for tropical research, due to the great diversity of flora and fauna on its premises and the community of scientists who study there. Hundreds of scientific studies are made each year, many of which yield important results.

There are tangible benefits for the United States in the conservation and preservation of Barro Colorado Island and the maintenance of its associated laboratory facilities.

Thousands of students from U.S. universities and colleges have done research on the island, because more effective study is possible.

Some of the bird populations of North America which are important to environmental balance overwinter in the area of the Isthmus of Panama, and thus find the island a safe haven.

Additionally, the variety of plant species there that may provide important information for agricultural and medicinal purposes is impressive.

Let me add on more of a marine note that scientists associated with the biological area were responsible for an important study in the early 1970's pointing out the environmental hazards of a sea-level canal.

In spite of the high reputation of the Canal Zone biological area and its superior entity, the Smithsonian Tropical Research Institute, the Committee on Merchant Marine did not act precipitately in reporting this legislation. Since the present authorization limitation was set in 1965, the Smithsonian Tropical Research Institute, which now administers the Canal Zone biological area, was created by the Smithsonian Board of Regents. Also, since 1965 Canal Treaty negotiations have become protected with the Kissinger-Tack guidelines of 1974 causing special concern.

After studying these two phenomena the committee concluded that fiscal accountability in the administration of the Canal Zone biological area demanded that all of the funds obligated from amounts appropriated to the

Smithsonian Institution each fiscal year and used in connection with the biological area must be charged to the authorization limit. The committee also concluded that the budget for the biological area must be more explicit.

With regard to the treaty negotiations in which the United States is now engaged, it is clear that these talks do not impinge upon the legal title on U.S. property in the Canal Zone. The facilities that might be constructed under the program envisioned for the Canal Zone biological area will become part of the $7 billion worth of investment the United States has made in the real property and the structures situated thereon in the Canal Zone. This investment is not subject to transfer without the authorization of both Houses of Congress.

When I chaired the Subcommitee on the Panama Canal in the 92d Congress, we concluded, as stated in House Report 92–1629:

> No treaty involving the appropriation of United States monies or the transferral of territory or other property owned by the United States will be effected without due consideration of the jurisdiction of the House over these matters.

On June 18, 1976, in debate on the Snyder amendment, I said that—

> Any treaty drawn up by the executive branch and submitted to the Senate involving the territory of the Canal Zone or the Panama Canal must be drawn so as to require this implementing legislation.

I emphasize these statements to which I continue to adhere in order to point out that this authorization is not recommended without some confidence in our ability to protect its end results in behalf of the taxpayer.

Mr. Speaker, it should also be noted that the status of the Canal Zone biological area is also well protected in Panama's eyes by the ample benefits the area has provided, since its existence, like that of the Panama Canal that runs near it, includes special benefits for the Republic of Panama.

H.R. 3348 ought to be passed to reaffirm our commitment to operate the Canal Zone and the facilities in the best manner possible, and also to reaffirm our commitment to the advancement of science in our own best interests and those of the world.

Mr. Speaker, I yield back the balance of my time.

Mr. SNYDER. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. RUPPE), the ranking minority member.

Mr. RUPPE. Mr. Speaker, although I am concerned as to the ultimate form the proposed new treaty with Panama will take, I am in favor of continued negotiations with that country. I am, of course, aware that the President promised in his campaign never to give up practical control of the Panama Canal.

In the meantime, though the outcome of the talks remains in doubt, scientific progress must not be stifled. The Smithsonian Institution has done, and continues to do very valuable work in many countries of the world including Panama. Barro Colorado Island in the Canal Zone offers a magnificent opportunity for scientists from all over the world to study tropical flora and fauna in a concentrated area.

The Smithsonian Tropical Research Institute which administers the Canal Zone biological area on the island should not be held hostage to the negotiations or penalized in advance, because of a new treaty that seems to be many months in the offing at the very least.

The increase in the appropriations limitation requested by Smithsonian officials is, in my estimation, worthy of our support. The modest expansion and repair program for the biological area presented to the Committee on Merchant Marine and Fisheries by Smithsonian officials makes sense, and warrants the additional appropriations. Even those Members opposing the bill on the grounds that we should not add anything to the great investment made by our taxpayers in the Canal Zone if we are to give it to Panama, admit they would support the increase under other circumstances.

I repeat, the Smithsonian Institution for years has successfully operated in numerous countries around the world. I am confident it can continue to do so in the Canal Zone whether under United States or Panamanian jurisdiction.

Mr. SNYDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I oppose H.R. 3348 because the taxpayers of the United States should not have to spend an additional dollar to improve facilities that shortly may be handed over to Panama's dictator, Omar Torrijos. My position is consistent with my overall opposition to surrendering the Canal Zone and Panama Canal to Torrijos.

I do not object to the work of the biological area on Barro Colorado Island or the Smithsonian Institution's administering of that activity. On the contrary, I find much merit in the operation from all I have learned of it, and the facilities could stand repair and improvement.

However, I object strenuously to our citizens always being socked for tax money to support a foreign policy that seeks to make friends out of our enemies by sapping our own strength and strategic position. H.R. 3348, of course, does not authorize money in support of our foreign policy but such funds at once would be subject to that policy—with the taxpayers the losers.

Placating Omar Torrijos by giving him the Canal Zone would in no way solve Panama's basic problems or greatly ease our tensions with that country. Without huge amounts of U.S. money we would be giving Panama a gigantic new burden. Few people know, for example, that canal maintenance has required twice as much excavation since its completion than was required for its construction.

We would have to be more involved than ever both in Panama's internal politics and in giving her increased financial aid to insure that the canal would remain open and operable. Worse, we would just whet Torrijos' appetite and demonstrate to the world a weakness not truly representative of the national will of our people.

With little regard for world shipping, Panama, of course, intends to milk the Canal Zone once it becomes Panamanian. She cannot make money on the present break-even tolls we charge. Her economists talk of hiking those rates at least 300 percent.

Panama could be expected to try to establish fees and other charges and levy taxes on anything we might want to operate or use in what would then be the former Canal Zone. That is an indication of what could be done with Barro Colorado Island. Improving the facilities there would just enable Torrijos to jack up the rent on them.

Smithsonian officials have expressed confidence in their ability to carry on under Panamanian jurisdiction, because of two agreements—one a Western Hemispheric treaty and the other a compact the Institution has with Panama.

However, as my colleague from California (Mr. DORNAN) and I point out in our dissenting views in the committee report, either agreement is subject to a unilateral cancellation by Torrijos with only 12 months' notice. That is just not good enough security for the biological area for me to vote to commit increased tax money, small as the amount may be in comparison with other day-to-day authorizations by Congress.

Mr. MURPHY of New York. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. METCALFE), the chairman of the Subcommittee on the Panama Canal.

Mr. METCALFE. Mr. Speaker, I urge favorable consideration of H.R. 3348, a bill to increase the permanent annual authorization for the Canal Zone biological area to $750,000.

H.R. 3348 has broad bipartisan support. In their testimony before the subcommittee which I chair, and in reports to the Committee on Merchant Marine and Fisheries, the executive has indicated support for this legislation. The other body has also indicated its support for this by passing an identical bill on May 2. Your Committee on Merchant Marine and Fisheries has reported H.R. 3348 with only two dissenting opinions and finally, several of America's leading academic institutions express approval of this legislation.

To those who are not familiar with the value of the Canal Zone biological area as a repository of various forms of plant and animal life, I would simply say that thousands of studies have been done in connection with this area since 1923. The Government has been funding the area since 1940. In 1965, its authorization limit was set at the present $350,000.

There is now a clear need for an increase in the authorization for the biological area. In terms of operating costs alone, the impact of inflation and legislation will cause the present authorized limit to be exceeded within the next 2 years.

Moreover, some of the facilities on Barro Colorado Island which are literal-

ly falling apart at this time cannot be replaced or renovated without a higher authorization. These facilities are a prerequisite to advanced study and effective research.

Finally, costs which have not heretofore been charged under this limit of title 20, section 79 of the United States Code, must now be considered. This increases the amount by which the limit must be raised.

Mr. Speaker, when I introduced H.R. 3348 by request on February 9, the legislation called for an increase in the authorization limit from $350,000 to $600,000. In subcommittee deliberation on May 2, this later figure was amended to $750,000.

The purpose of the change was to recognize what the General Accounting Office has termed "indirect costs" in connection with the administration of the Canal Zone biological area. These are costs which have been in the appropriations for the Smithsonian Tropical Research Institute, and used in connection with its administration of the Canal Zone biological area, but not charged to the area's limit.

Records available to the Committee on Merchant Marine and Fisheries indicate that in spite of the bookkeeping problems of the Canal Zone biological area, the statutory limit on authorized funds has not been exceeded. But since it is only fair that all Smithsonian costs that apply to the area be counted, the report on the bill directs this.

In debate in the Committee on Merchant Marine and Fisheries, one major objection was raised to the legislation. This concerned the uncertainty of the status of the biological area under any possible new treaty with the Republic of Panama.

I am not uncertain about the future status of Barro Colorado Island in the Canal Zone. Apparently neither are most members of the Committee on Merchant Marine and Fisheries.

Of course, none of us has the crystal ball that makes the future clear. If we did, this body might not exist. In making judgment about the future, we must proceed on the best known intentions and actions that pertain to our decisions. If we look at only worst-case thoughts and the most ill-intentioned actions, we deprive ourselves of the chance to make things better.

As I said, regardless of the outcome of present canal treaty negotiations, the preponderance of evidence seems to indicate that the status of Barro Colorado Island will not change.

The basic reason for my confidence on this point is the justified self-interest of the United States and Panama in keeping these things as they are. While the United States gains valuable scientific information on the island, Panama has also gained more knowledge of the ecology of the Isthmus and can draw upon the community of scientists that come to study.

As an indication of the intentions of the Panamanian Government on scientific matters, we should note the case of Gorgas Memorial Laboratory. This U.S.-funded operation located under Panamanian jurisdiction in Panama City has never been hindered in its work. In fact, it has had the cooperation of the Panamanian Government.

We should also note that Panama signed in 1972 a Western Hemisphere convention on nature protection and wildlife preservation by which it pledged to do many things, including the following: To protect designated flora and fauna from destruction and allow them available only for scientific investigation; to keep wilderness lands inviolate; to lend assistance to scientists engaged in scientific research; and to protect migrating birds and endangered species. All of these pledges relate to a reserve such as the biological area.

Further, this year the Smithsonian Tropical Research Institute and the Government of Panama signed a contract which provides for Government recognition in return for a continued sharing of information.

So we have the good will of the Panamanian Government. It is the same kind of good will that has been extended to the Smithsonian by 20 other countries.

Good will, however, may not be enough. Fortunately, we have more protections. We have the constitutional protection on disposition of property. We have recorded in the conceptual agreements released in 1975 an intention to conclude a special agreement on "tests in connection with tropical environmental studies"—this presumably means Barro Colorado Island, among other locations.

These, then, are legal protections, but the basic protection is the international reputation of the Canal Zone biological area.

I urge passage of H.R. 3348 to continue the productive tropical research in which the United States has been a world leader and to insure that all costs to the taxpayers associated with the Canal Zone biological area are properly authorized.

Mr. SNYDER. Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. DORNAN).

Mr. DORNAN. Mr. Speaker, I am one of those to whom the esteemed chairman of the Committee on Merchant Marine and Fisheries referred when the gentleman said there were some who would willingly support any assistance for our excellent and invaluable Smithsonian Institute, were it not for the difficult circumstances surrounding negotiations with the Panamanian dictator who has publicly said that if we do not give him exactly what he wants, he will take it by force.

I take this opportunity to again remind my colleagues that bombs were set in our Canal Zone in October and that the guilt has been traced back to the head of G–2 Intelligence in the Gardia Nationale, Gen. Torrijos' Palatin Guard. I think we should do everything we can here in the Congress to let the nation of Panama know that we are not going to improve any facilities there until it is very clear to them and the world that we are not giving up practical control of our canal. I think euphemisms like "vital interests," which some at our State Department interpret to mean turning the canal over to Panama should be dropped from our negotiating verbiage. The citizens of our Nation need more assurance that the United States is not going to run from this strategic area of the world before we start spending more money on facilities there. Look again at what we abandoned in Vietnam—over $8 billion in U.S. equipment and facilities.

Mr. Speaker, I also use this opportunity to remind my colleagues that the Joint Chiefs of Staff have described this Canal Zone area as a strategic and critical area to U.S. defense. This strong statement of fact has been garbled by some of our ambassadors down there who have denied that this critical area description has been made very strongly to them by the Joint Chiefs of Staff.

I again commend the Smithsonian Institute on the excellent work they have done on Barro Colorado Island. It is my hope they will continue this fine work when we have cleared up the impression that our negotiations are a one-sided attempt at fair partnership with the other side, the dictator Torrijos saying, "Get out and leave your checkbook as you depart."

Mr. Speaker, I would like to add to the RECORD of this debate the dissenting opinion of the gentleman from Kentucky and me on H.R. 3348:

DISSENTING VIEWS ON H.R. 3348 BY MR. SNYDER AND MR. DORNAN

In view of the treaty negotiations with Panama we oppose this bill. However, its defeat will not endanger the project itself.

The activities of the Smithsonian Institution's Tropical Research Institute carried on at the Barro Colorado Island facility are, from all we have learned of them, of a worthwhile nature.

Setting aside the Canal Zone biological area as a protected preserve on this island in the midst of Gatun Lake for biological studies was in our opinion a farsighted move by the authorities who made that decision many years ago.

We believe the project has been and continues to be a good one.

Not the least of the studies produced by STRI—whether it was done at Barro Colorado or elsewhere we are not certain—was that concerning the ecological problems that would be caused by the construction of a sea-level canal. Chief among the dangers that study warned of would be the introduction into the Caribbean Sea and Atlantic Ocean of poisonous sea life from the Pacific Ocean unless a biotic barrier were built into such a canal.

At present the Canal Zone biological area receives annual appropriations under an annual limitation of $350,000. While H.R. 3348 would increase this limit to $750,000 for future years, the Smithsonian Institution is only asking for $352,000 for fiscal 1978 for the Barro Colorado Island biological area.

We are told the increase in the limitation is needed in order that capital improvements and repairs may be made to the facilities on the island, and in certain forthcoming years such costs would exceed the annual limitation. Termites have damaged wooden structures and these the Smithsonian would

replace with cinderblock or other permanent construction.

We most certainly would go along with this logical step under normal circumstances.

However, at this point in time, things in Panama and the Canal Zone are anything but normal. Our State Department—we wish we could say it were someone else's—has regrettably determined to give the Canal Zone and our $7 billion investment in it to Panama. That weak little country whose independence we guaranteed from 1903 to 1936, is no longer a Republic but a nation repressed by a dictator who likes to be called the "Maximum Leader."

Panama's General Omar Torrijos has already spoken of raising canal tolls at least 300 percent—a fact which has caused anguish among all the Latin American countries which depend heavily on the waterway for export of their products. They realize such an increase would enormously affect their costs—and consequently the prices they must ask in the United States and other markets.

We should take heed of this warning sign.

What sense does it make for us to put more U.S. tax money into the zone—for any purpose whatsoever—if we are in fact going to turn it all over to Omar Torrijos?

Everyone knows that he and his gang are skimming the cream off the Panamanian economy while the people increasingly suffer from the deterioration of that economy.

You might not know Torrijos charges a nickel on every travelers check you use in Panama—regardless of its face value.

Why should we put more money into Barro Colorado Island when Torrijos can clamp some kind of rent onto it and keep raising that rent?

The Smithsonian Institution has an agreement with Panama under which it claims it will be free to continue to operate as at present.

How can we be sure?

We all know Torrijos and his gang overthrew the last constitutionally elected President, Arnulfo Arias, in 1968 and discarded the old constitution.

Checking into the Smithsonian Institution's own contract with Panama, as submitted to the Subcommittee on the Panama Canal, we find that the seventh of its seven clauses reads as follows: "Seventh: This contract will remain in effect so long as any of its parties does not express a desire to terminate it, which intention should be made known at least 1 year before it is desired that the contracts terminate. The Institute will allow the use of its laboratories, work shops and field stations upon request of the Nation (Panama) for scientific research and work when this is possible and available."

The Smithsonian Institution, in addition to its own contract with the Republic of Panama, cites a Western Hemispheric Convention respecting nature protection and wildlife preservation signed by the United States (1941) and by Panama (1972) as further evidence of its ability to operate STRI and Barro Colorado under Panamanian jurisdiction should Torrijos gain control of the Canal Zone.

However, article XII of the convention provides for the denunciation of the convention at any time by any contracting government, such denunciation to take effect 1 year after notification in writing to the Pan American Union.

Therefore, Omar Torrijos legitimately would be bound only 12 months by this treaty from the moment he notifies the Pan American Union he is denouncing it. In effect, this means the Smithsonian Institution never really has more than 12 months guaranteed existence under the Convention should Panama decide to withdraw from it.

It is clear, then, that either or both of the two documents upon which the Smithsonian Institution bases its rosy outlook for the future under possible Panamanian jurisdiction, can be voided by Omar Torrijos with just 12 months notice.

The majority makes the following statements in the report: "With respect to the future status of Barro Colorado Island, it is important to note that a transfer of sovereign rights from the United States to Panama in what is now the Canal Zone, a change which is apparently an assumption of present canal treaty negotiations, would not in itself affect the U.S. ownership of real estate and improvements paid for with appropriated funds in the biological area or elsewhere in the present Canal Zone. The question of ownership of real estate and improvements under a new treaty arrangement is a matter which is best addressed as a matter distinct from its sovereign status of the zone."

We consider this very distinction itself to be of the utmost importance—for without sovereignty, ownership could be shortlived, indeed. This vital matter was admirably addressed by Hon. Strom Thurmond, U.S. Senator from South Carolina, in a speech to the Inter-American Conference on Freedom and Security held in Washington, D.C. in September 1975 under the sponsorship of the American Council For World Freedom. The text of the Senator's speech was printed in the Report of Official Proceedings of the conference published by The Heritage Foundation.

The following excerpt explains our convictions as to just how shaky a hold the Smithsonian Institution would have on its facilities on Barro Colorado Island should it fall under the Panamanian dictator's jurisdiction:

"At least six earlier Isthmian canal treaties had failed in Congress, because they did not give the United States sufficient capability to defend and maintain such a Canal. It was historically clear that Congress would not authorize a Canal which was under the sovereignty of another nation.

"This is the explanation of the treaty of 1903, which granted to the United States the rights of sovereignty in perpetuity. The two concepts are essential: sovereignty and perpetuity. The one implies the other. Sovereignty is the highest power or authority, the supreme and independent political authority. It is a contradiction in terms to speak of sovereignty as subordinated in any way to the authority of another. You either have sovereignty or you don't.

"Now there is a confusion abroad in the land between title—that is, ownership—and sovereignty. Let me say that there is all the difference in the world between the two. You can have ownership without sovereignty, as any homeowner can tell you. You can also have sovereignty without ownership, unless that ownership is acquired by eminent domain. It is, therefore, clear that if the United States surrenders sovereignty in any territory, even where it has ownership, then the titles to U.S. property therein are not worth a tinker's damn, except in so far as the real sovereign so pleases.

"Sovereignty, therefore, is not a title. It is authority in operation. As soon as authority ceases to operate, it ceases to exist. That is why the grant of sovereignty in the 1903 treaty is so important. We are not talking about some abstract legality, or some splitting of legal hairs; we are talking about practical day-to-day operations. The authority to act cannot be shared without disagreement, disaffection, and ultimately disaster.

We repeat Senator Thurmond's words:

"It is, therefore, clear that if the United States surrenders sovereignty in any territory, even where it has ownership, then the titles to U.S. property therein are not worth a tinker's damn, except in so far as the real sovereign so pleases."

More and more we learn of the repressive acts of the Torrijos regime against not only the people of Panama itself but even against U.S. citizens who live in the Canal Zone. Arrests without cause, beatings, disappearances and exiles have become commonplace.

It goes without saying that a regime which has no respect for the human rights of its own citizens will have no respect for the property rights of foreigners.

Despite the agreement the Smithsonian Institution has with Panama, at any moment the "Maximum Leader" might decide to make some move regarding the Barro Colorado biological area which would be to his advantage—be it for propaganda or otherwise.

We know dictators to be just that—dictators. They move, not according to written agreements, but according to their own whims—as long as they have the power to do so and get away with it. Up to now Torrijos has had the guns to back him up.

As long as our executive branch is foolishly committed to giving away the Canal Zone to him, we see no sense in authorizing an even greater commitment of tax dollars to improve any U.S. facility in the zone.

GENE SNYDER.
ROBERT K. DORNAN.

Mr. MURPHY of New York. Mr. Speaker, I just have a few comments to make. I want to set in perspective the fact that we are dealing here with an authorization for a scientific installation. The fact that it is on a small island, Barro Colorado in Panama, probably is analogous to the situation where we have the Gorgas Institute in downtown Panama, nowhere connected with the Canal Zone. Furthermore, there has never been a levy by the Republic of Panama on the relocation of the Barro Colorado and Smithsonian Institution in their work in key scientific areas. We have 21 other such scientific areas throughout the world, mostly in Africa and the tropical areas. This is a key program run not only for our own benefit, but for the benefit of those countries in which the installations reside, but for all mankind. The obtaining of key scientific information, that is the purpose of this legislation.

Now, let me set aside some of the concerns my colleagues, the gentleman from California and the gentleman from Kentucky, raised. Back in 1967 when my colleague, the gentleman from Kentucky, and I were there visiting the canal as Members of Congress, we met Mr. Torrijos. There was a canal treaty under consideration at the time. It was abbrogated by the Republic of Panama.

The gentleman knows my sentiments about the canal treaty. I do not think the United States should ever give up operational control of that canal and, second, the defense of that canal. If we intend at some time in the future to build a sea level canal, only at that time we should enter into serious negotiations for a new canal treaty.

The gentleman from California and the gentleman from Kentucky and I are totally in agreement. I am sure that the scientific research program with which we are dealing here is an endeavor which will benefit the United States and benefit the Republic of Panama and many of our Latin friends and, of course, mankind.

Mr. Speaker, I would urge the House to favorably consider this bill.

Mr. MURPHY of New York. Mr.

Speaker, I have no further requests for time.

Mr. SNYDER. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill, H.R. 3348, as amended.

The question was taken.

Mr. SNYDER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

Mr. SNYDER. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of order is considered withdrawn.

REIMBURSEMENT FOR SEIZED COMMERCIAL FISHERMEN EXTENSION

Mr. MURPHY of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4140) to extend the provisions of the Fishermen's Protective Act of 1967, relating to the reimbursement of seized commercial fishermen, until October 1, 1980.

The Clerk read as follows:

H.R. 4140

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7(e) of the Fishermen's Protective Act of 1967 (22 U.S.C. 1977(e)) is amended by striking out "October 1, 1977" and inserting in lieu thereof "October 1, 1980".

The SPEAKER pro tempore. Is a second demanded?

Mr. McCLOSKEY. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. MURPHY) and the gentleman from California (Mr. McCLOSKEY) are recognized for 20 minutes each.

The Chair recognizes the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the purpose of H.R. 4140 is to extend the cooperative insurance program carried out under section 7 of the Fishermen's Protective Act for an additional 3 years, until October 1, 1980.

The need for the legislation—other than the fact that the appropriation-authorization under section 7 expires at the end of this fiscal year—arises from the fact that the United States does not recognize the right of any nation to regulate tuna. Tuna is a highly migratory species which spawns and migrates over vast distances in the Pacific, Atlantic, and Indian Oceans and, therefore, necessitates international regulation. Consequently, whenever a tuna vessel of the United States is illegally seized by a foreign nation in contradiction of this policy, it is incumbent of the United States to indemnify the owners of such seized vessels for their losses when such vessel owners are following a policy clearly established by the U.S. Government.

This policy on the part of the United States which, incidentally, is shared by many other nations, dates back to 1954 when the Fishermen's Protective Act first came into being. Under that act, the U.S. Government agreed that when American fishing vessels were fishing in conformity with that policy and their vessels were seized and fines, fees, and other direct charges were required to be paid to obtain release of their vessels and crews resulting from such seizure beyond 3 miles from the shores of any nation, then the U.S. Government would reimburse the vessel owners and crews for those charges.

In 1967, the act was broadened to add a new section 7 to the act which would allow any vessel owner—whether fishing for tuna, shrimp, or any other species of fish—to voluntarily enter into an agreement with the Secretary of Commerce for the purpose of providing reimbursement for certain losses incurred other than those for fines, fees, and other direct charges which are fully reimburseable under section 3 of the act. The losses to be covered by section 7 of the act would include such things as damage, destruction, loss, or confiscation of the vessel, fishing gear or other equipment, dockage and utility fees, confiscated or spoiled fish, and 50 percent of the loss of fishing time during the detention period.

Mr. Speaker, this is the program under the act that would be extended by this legislation. Under this program, the participating vessel owners have been paying about 40 percent of the cost and the U.S. Government the remaining 60 percent.

It is estimated that the extension of this program for an additional 3 years would cost the taxpayers of this country only $60,000 per year.

Mr. Speaker, before closing I would like to briefly comment on the dissenting views included in the committee report on H.R. 4140.

I regret to say it, but the dissenting views are based on a number of inaccurate statements.

First, we do not pay U.S. fishermen to invade the 200-mile fishing zones of other nations, as stated in those views. We do provide full reimbursement for any fines, fees, or other direct charges paid to obtain release of vessels and crews seized for fishing in accordance with this policy and partial reimbursement for other losses incurred to those vessel owners who are voluntarily participating in the section 7 insurance program.

Second, throughout the dissenting views, it is stated that we do not allow other nations to have the same rights in their 200-mile fisheries zone as we claim in our 200-mile zone and, therefore, this is totally inconsistent with the actions we took when the 200-Mile Fishery Zone Act came into being on April 13 of last year.

Mr. Speaker, this assertion is entirely incorrect and the committee report on H.R. 4140 clearly points out why these assertions are incorrect.

Section 103 of that act clearly spells out that the exclusive fishery management authority of the United States shall not include, nor shall it be construed to extend to, highly migratory species. The term highly migratory species is defined in the act to mean tuna.

Now, what does this mean? It means that any nation's vessels can freely fish—without the necessity of obtaining a permit—for tuna up to 3 miles from our shores. As I stated before, this policy was established in 1954 and it is the same policy we are advocating today, as evidenced by the passage of the 200-Mile Fishery Zone Act, on which, incidentally, this body clearly expressed its opinion when it passed the conference report on that legislation by a resounding vote of 346 to 52.

Also, Mr. Speaker, the position of the United States on this issue, as expressed in that legislation, is consistent with the U.S. position on this issue at the Law of the Sea Conference and with the article 53 revised, part II, of the latest single negotiating text. Article 53 requires coastal states and other states whose nationals fish for highly migratory species to cooperate directly or through appropriate international organizations to insure conservation and optimum utilization of such species both within and beyond the exclusive 200-mile economic zone of a nation.

In addition, this consistency was highlighted by section 202 of the 200-Mile Fishery Zone Act and it was clearly spelled out in the policy and purposes of that act. The consistency of this position is further emphasized by U.S. participation in the International Convention for the Conservation of Atlantic Tunas, the Inter-American Tropical Tuna Convention, the Indian Ocean Fishery Commission, and the Indo-Pacific Fisheries Council, all of which regulate tuna on an international basis.

Finally, the charge has been made in the dissenting views that there are practically no tuna within our 200-mile fishing zone. The fact is that, based on the findings of the General Accounting Office in its study of the U.S. fishing industry, more tuna is taken within 200-miles of U.S. shores than the United States takes outside 200 miles of its shores. The total U.S. commercial fishery catch of tuna caught off foreign shores for 1975 amounted to 506 million pounds. In the same year, over 514 million pounds of tuna were caught within 200 miles of U.S. shores, and over 129 million pounds of that total were taken by foreign vessels without U.S. regulation or requirement that such nations obtain any permit or license and this situation has not changed since our 200-mile zone went into effect on March 1, 1977.

Mr. Speaker, the Committee on Merchant Marine and Fisheries believes the U.S. position in this respect to be entirely consistent inasmuch as it merely asks that U.S. vessels fishing for tuna in foreign waters be treated in the same manner as foreign vessels fishing in our waters for tuna.

Until the policy of the United States regarding the regulation of tuna is changed, it behooves the Congress to continue the voluntary insurance program authorized by section 7 of the Fishermen's Protective Act, which provides reimbursement to U.S. vessel owners for losses incurred resulting from illegal seizures of such vessels.

Mr. Speaker, I apologize to the Members for taking so much time to go into the background and explain the merits for the passage of the legislation, which is estimated to cost only $60,000 per year for the next 3 years, but I felt under the circumstances that this information should be made available to the Members before voting on it.

I thank the Members for their indulgence.

Now, Mr. Speaker, I yield to the gentleman from California (Mr. LEGGETT), chairman of the subcommittee that handled this legislation, such time as he may consume.

Mr. McCLOSKEY. Mr. Speaker, I yield myself such time as I may consume.

I rise in opposition to H.R. 4140, a bill to extend the provisions of the Fishermen's Protective Act of 1967 until October 1, 1980.

The Fishermen's Protective Act should not be extended. It has outlived its justification and should be allowed to expire.

In 1967 when the act was passed the United States claimed a 3-mile territorial and a 9-mile contiguous zone. At that time, we insisted that under international law a 12-mile zone was the maximum area which could be claimed by a coastal State. We maintained that any assertions of jurisdiction over an area greater than 12 miles was in violation of international law, we would not recognize it, and we would give protection to any of our nationals who were acting in accordance with that policy.

In the late 1960's several Latin American countries, including Ecuador and Peru, began to manage the fisheries within 200 miles off their coasts. A right which they had claimed since 1947. They insisted that U.S. tuna fishermen who wished to fish in their zone have licenses. However, the United States did not recognize their right to assert fisheries jurisdiction out to 200 miles. Therefore, we told our fishermen that they did not have to obey their laws on the grounds that they were contrary to our official policy and international law. We determined that we would protect them, financially, using the Fishermen's Protective Act. That act protects them from any financial losses they suffer while acting as an instrument of our foreign policy.

The act was used as an alternative to gunboat diplomacy and allowed us to protest the assertions of jurisdiction of the coastal states using our fishing fleet.

However, last year we created our own 200-mile zone with the Fisheries Conservation and Management Act. With that law we asserted our right to do what Ecuador and Peru had been doing for 29 years. We told the rest of the world that we had the right to manage the living resources off our coasts out to 200 miles. We now insist that any foreign fisherman who wants to harvest fish within the zone obtain a license and conform to our regulations.

In light of this assertion, it is clear that it is the height of hypocrisy for us to insist that foreign fishermen pay license fees to fish in our zone while insisting that our fishermen do not have to pay foreign license fees for fishing in their zones.

In conclusion, Mr. Speaker, I believe that in light of the establishment of our 200-mile zone, it is incumbent on us to recognize similar assertions by other countries. A continuation of our "Do as I say and not as I do" arrogance can only hurt our international reputation as a world leader. We should no longer continue to insist that other countries cannot impose fisheries zones off their coasts and we should no longer use the Fishermen's Protective Act for that purpose. Therefore, I oppose the continuation of the Fishermen's Protective Act and urge my colleagues to join me in defeating H.R. 4140.

Mr. Speaker, if I may, I wish to direct a question to the chairman of the full committee or the chairman of the subcommittee. I am not sure where these statistics come from, and I do not recall any statistics about the catch of tuna within 200 miles of our shores compared to the catch of tuna 200 miles away or within 200 miles of the shores of other nations.

Mr. Speaker, I sat in this committee on Thursday and on Friday—and I think the chairman of the subcommittee was there with me—when we heard our own people testify that 70 percent of our tuna was caught within 200 miles of the coasts of other nations. That is not consistent with the statement contained in this report. If I am in error, I wish the gentleman would point it out to me.

Mr. LEGGETT. Mr. Speaker, will the gentleman yield?

Mr. McCLOSKEY. I yield to the gentleman from California.

Mr. LEGGETT. Mr. Speaker, let me say that I believe the gentleman has caught a technical error in our report. We, along with counsel, were reading from a GAO report that indicates the total fish catch by species off the U.S. coastline, and that does indicate that in 1974 approximately 235,000 metric tons of tuna alone was caught. The report said they were caught off our coastline. That, I believe, is taken a little bit out of context, even though that is what the report says.

The fact of the matter is that in another part of the report it is indicated that the Atlantic Ocean produced about 25 percent and the Indian Ocean produced about 9 percent of our tuna. In 1975 the tuna—primarily albacore—caught within 200 miles of U.S. shores accounted for 11 percent of the total U.S. catch. Eleven percent of 235,000 tons is right around 25,000 to 30,000 tons.

The point is that it is substantial, although the numbers we were talking about were probably in error. According to the report, the remainder consisted of foreign catch and the catch of U.S. recreational fishermen.

Mr. McCLOSKEY. Mr. Speaker, I am glad to hear the gentleman say that the numbers were in error because I had heard nothing like that in some several years of testimony.

If I can define the crucial point, let me describe the difference between the views of the majority and the minority of the committee.

On page 2 of the committee report, the committee, in discussing the background of the act, states that the act was passed to oppose any claims of right by foreign nations with which we do not agree.

The point of difference with respect to that is this: Apparently the majority, in enacting this law, is not willing to recognize the claims of Mexico or Ecuador or Peru to a fishing conservation zone for tuna taken 200 miles off their shores. That is the only way the majority can justify continuing an act which was passed to oppose the claims of foreign nations.

Mr. Speaker, is the majority saying in this legislation that because we have only included, say, 29 out of 30 of the species of fish within our 200-mile zone and we have left out tuna, we are denying to foreign nations the right to claim a fishing conservation zone 200 miles off their shores for that one species?

We cannot justify continuing this act unless we deny the right of Ecuador, Peru, and Mexico to claim the right to conserve within their 200 miles.

In other words, we are saying in this legislation that they should still be considered international waters, to be governed by treaty, and that a coastal zone cannot even conserve a migratory species within 200 miles.

Is that the gentleman's position?

Mr. LEGGETT. Mr. Speaker, if the gentleman will yield, that is not our position.

The gentleman has asked a compound question. When I am recognized on my own time, I am going to try to straighten the whole question out.

We do have some fundamental differences, but I think we all are trying to comply with international law and certainly the Law of the Sea Conventions in effect.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. McCLOSKEY. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding and I rise in opposition to H.R. 4140, the Fishermen's Protective Act Extension. I agree with my colleague from California (Mr. McCLOSKEY) that a renewal of the Fishermen's Protective Act constitutes U.S. denial of other nations' rights to regulate 200-mile fisheries zones that they might claim.

As a congressional adviser to the Law of the Sea Conference—which is scheduled to meet for its sixth session in New York from May 23 to July 8, 1977—I wish to point out to my colleagues that passage of this legislation could be detrimental to U.S. efforts to work in harmony with other states at the Conference in

concluding an effective and equitable oceans treaty.

As my colleague from California, who serves on the Merchant Marine and Fisheries Committee, indicates, practically no tuna, for commercial fishing, are found within the U.S. 200-mile fisheries zone; thus, the provision allowing foreign vessels to fish these waters. To protect U.S. tuna vessels entering 200-mile fisheries zones, claimed by other nations which have tuna in these waters, is inconsistent with the goals the United States has articulated concerning the Law of the Sea Conference.

With the negotiations for a law of the sea at such a critical juncture, I urge my colleagues to vote against legislation, such as H.R. 4140, which would impede the Conference's efforts toward concluding an equitable, far-reaching, and much needed multilateral oceans treaty.

Mr. RUPPE. Mr. Speaker, will the gentleman yield?

Mr McCLOSKEY. I yield to the gentleman from Michigan, the ranking minority member.

Mr. RUPPE. Mr. Speaker, I rise in opposition to H.R. 4140, a bill which would extend the insurance against seizures provisions of the Fishermen's Protective Act of 1967 for three more fiscal years. Quite simply, I believe that these provisions of law, with the enactment of this Nation's and other countries' 200-mile exclusive fishery zone legislation, have outlived their usefulness and should be allowed to expire on October 1 of this year.

A brief examination of the history surrounding enactment of this insurance program should disclose why the program is no longer required. Its purpose was to authorize voluntary insurance for the reimbursement of certain losses incurred as a result of the seizure of a U.S. commercial fishing vessel by a foreign country on the basis of rights or claims in territorial waters or on the high seas not recognized by the United States.

The program was enacted in response to the 200-mile territorial sea claims of certain Latin and South American countries in the late 1950's and 1960's. At that time, you will recall the United States and a majority of the countries of the world did not recognize such expansive territorial sea claims.

Under international law, however, the silence or the failure to challenge by one country can be construed as acceptance of the claims asserted by another country. Thus, the U.S. Government had to challenge the 200-mile territorial sea claims of our southern neighbors. Our distant water fishing fleet became agents of U.S. foreign policy in that through their fishing without a license, we challenged the claims of those countries.

Last year with the enactment of the Fishery Conservation and Management Act of 1976, the international position of the United States changed dramatically with respect to fisheries. Unilaterally, we have asserted an exclusive 200-mile fishery conservation zone. Foreign fishing vessels must obtain a license before they can enter our zone to fish. In response to our action, many other nations, for example Mexico and the Soviet Union, have enacted similar laws. As to those Latin and South American countries which had already enacted such laws, U.S. enactment of Public Law 94-265 could be viewed as a recognition of these laws.

The proponents of this legislation argue that the United States in passing the Fishery Conservation and Management Act expressly excluded from the law's scope tuna and other highly migratory species which spawn and migrate over vast areas of the ocean. My answer to that is simply so what. The fact of the matter is that our southern neighbors are not required to be as sophisticated as we purport to be in management of fishing stocks. To carry the proponents' argument to its logical conclusion would be to permit a nation to enact a 200-mile fishery zone for one species, which is the only one in its zone, and then assert that they do not recognize similar 200-mile zones of those countries which nature has blessed with varied and abundant species in their zones.

Also, I think we ought to clear up for the record, and perhaps for the gentleman from California (Mr. McCLOSKEY), now in the well, and who has been a very strong spokesman against this legislation, that during our committee tuna hearings in the last few days we have taken as the 1975 U.S. commercial fishery catch a total of 568 million pounds of tuna as the base point.

On the other hand, the figures in evidence from the National Marine Fisheries Service indicate that 494 million pounds of skipjack, yellow fin and other tuna were actually caught in foreign waters by U.S. fishermen. So if we say that the U.S. catch was 568 million pounds, and if we agree that the National Marine Fisheries Service is accurate in their estimate that 494 million pounds were taken by U.S. vessels in foreign waters, then this would appear to mean that there is only room for about 74 million pounds of actual U.S. tuna catch in American waters.

Mr. PRITCHARD. Mr. Speaker, will the gentleman yield?

Mr. McCLOSKEY. I yield to the gentleman from Washington.

Mr. PRITCHARD. Mr. Speaker, I thank the gentleman from California for yielding to me.

Mr. Speaker, what we have before us is the Fishermen's Protective Act bill which is going to be voted up or down without the opportunity for amendment.

Mr. MURPHY of New York. Mr. Speaker, if the gentleman will yield, we are only debating a 3-year extension of the new provisions that amount to $60,000 a year. The minority has been carrying on about whether we are going to repeal the fishermen's protective bill. We are only dealing with one small section of it.

Mr. PRITCHARD. The gentleman from New York may be right, technically, but we are not debating that. The purpose of the debate is to determine whether this is proper or not. I think the gentleman knows as well as we do what we are talking about. I do not think we can justify this action from a legal standpoint since we passed the 200-mile fishing zone bill.

From my standpoint, Mr. Speaker, I think that we should defeat this and send it back to the committee and extend it, we should implement a phasing out of this act so that the impact on the tuna industry will not be so abrupt and so hard as it will be if we immediately cut off these funds. We should have brought this to the attention of the committee earlier in the legislative process and gotten more deeply into it. But I think we ought to defeat this today and then the committee should go back and institute a phaseout so that the impact on the tuna industry will not be as hard as it will be if we had immediately cut it off. We should take the position that this country in no way can continue this program after we have passed our own 200-mile zone bill.

Mr. McCLOSKEY. Mr. Speaker, if I could direct this question to the chairman, the chairman is correct that the cost of this program is minute if foreign nations do not seize our fishing boats within their 200-mile zones. But I heard the chairman refer to this industry as a billion dollar industry. There are a billion dollars worth of U.S. purse-seine vessels that can conceivably go down and try to renew last year's success in 70 percent of our tuna being caught within 200-mile zones of other countries. We have just seized a Russian ship which came within our 200-mile zone in violation of our 200-mile law.

Is it possible, Mr. Speaker, that if we continue this act and the U.S. tuna fleet is encouraged by passage of this minor insurance program to go into the waters within 200-mile zones of other countries, that under this program the cost of that fishing fleet, a half billion dollars, would be borne by the taxpayers of the United States? Is that true or false?

Mr. MURPHY of New York. If the gentleman will yield, the gentleman could not be further incorrect and speak further from the truth. We seized the Russians for violating the permits we issued to them for fishing on species out of season and incorrectly, according to the conditions of the permits. What we are dealing with here is a migratory fish, and I just explained it in detail to the gentleman. We know the seizures have cut back significantly from the late 1960's. This is a very modest program only, which provides for insurance, where a migratory fish, tuna, is involved.

If the gentleman wants to cooperate later this afternoon and tomorrow, we will report out of the committee a resolution on the tuna-porpoise controversy, and he will well serve his constituents at that point.

Mr. McCLOSKEY. I do not think I got an answer to my question.

Mr. MURPHY of New York. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. LEGGETT).

Mr. LEGGETT. I thank the Chairman for yielding.

Mr. Speaker, it is too bad that we have four Members of the minority signing a report that is substantially defective in some of its assertions of fact. Of course, the majority report is not impervious to some error; I admit that. We have had that one problem.

Mr. RUPPE. If the gentleman will yield, his charity is touching.

Mr. LEGGETT. I think we have to recognize this: When we passed the 200-mile fishing law, the Fishery Conservation Act, to help out the gentleman from Washington and to help out the other interests that we have represented in this Congress, included in that law is section 103, which says, "highly migratory species" are exempted from its coverage. It was right up front. What it says is that the exclusive fishery management authority of the United States shall not include, nor shall it be construed to extend to, highly migratory species of fish. That is what we said in our law.

In the Law of the Sea Conference in New York, in Caracas, and in Geneva we have consistently given separate treatment to tuna and to other migratory fish. I know the gentleman from California has had representation at the Law of the Sea consistently. He knows what they have been talking about, and he knows that that has not been just an idle act.

We have spent under the 1954 act to date about $8 million in reimbursing fishermen under section 3 of the act for fines, fees, and other direct charges resulting from illegal seizures and that is not here in dispute in this bill. If the Members of the minority wanted to totally repeal the Fishermen's Protective Act, they could have offered amendments in committee to abort the act. All we are dealing with here is section 7 of the act which deals with the payment of one-third by the industry and two-thirds by the Government for reimbursement for loss of fishing time, damaged gear, and a few other incidental items, but it does not cover the major items of loss covered by section 3 of the Fishermen's Protective Act.

Total reimbursements to date under this section are $1.8 million, and it has cost the Government on the average of about $180,000 per year. We have to keep in mind when we passed the Conservation Act we were concerned about what would happen when countries did not have the exact same kind of law that the United States has. What if they claim, say, a 50-mile territorial sea and a 150-mile conservation limit?

What happens if they inflict totally confiscatory fees that totally violate the conscience of the United Nations and the law of the sea? What remedies do we have there? We took care of that in our 200-mile legislation because we have the provision in that act, section 403, that amended the Fisherman's Protective Act and this does not just apply to tuna. It applies to any vessel fishing for any kind of fish off any foreign shore.

Essentially what we said there was that if laws are enacted by foreign nations that are not designed to protect fish and not to protect endangered species, if they fail to take into consideration and take into account the traditional fishing practices of the United States, because we intended to take into account the traditional practices of foreign countries, if the fees are greater or more onerous than the conditions and restrictions which the United States applies to foreign fishing vessels subject to the exclusive fishing management authority of the United States, if they fail to allow fishing vessels of the United States equitable access to fish subject to such countries' fisheries management authority, then in all of these cases we need an authority to provide reimbursement in the event our fishermen were exercising what we considered their rights under international law or the policies by the U.S. Government.

We do not have the absolute right to exclude any nation from fishing within the 200 miles of our shores. We could do it only within that limited window after we promulgate a plan and control conservation and go through the restrictions we have in our law, and only then can we do that. And a foreigner can come into the United States and say he wants to set aside this law because it was not enacted for purposes of conservation and it was enacted provincially to protect a particular industry or a particular coast.

We gave them that right, but if the foreign countries do not give us similar rights and they in fact enact laws that provide for charging fees like $60 or $80 a ton which comes out to something like 10 percent of the value of the fish, and it is not the value of the fish but it is the value of the amount of fish that can be caught in a ship, then these fees in fact are confiscatory and they are such that no nation can comply.

Last year there were no seizures off the South American coast because the tuna industry, contrary to American policy, determined they wanted to go ahead and pay a $20 per ton fee, rather than risk being seized, which they could do under the law and there were no seizures. But that is not the condition that confronts the industry at the present time.

Mr. BOB WILSON. Mr. Speaker, will the gentleman yield?

Mr. LEGGETT. I yield to my colleague from San Diego, the gentleman from California (Mr. BOB WILSON).

Mr. BOB WILSON. I want it understood that not everyone is taking the position that a few recalcitrants on the committee are taking. I agree with the gentleman from New York that the statements of the minority views are entirely inaccurate, particularly with respect to the 200-mile limit provisions. Anyone who says there is no tuna off the California coast does not understand the tuna fishing. They operate out of San Francisco and Los Angeles and San Diego and under our laws anyone can come in under the 200-mile limit and fish for albacore if they want to.

Mr. LEGGETT. The gentleman is exactly correct. All the bluefin off the east coast is subject to foreigners coming in and taking that, we do not attempt to regulate that, except by international convention, and there are about four international conventions regulating tuna to which we are signatory.

I know the gentleman from California strongly respects those conventions and it is stated in the Fishermen's Protective Act under section 1974, 22 U.S. Code that:

> The provisions of this chapter—which is the Fisherman's Protective Act—shall not apply with respect to a seizure made by a country at war with the United States or a seizure made in accordance with the provisions of any fishery convention or treaty to which the United States is a party.

Now, I do not know how more civilized we could become than to state that we will not be denying protection to our vessels if a seizure is made of a ship that does not violate a convention or agreement.

Mr. McCLOSKEY. Mr. Speaker, will the gentleman yield?

Mr. LEGGETT. I yield to the gentleman from California.

Mr. McCLOSKEY. Mr. Speaker, both my colleagues are on the Committee on Armed Services. Are we also willing to send our cruisers and destroyers down to the 200-mile zones of Peru and Ecuador, that we are asking our taxpayers to pay for? This Act originally was to prevent that. We did not want to send destroyers and cruisers down there. I think the gentleman on the Armed Services Committee will recognize an inherent inconsistency if we deny to certain nations the right to enforce the 200-mile limit, solely because the species within that limit is a migratory species. Are we to send our Navy down there to defend our tuna boats? Is there a yes or no answer to that, can the gentleman state?

Mr. LEGGETT. Mr. Speaker, there is not a simple answer. We are going to protect the U.S. ships on the high seas. They are not claiming that right. They are claiming a territorial sea. It violates every international principle that the gentleman is fighting for on the law of the sea.

Mr. BOB WILSON. Mr. Speaker, will the gentleman yield?

Mr. LEGGETT. I yield to the gentleman from California.

Mr. BOB WILSON. Mr. Speaker, I must say that my colleagues are with us on the Advisory Committee on the Law of the Sea Conference. The Law of the Sea Conference is trying to work this problem out right now. It seems to me if we took unilateral action and recognized the right of a country to have complete jurisdiction over the 200-mile limit, I think it would, in effect, cause additional problems to the Law of the Sea Conference.

I would hope that we can pass an extension of this legislation and in the meantime contribute successfully to getting the law through the Conference.

Mr. LEGGETT. Mr. Speaker, to give other countries more rights on our shores than we claim off the shores of other nations has got to be the height of inconsistency.

The gentleman says that the United States is arrogant. We have been arrogant in some things, but certainly not in this matter. We are working with the South American countries. We are help-

ing them develop their fishing industry. We are giving them loans and grants and all kinds of things; but when the gentleman tries to nitpick the Fishermen's Protective Act by doing away with the insurance provisions that would provide compensation for loss of fishing time and other losses when we are already providing for the major loss that results from seizure, such as fines and fees, is highly inconsistent. These men will be fishing and when we take away the agreement we made some years ago, we can do it, but that does not make it right.

Mr. EVANS of Delaware. Mr. Speaker, I rise in opposition to the motion to suspend the rules and pass H.R. 4140, amendments to the Fisherman's Protective Act.

As a delegate to the United Nations Law of the Sea Conference, I believe that the passage of this bill only 1 week before the convening of the Conference would have a significant adverse effect on our ability to successfully negotiate any agreement.

The renewal of this act would be the height of international arrogance. What this bill proposes to do is compensate American fishermen for breaking a law we ourselves are trying to enforce. It has been only a few weeks since the Coast Guard seized a Soviet vessel for violation of our 200-mile zone. Now, we seem to be arguing that other nations do not have the same right to enforce a 200-mile zone of their own.

The original Fisheman's Protective Act was passed in 1967 at a time when the United States pursued a national policy that no nation could claim more than a 3-mile territorial sea. When several Latin American countries, notably Peru, Ecuador, and Brazil claimed a 200-mile zone for fishery protection and other purposes, the Fisherman's Protective Act was passed to support American fishermen who fished within the 200-mile zone of those countries.

But our national policy has changed. We now claim 200-mile fishing limits. It makes no sense whatsoever to encourage Americans to break the 200-mile laws of other countries.

Mr. Speaker, as the minority views on H.R. 4140, which were signed by Representatives MCCLOSKEY, RUPPE, PRITCHARD, and me, emphasize, the Law of the Sea negotiations are now at a crucial point. If an agreement is to be reached, there must be mutual trust between nations. In my view, this bill is one of the best ways to earn distrust by other nations, particularly developing countries, thus making any treaty infinitely more difficult to obtain.

For those reasons, Mr. Speaker, I urge my House colleagues to recognize the minority position taken by myself and others and defeat this bill.

The SPEAKER pro tempore. All time has expired.

The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill, H.R. 4140.

The question was taken.

Mr. MCCLOSKEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

COAST GUARD AUTHORIZATION—FISCAL YEAR 1978

Mr. MURPHY of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6823) to authorize appropriations for the U.S. Coast Guard for fiscal year 1978, and for other purposes, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are hereby authorized to be appropriated for necessary expenses of the United States Coast Guard for fiscal year 1978, as follows:

(1) For the operation and maintenance of the Coast Guard, including expenses related to the Capehart housing debt reduction: $882,821,000;

(2) For the acquisition, construction, rebuilding, and improvement of aids to navigation, shore facilities, vessels, and aircraft, including equipment related thereof: $314,500,000, to remain available until expended;

(3) For the alteration or removal of bridges over navigable waters of the United States, constituting obstructions to navigation: $19,100,000 to remain available until expended; and

(4) For research, development, test, and evaluation: $24,800,000 to remain available until expended.

SEC. 2. For fiscal year 1978, the Coast Guard is authorized an end strength for active duty personnel of 39,009: *Provided,* That the ceiling shall not include members of the Ready Reserve called to active duty under the authority of section 764 of title 14, United States Code.

SEC. 3. For fiscal year 1978, average military training student loads for the Coast Guard are authorized as follows:

(1) recruit and special training: 3,872 students;

(2) flight training: 109 students;

(3) professional training in military and civilian institutions: 415 students; and

(4) officer acquisitions: 1,110 students.

SEC. 4. Title 14, United States Code, is amended—

(1) by adding a new section to chapter 17, after section 658, as follows:

"§ 659. Merger of obligated balances with current appropriations

"Amounts equal to the obligated balances against appropriations for 'Operating expenses' and for 'Reserve training', for the two fiscal years preceding the current fiscal year, shall be transferred to and merged with current fiscal year appropriations for 'Operating expenses' and 'Reserve training', respectively. The obligated balances for the period commencing on July 1, 1976, and ending on September 30, 1976, may be merged into the respective accounts for fiscal years 1977 and 1978. Such merged appropriations shall be available as one fund, for the payment of obligations properly incurred against such prior year appropriations and against the current fiscal year appropriations. Coast Guard accounting shall reflect your identity of the merged obligated balances until such obligated balances are transferred to a consolidated account as prescribed in section 1 of the Act of July 25, 1956, as amended (31 U.S.C. 701)." and

(2) by amending the analysis of chapter 17 by inserting at the end thereof the following item:

"659. Merger of obligated balances with current appropriations.".

SEC. 5. Notwithstanding the provisions of any other law, available funds appropriated to or for the use of the Coast Guard for "Acquisition, Construction, and Improvements" may be used to pay for part of the construction and other capital costs of a sewage treatment plant to be built, operated, and owned by the North Marin County Water District (California) and to be used by Coast Guard facilities located in the vicinity of Point Reyes Station, California.

SEC. 6. The Coast Guard is authorized to accept and retain funds from the city of Baltimore, Maryland, in payment for Coast Guard facilities to be removed by the city incident to the improvement of Hawkins Point Road, the funds to be available, until expended, for the construction of replacement facilities. Any funds not obligated by the end of fiscal year 1980 shall be paid into the Treasury of the United States.

The SPEAKER pro tempore. Is a second demanded?

Mr. TREEN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. MURPHY) and the gentleman from Louisiana (Mr. TREEN) will be recognized for 20 minutes each.

The Chair recognizes the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to urge the passage of H.R. 6823, as reported by the Committee on Merchant Marine and Fisheries. The bill would authorize appropriations for the Coast Guard for fiscal year 1978.

In past years, the requirements for annual authorization of Coast Guard appropriations has been limited to the acquisition, construction, and improvement of vessels, aircraft, and shore facilities. Except for that specific authorization and the indirect authorization reflected in personnel ceilings, the remainder for the Coast Guard annual budget requests were based upon general authority contained in various statutes, including the provisions of title 14 of the United States Code. With the passage of the Congressional Budget Act of 1974 and the experience of the committee with that act, it became abundantly clear that, if the Committee on Merchant Marine and Fisheries is to carry out its required oversight responsibilities, it must be enabled to carefully review the annual budget requests of the Coast Guard and to make a decision in the authorization area. It is impossible to make authorization decisions on procurement of new vessels and aircraft and on the construction of shore establishments without also making some hard decisions on the cost effectiveness on the maintenance and improvement of existing facilities. Nor can the committee exercise the necessary legislative control which is inherent in its responsibilities without

annually authorizing the expenditures of significant funds on operating expenses, the improvement of navigational safety on navigable waterways, and on the request for research and development relating to Coast Guard operational program needs.

Because of this need, the committee last Congress proposed an expansion of the authorization process. That proposal was incorporated into Public Law 94–406. Therefore, the authorization bill this year includes authorization for operating expenses, for alteration of obstructive bridges, and for research, development, test and evaluation—in addition to the acquisition, construction, and improvement authorization of former years.

The total authorization under the bill amounts to $1.2 billion. While the figure seems large, I can assure the House that it is a minimal level for the Coast Guard to carry out its responsibilities. It contains approximately $883 million for operating expenses, a large part involving costs of personnel necessary to operate and maintain the 250 vessels and 170 aircraft, as well as the multitude of shore facilities in the Coast Guard inventory. The $315 million figure for acquisition, constructon and improvement includes replacement programs primarily to bring up-to-date the many aging and obsolete facilities of the Coast Guard—many of which are as much as 30 years old and the performance of which is inadequate. In addition, these aging facilities drain off unnecessary dollars and personnel for their constant upkeep and maintenance.

The $19 million for alteration or removal of bridges involves a continuing requirement under existing legislation to improve the navigability of our waterways, now constrained in many areas because of bridges which obstruct the ready passage of modern vessels. Member will recall recent headlines on damages to bridges by vessels attempting to negotiate confined channel clearances. The most recent which comes to mind is the accident this past winter which placed out of operation a necessary bridge near Hopewell, Va.

Finally, the authorization provides for the necessary research and development in bringing Coast Guard operations into the modern era. Available application of technologies and techniques need to be carefully examined in order to assist the Coast Guard in the most effective manner in carrying out its many missions, not the least of which includes vessel traffic safety, marine environmental protection, and search and rescue.

The authorization of $1.2 billion involves approximately $100 million additional funds above the President's request. Some $88 million of that figure relates to critically needed improvements in icebreaking capabilities on the Great Lakes, as well as an addition to approximately $20 million to upgrade Coast Guard capabilities in the pollution prevention and marine safety areas. This latter addition anticipates the costs of the Presidential initiatives on the subject of oil pollution prevention which was received by the Congress last month.

The committee has exercised constraint in its proposed additions. I believe strongly that every addition can be justified. I will now defer to the Chairman of the Subcommittee on Coast Guard and Navigation, the Honorable MARIO BIAGGI, to explain in somewhat more detail the exact breakdown of the authorization figures.

Mr. BIAGGI. Mr. Speaker, I urge the support of the House in passing H.R. 6823, as reported by the Committee on Merchant Marine and Fisheries. The bill authorizes appropriations for the Coast Guard for fiscal year 1978; for the operation and maintenance of the Coast Guard; for acquisition, construction, and improvement of vessels, aircraft, and facilities; for the alteration or removal of obstructive bridges; for research, development, test and evaluation; for military personnel ceilings; and necessary average student training loads. It also includes action to place into positive law existing accounting procedures and to authorize necessary utilization of funds in connection with projects involving a sewage plant in California and replacement of facilities at the Coast Guard Yard.

The authorizations in this bill are based upon Public Law 94–406 which placed under one authority the requirements for annual authorizations for the Coast Guard. For the first time this year, the authorization process includes operating expenses which are related to the operation of existing and newly-acquired facilities and the improvement of operational capabilities. It includes authorization for alteration and removal of bridges as well as funding for research and development, and the total funding for acquisition, construction, and improvement of vessels, aircraft, and facilities. This also authorizes the fiscal year-end strength for average duty personnel and for the average military training student loads.

Before discussing the levels of the proposed authorization, I direct your attention to the broad, all-encompassing and ever-increasing duties and obligations the Congress has fostered upon the Coast Guard. The U.S. Coast Guard, as part of the Department of Transportation, is a multi-mission organization providing the general public with numerous services on a day-to-day basis. It is charged with the primary responsibility of enforcement, or assisting in the enforcement, of all applicable Federal laws on or under the high seas and waters subject to the jurisdiction of the United States; the promotion of safety of life and property and the protection of the marine environment in these areas; the maintenance of aids to maritime navigation, icebreaking, and rescue facilities; and engaging in oceanographic research. The Coast Guard has also been charged with the safety of our ports and waterways through the operation of vessel traffic services and port safety controls while also regulating foreign and domestic vessels carrying oil or other hazardous polluting substances. This Service also, pursuant to title 14 of the United States Code, is an Armed Force, maintaining a readiness to operate as a service in the Navy, upon declaration of war or when the President otherwise directs. A recently added duty is the responsibility for the enforcement of an extended fisheries zone to 200 miles established by the Fishery Conservation and Management Act of 1976, Public Law 94–235.

The Committee on Merchant Marine and Fisheries has been and continues to be gravely concerned over the Coast Guard's capability to perform the duties with which it has been charged by the Congress. The actions of this agency continuously affect all of us, and it must be furnished with the necessary equipment and personnel for carrying out its many and varied missions and responsibilities. The purpose of the bill before the House today is to provide at least a minimal necessary authorization to permit the Coast Guard to accomplish its mandated responsibilities.

The administration requested operating expense authorization of $875,261,000, and the committee has added $7,560,000 for a total authorization request of $882,821,000. As you no doubt remember, the winter of 1976–77 was significant in its severity in causing extensive damage and in the resulting series of oil tanker accidents highlighted by the *Argo Merchant* disaster off the coast of Massachusetts on December 15, 1976. Of the addition, $4,000,000 will provide for the replacement and repair of many aids to navigation lost or destroyed which are absolutely necessary for the safe movement of waterborne commerce. It will also provide for the essential repair of shore and offshore facilities. In addition, $260,000 will provide for the restoration to full search and rescue capability a station located on Lake Superior; and $3,300,000 will provide for the costs of an additional 150 personnel in the marine safety and the marine environmental protection programs. With respect to this latter increase, the committee was particularly concerned over the Coast Guard's capability to properly carry out its responsibilities related to pollution prevention and cleanup and maritime safety. This addition could be utilized to begin the implementation of the administration's plans as outlined in the President's message to the Congress dated March 17, 1977, recommending very broad pollution prevention and marine safety initiatives.

In the vessel, aircraft, and facility authorization section, the bill authorizes a total of $314,500,000 which also highlights the committee's concern over the Coast Guard's capability to perform its icebreaking, search and rescue, and port safety missions. Increases were authorized for additional vessel traffic services improvement and equipment for the Puget Sound, Houston/Galveston, and New Orleans areas. This year, as in prior years, questions center upon the necessity for additional icebreaking capability. Therefore, the authorization provides for the continuation of the harbor tugboat replacement program by authorizing the construction of three more tugs with icebreaking capability. Authorization has also been provided for the design and construction of a vessel, com-

patible with existing Coast Guard conceptual designs for the Great Lakes, which is intended to be a replacement for the vintage deep-draft polar icebreaker *Westwind*. Authorization has also been provided for ten 32-foot port safety/harbor pollution boats; thirty 41-foot utility boats; and for two medium-endurance cutters. This latter continues the cutter replacement program initiated in 1977 and should materially add to the Coast Guard's capability to respond to its recently enlarged fisheries enforcement rsponsibilities.

The authorization also provides for the acquisition of 12 medium-range surveillance—MRS—aircraft, and a training simulator for this aircraft, which continues the program of replacement of the HU–16E amphibious aircraft fleet which first entered Coast Guard service in 1951 and is reaching operational and engineering obsolescence. It also provides for the procurement of 10 short-range recovery—SRR—twin-turbine helicopters intended to replace the aging single-engine amphibian HH–52A helicopter. Authorization was provided for fiscal year 1977 procurement, but the replacement program did not materialize. Authorization has also been provided for the continuing program of upgrading and improving numerous shore and offshore facilities, which are inadequate, substandard, overcrowded, too costly to maintain or repair, structurally unsound, or environmentally inadequate. It also continues numerous phases of on-going and previously authorized programs, all with the substantial upgrading and modernization of facilities to meet today's needs, as well as the requirements of the future.

The acquisition, construction, and improvement authorization of $314,500,000 provides $158,306,000 for the procurement of vessels; $108,252,000 for the procurement of aircraft; $21,303,000 for the construction and improvement of shore units; $27,308,000 for improvement of aids to navigation and the acquisition of vessel traffic services equipment; $8,600,000 for pollution control on Coast Guard vessels; $1,311,000 for public family quarters; and $10,069,000 for property acquisition, design, and administration. For necessary expenses for the alteration or removal of obstructive bridges, $19,100,000 has been authorized which will permit the completion of four bridges, for the continuation of alterations to two bridges, and for the commencement of removal of an obstructive bridge over Newark Bay.

Authorization for research, development, test and evaluation has been set at $24,800,000 to provide major emphasis on marine safety and marine environmental protection programs for seeking resolutions for today's problems and the challenges for the future. The committee added to the original administration's request a sum of $2,000,000 for research and development in pollution control which is designed to restore a part of the funds deleted in the budget process. This addition will restore the research and development funding for marine environment protection to a more acceptable level, even though this addition is less than the amount requested by the Department of Transportation. It should, however, enable the Coast Guard to move more expeditiously in the development of necessary equipment to respond to oil spills.

The total authorization is for $1,241,-221,000, which includes $882,821,000 for operating expenses; $314,500,000 for acquisition, construction, and improvement; $19,100,000 for bridges; and $24,-800,000 for research and development.

I, once again, feel that we cannot stress too strongly that every item in this authorization is badly needed if the Coast Guard is to carry out its designated missions. One of the difficulties is that the administration and the Congress in past years have been less than generous in providing funding for the Coast Guard. This Agency, probably more than any other agency, provides a Federal service second to none and has always endeavored to be of assistance to the general public. Even at this moment, because of the recent additional responsibilities for enforcement of the 200-mile fisheries zone, the Coast Guard is operating vessels built during World War II and vintage aircraft handed down from the Air Force. The Subcommitee on Coast Guard and Navigation and the full committee have considered the administration's desires to reduce outlays and the need to stay within certain anti-inflation limitations; however, I can assure you that the benefits to the Nation from this investment will be larger than the additions we have agreed to. Additionally, the expenditures will primarily benefit those business segments such as shipbuilding, aircraft manufacturing, and construction which will experience excess capacity.

Mr. Speaker, in this authorization bill, it is my firm belief that the Committee on Merchant Marine and Fisheries has reported a bill which is realistic and conservative in meeting Coast Guard needs and in meeting the President's overall budgetary objectives. I, therefore, urge all Members to support the passage of H.R. 6823.

Mr. OBERSTAR. Mr. Speaker, will the gentleman yield?

Mr. BIAGGI. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Speaker, I compliment the gentleman from New York (Mr. BIAGGI) on the leadership he has exercised as chairman of the Subcommittee on Coast Guard and Navigation in his first term. He has taken over and really done a splendid job in bringing the Coast Guard into the 20th century into full participation in the technological advancement which the United States has made. He has seen the needs and responded to them.

Mr. Speaker, I also want to thank the gentleman for his recognition, coming, as he does, from an east coast State, of the needs of the Great Lakes and the special problems we have had this past year, with the most severe winter we have experienced on record. He has responded to that need by helping us to obtain urgently needed authorization for new icebreaking capability on the Great Lakes and the St. Lawrence Seaway system.

Again, Mr. Speaker, I thank the gentleman for his support of our needs in Great Lakes States.

Mr. STUDDS. Mr. Speaker, will the gentleman yield?

Mr. BIAGGI. I yield to the gentleman from Massachusetts.

Mr. STUDDS. Mr. Speaker, I join the distinguished chairman of the subcommittee, the gentleman from New York (Mr. BIAGGI), in saying to the Members of this House that the most fiscally cautious soul amongst us can, in very good conscience, vote for this bill.

Mr. Speaker, this is one area in the Federal budget in which the taxpayer gets more than a fair return.

This Congress has imposed legions of additional responsibilities on the U.S. Coast Guard in recent years, such as the Fishery Conservation and Management Act of 1976, the 200-mile fishery zone, the Ports and Waterways Safety Act of 1972, the Federal Water Pollution Control Act, as well as new responsibilities with respect to tanker safety. Yet, this budget is still approximately one-half that of a nuclear carrier.

Mr. Speaker, I would say to all of our colleagues in the House that this is money well spent.

I thank the gentleman from New York (Mr. BIAGGI) for his leadership.

At this point, Mr. Speaker, I ask unanimous consent to insert in the RECORD a powerful editorial from the Standard Times in New Bedford, Mass. in support of more adequate Coast Guard funding.

The editorial is as follows:

[From the New Bedford Standard Times, May 3, 1977]

COAST GUARD WOE

The Coast Guard has been struggling manfully to do its new chores with the same old creaky equipment, operating on a shoestring budget with hand-me-down ships and planes that are unreliable and embarrassing.

As the only military service submerged in a non-military bureaucracy, the Coast Guard, under the jurisdiction of the Department of Transportation (as second-guessed by the State Department) suffers from isolation and insufficiency.

In the past five years, the Coast Guard has been given two new and important responsibilities: enforcement of the Fishery Conservation and Management Act and of the Ports and Waterways Safety Act.

To police the 200-mile fishing limit and to develop and enforce safety standards for ships—especially oil tankers—on top of its traditional functions, the Coast Guard needs more money from Congress and more muscle in the making of policy.

The Coast Guard gets called out for just about everything these days. The upshot is, in the words of Commander J. C. Goldthorpe: "The blue line is spread awfully thin."

Short-changing the Coast Guard has been standard presidential and congressional practice. Its $900-million budget wouldn't keep the other military services in septuplicate forms for a year. The Coast Guard takes to the air in Korean War planes and puts to sea in World War II ships. Its procurements smell of mothballs.

It is supposed to handle increasingly, sophisticated and diverse duties without a

corresponding increase in its own technological gear and transport. The wonder is the Coast Guard does it at all. If the Army, Navy or Air Force were treated so shabbily Capitol Hill would be afloat in a sea of brass hats.

The New England seacoast, from New Bedford to Kittery Point and elsewhere, knows intimately the significance a fully-manned, fully-funded, fully-equipped Coast Guard will have for years to come in keeping our fishing grounds free from piracy and our beaches free from pollution.

Congress, led by the delegations from coastal states like Massachusetts, should be vividly instructed in what is at stake. A uniformed service that protects our natural resources and waterways is an everyday line of defense worthy of the sturdiest support. It's time to unanchor a few minds.

Mr. TREEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. RUPPE), the ranking Republican on the Committee on Merchant Marine and Fisheries.

Mr. RUPPE. Mr. Speaker, I would like to say that the gentleman from New York (Mr. BIAGGI), the chairman of the subcommittee, and the gentleman from Louisiana (Mr. TREEN), the ranking Republican, certainly have done a tremendous job on behalf of the Coast Guard and on behalf of all of those who depend on the Coast Guard for essential services.

I also agree with my colleague, the gentleman from Minnesota (Mr. OBERSTAR), that the chairman and ranking Republican have been very careful to take care of all of the interests associated with the Coast Guard, particularly those on the Great Lakes. They have put in great programs to promote icebreaking capability on the Great Lakes.

Also, Mr. Speaker, they have put in funds for further land-sea aids to navigation, aids which will be a far-reaching technological improvement for those vessels plying the Great Lakes for up to 12 months a year.

In sum, Mr. Speaker, I think they have done a very excellent job, and I certainly support this legislation.

Mr. Speaker, I want to join my colleagues in urging the House to pass H.R. 6823, the Coast Guard authorization bill for fiscal year 1978.

The Coast Guard today has expansive responsibility in the area of marine safety and pollution prevention. It has been charged by Congress with broad responsibilities for marine search and rescue, maintenance of aids to navigation, development, and enforcement of marine safety and personnel standards, polar and domestic icebreaking, enforcement of the 200-mile fishery conservation zone, licensing of deepwater ports, ports and waterway safety, marine pollution protection, enforcement of all Federal laws on and under the high seas and navigable waters of the United States and for the continued maintenance of a state of military readiness. This bill will provide the Coast Guard with the minimal authorization necessary to meet these ever-increasing responsibilities.

The Coast Guard's responsibility for domestic icebreaking to meet the reasonable demands of commerce is of major importance to my area and is in the greater national interest. The Coast Guard's icebreaking fleet in the Great Lakes is composed of five 180-foot buoy tenders, five 110-foot harbor tugs, the *Mackinaw* and the *Westwind*. These vessels were all constructed some 30 years ago. In particular, the 110-foot harbor tugboats are unequal to growing domestic needs and costly to maintain and operate. Any vessels added to the Coast Guard inventory to meet these needs also contribute to the Nation's military arsenal and defense.

This past winter was also one of the most severe on record. The extreme cold weather resulted in severe ice conditions requiring increased use of the Coast Guard's icebreaking resources. It also resulted in extensive damage to aids to navigation not normally subject to ice damage.

This bill authorized $26.7 million for the construction of three 140-foot harbor tugboats. In addition to their normal Coast Guard missions, these vessels will help meet the icebreaking needs in both the Great Lakes and the northeastern coastal region.

The bill also authorizes $55 million for the design and construction of an icebreaker to replace the World War II, temporarily deployed, polar icebreaker *Westwind*. This will insure the maintenance of and enhance the current level of Coast Guard icebreaking capability throughout the Great Lakes and assist in maintaining and extending a year-round navigation system. I should note at this point that there was ample discussion of the merits of Finnish icebreakers and procurement during hearings. Though the committee decided it was not its prerogative to direct sole-source procurement and though Finland is not part of the NATO alliance I would suggest that such action would be consistent with the President's pronouncement pertaining to our NATO allies in which he said:

The United States must be willing to promote a genuinely two-way transatlantic trade in defense equipment and further that the alliance should not be weakened militarily by waste and overlapping.

Such action would also be in accord with the interests of the United States in maintaining a viable western democratic economy in Finland.

The bill also authorized $4 million to provide for aids to navigation damaged by the severe winter conditions, and to replace the pollution abatement equipment lost during the *Argo Merchant* incident.

An addition made by the committee concerns the Coast Guard Station at Portage, Mich. This station is currently used as a base of operation for an aids-to-navigation and an electronic repair ship, neither of which has an assigned search-and-rescue mission. Search and rescue responsibilities are assigned to the voluntary nonmilitary members of the Coast Guard Auxiliary and conducted through the use of privately owned craft. The nearest Coast Guard search and rescue stations are at Station Marquette, Mich., located 65 miles southeast, Station Bayfield, Wis., located 90 miles west southeast and Station North Superior, located 79 miles northwest at Grand Marais, Minn. The search and rescue coverage at Portage is simply inadequate. This bill will authorize $260,000 for 13 additional personnel to restore the existing Portage Station to a full search and rescue status.

This authorization action completes the existing Loran–C national implementation plan with approval of an $8,396,000 request for construction of a Loran–C radio navigation station in northeastern Minnesota and provision of equipment at Training Center New York, for the training of maintenance personnel. The Minnesota station will provide complete Loran–C service for all of the Great Lakes, will insure close adherence to established vessel track lines, will lend itself to vessel traffic monitoring and control systems, reduce dependence on other shore installations, reduce the chances of collision, and contribute immeasurably to efforts to preserve and enhance the quality of lake waters.

The recent rash of tanker casualties and the resulting oil pollution are still vivid in our memories. This bill authorizes $4.3 million for the addition of 200 men to the marine safety and environment programs. These forces will be used to provide for a tanker boarding program, to double the pollution strike forces on the east coast, west coast and Gulf coast, with the remaining personnel divided as appropriate between the Marine Safety and Captain of the Port Personnel. These provisions are consistent with the President's recent message to Congress outlining a plan to cope with marine pollution.

This bill authorized $16.1 million to upgrade the vessel traffic services or control systems in selected areas of the Nation.

The work of the committee reported in H.R. 6823 represents its first opportunity to review in depth various Coast Guard programs in other than the traditional acquisition, construction, and improvement areas. Though it was thus the committee's prerogative to revise priorities and to shift funding emphasis within the ceiling established by the administration it chose to reflect its concern for the adequacy of the Coast Guard forces and essential equipment through this additional authorization effort. I urge your support for the passage of H.R. 6823.

Mr. BIAGGI. Mr. Speaker, will the gentleman yield?

Mr. RUPPE. I am happy to yield to the chairman of the subcommittee, the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I would like to take this occasion to thank all of the members of the subcommittee, especially the ranking minority member, the gentleman from New Orleans (Mr. TREEN) and my colleagues on this side of the aisle and all of those who worked so assiduously and diligently with one objective in mind. I am grateful that during the entire course of the developments that the issue of partisanship never raised its head. It was just the Members of the House desiring to do the best for the Coast Guard and

for the administration and for the Nation that they were able to do.

Mr. RUPPE. I thank my colleague, the gentleman from New York, for his kind remarks. I would say absolutely that all of us on the subcommittee can certainly agree that this Coast Guard bill came out with bipartisan support, it does a very effective job, not for a single political party but for the country as a whole.

Mr. TREEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to join my colleagues in supporting H.R. 6823, the Coast Guard authorization bill for fiscal year 1978. This bill authorizes appropriations for the operation and maintenance of the Coast Guard; for the acquisition, construction, and improvement of vessels, aircraft, and facilities; for the alteration or removal of obstructive bridges; and for research, development, test, and evaluation. It also authorizes military personnel ceilings and necessary average student training requirements; sets in positive law certain existing accounting procedures; authorizes funds to assist in the construction of a sewage treatment plant to be utilized by the Coast Guard in north Marin County, Calif., and the replacement of certain facilities at the Coast Guard yard in Baltimore.

Over the years, the role of the Coast Guard has greatly expanded from its traditional functions of search and rescue, aids to navigation, and marine and port safety. Today, the Coast Guard has a leading role in such diverse responsibilities as enforcement of marine pollution laws, oil and hazardous substance spill containment and cleanup, enforcement of the 200-mile fishery conservation zone, and licensing of deepwater ports. These responsibilities require sophisticated equipment and knowledgeable personnel. This bill will provide the authorization necessary for the Coast Guard to meet its responsibilities under law.

I would like to highlight several aspects of the bill I feel are significant.

A major function of the Coast Guard is the enforcement of the marine pollution laws. This bill would authorize $4.3 million for the addition of 200 men to the marine safety and environment programs. Approximately 60 of these people will be used to double the pollution strike forces presently located on the east coast, gulf coast, and west coast. The remaining personnel will be divided as appropriate between the marine safety and captain of the port personnel. Part of these forces will be utilized to begin implementation of the President's tanker-boarding program.

We are all aware of the severe cold conditions that prevailed across the Nation last winter. This cold weather resulted in severe ice conditions necessitating the use of icebreaking resources to a much greater degree than in previous years. This was particularly true in shallow or otherwise restricted waters. Also, many aids to navigation which historically have never suffered ice damage were damaged. This bill would authorize $26.7 million for the construction of three 140-foot harbor tugboats which would have icebreaking capability, and $55 million for the design and construction of a new icebreaker for the Great Lakes. Additionally, $4 million has been authorized for damage to aids to navigation caused by the severe winter conditions and to replace certain pollution abatement equipment lost during the *Argo Merchant* incident.

If I may, I would like to discuss two items which, while parochial in nature, are of grave consequence to my area.

In my district, one of the most important functions of the Coast Guard is the enforcement of vessel traffic safety. Vessel traffic on the lower Mississippi River involves a great variety in sizes and types of vessels. Many of these vessels are carrying very hazardous and highly inflammable cargoes. In addition to the variety of vessels, the large volume of traffic—New Orleans is the second largest port in the Nation and Baton Rouge the seventh—and the numerous arteries in the form of locks and canals connecting with the river provide a complex problem in maintaining an orderly flow of traffic on the river. This bill would provide for upgrading the vessel traffic system in New Orleans by authorizing $1.1 million for a low-light-level television monitoring system at the dangerous Algiers bend. It would also authorize $1.8 million to provide badly needed radar coverage at the lower reaches of the Mississippi River. The bill would also authorize $1.2 million for low-light-level television coverage of the Houston/Galveston port area and $12 million for a vessel traffic center and radar equipment improvements in the Puget Sound.

Finally, I would like to touch on the Lake Pontchartrain Causeway. This causeway has been subject to 13 rammings since 1955. These rammings have caused entire sections or slabs of the bridge to collapse into the lake. Automobiles—and in one instance a Trailways bus—have plunged into the lake through these missing sections resulting in the loss of nine lives. This bill will authorize $100,000 to provide a Loran-C collision avoidance system to provide much needed protection for this heavily traveled causeway.

I believe we have a good bill. It will provide the necessary equipment and facilities to enable the Coast Guard to carry out its enormous responsibilities. I urge you to support its passage.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill H.R. 6823, as amended.

The question was taken; and the Speaker pro tempore announced that, in his opinion, two-thirds had voted in favor of the bill.

Mr. ASHBROOK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

So (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER pro tempore. The debate has been concluded on all motions to suspend the rules.

Pursuant to clause 3, rule XXVII, the Chair will now put the question on each motion, on which further proceedings were postponed, in the order in which that vote was entertained.

Votes will be taken in the following order:

H.R.3849 (de novo).
H.R. 5493 (de novo).
H.R. 3348 (de novo).
H.R. 4140, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic votes after the first such vote in this series.

NATIONAL ADVISORY COMMITTEE ON OCEANS AND ATMOSPHERE AUTHORIZATION

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 3849, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill H.R. 3849, as amended.

The question was taken.

Mr. MOTTL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 387, nays 6, not voting 39, as follows:

[Roll No. 233]

YEAS—387

Addabbo	Bolling	Cleveland
Akaka	Bonior	Cochran
Alexander	Bonker	Cohen
Allen	Bowen	Coleman
Ambro	Brademas	Collins, Ill.
Ammerman	Breaux	Conable
Anderson, Calif.	Breckinridge	Conte
	Brinkley	Corcoran
Anderson, Ill.	Brodhead	Corman
Andrews, N.C.	Brooks	Cornell
Andrews, N. Dak.	Broomfield	Cornwell
	Brown, Calif.	Cotter
Annunzio	Brown, Mich.	Coughlin
Archer	Brown, Ohio	Crane
Armstrong	Broyhill	D'Amours
Ashbrook	Buchanan	Daniel, Dan
Aspin	Burgener	Daniel, R. W.
AuCoin	Burke, Fla.	Danielson
Badham	Burke, Mass.	Davis
Bafalis	Burleson, Tex.	de la Garza
Baldus	Burlison, Mo.	Delaney
Barnard	Burton, John	Dellums
Baucus	Burton, Phillip	Derrick
Bauman	Butler	Derwinski
Beard, R.I.	Byron	Devine
Beard, Tenn.	Caputo	Dickinson
Bedell	Carney	Dicks
Beilenson	Carr	Diggs
Bennett	Carter	Dingell
Bevill	Cavanaugh	Dodd
Biaggi	Cederberg	Dornan
Bingham	Chappell	Downey
Blanchard	Chisholm	Drinan
Blouin	Clausen, Don H.	Duncan, Oreg.
Boggs		Duncan, Tenn.
Boland	Clay	Early

Eckhardt	Leach	Roberts
Edgar	Lederer	Robinson
Edwards, Ala.	Leggett	Rodino
Edwards, Calif.	Lehman	Rogers
Emery	Lent	Roncalio
English	Levitas	Rooney
Erlenborn	Lloyd, Calif.	Rose
Ertel	Lloyd, Tenn.	Rosenthal
Evans, Colo.	Long, La.	Rostenkowski
Evans, Del.	Long, Md.	Roybal
Evans, Ga.	Lujan	Rudd
Fary	Luken	Runnels
Fascell	Lundine	Ruppe
Fenwick	McClory	Russo
Findley	McCloskey	Ryan
Fisher	McCormack	Santini
Fithian	McDade	Sarasin
Flippo	McEwen	Satterfield
Flood	McFall	Sawyer
Flowers	McHugh	Scheuer
Flynt	McKay	Schroeder
Foley	McKinney	Schulze
Ford, Mich.	Madigan	Seiberling
Ford, Tenn.	Maguire	Sharp
Fountain	Mahon	Shipley
Fowler	Markey	Shuster
Fraser	Marks	Sikes
Frenzel	Marlenee	Simon
Frey	Marriott	Sisk
Fuqua	Martin	Skelton
Gammage	Mathis	Skubitz
Gaydos	Mattox	Slack
Gephardt	Mazzoli	Smith, Iowa
Giaimo	Meeds	Smith, Nebr.
Gibbons	Metcalfe	Snyder
Gilman	Meyner	Solarz
Ginn	Michel	Spellman
Glickman	Mikulski	Spence
Goldwater	Mikva	St Germain
Gonzalez	Milford	Staggers
Goodling	Miller, Calif.	Stangeland
Gore	Miller, Ohio	Stanton
Gradison	Mineta	Stark
Grassley	Minish	Steed
Gudger	Mitchell, Md.	Steiger
Guyer	Mitchell, N.Y.	Stokes
Hagedorn	Moakley	Stratton
Hall	Moffett	Studds
Hamilton	Mollohan	Stump
Hammer-schmidt	Montgomery	Taylor
Hanley	Moore	Teague
Hannaford	Moorhead, Calif.	Thone
Harkin	Moorhead, Pa.	Thornton
Harrington	Moss	Traxler
Harris	Motti	Treen
Harsha	Murphy, Ill.	Trible
Hawkins	Murphy, N.Y.	Tsongas
Heckler	Murphy, Pa.	Tucker
Hefner	Murtha	Ullman
Hightower	Myers, Gary	Vander Jagt
Holland	Myers, Michael	Vanik
Hollenbeck	Myers, Ind.	Vento
Holt	Natcher	Volkmer
Holtzman	Neal	Waggonner
Horton	Nedzi	Walgren
Huckaby	Nichols	Walker
Hughes	Nolan	Walsh
Hyde	Nowak	Wampler
Ichord	Oakar	Watkins
Ireland	Oberstar	Waxman
Jacobs	Obey	Weaver
Jeffords	Ottinger	Weiss
Jenkins	Panetta	Whalen
Jenrette	Patten	White
Johnson, Calif.	Patterson	Whitehurst
Jones, N.C.	Pattison	Whitley
Jones, Okla.	Pease	Whitten
Jones, Tenn.	Perkins	Wiggins
Jordan	Pettis	Wilson, Bob
Kasten	Pickle	Wilson, C. H.
Kastenmeier	Pike	Wilson, Tex.
Kazen	Preyer	Wirth
Kelly	Pritchard	Wolff
Ketchum	Quayle	Wright
Keys	Quie	Wydler
Kildee	Quillen	Wylie
Kindness	Rahall	Yates
Kostmayer	Rangel	Yatron
Krebs	Regula	Young, Alaska
Krueger	Reuss	Young, Fla.
LaFalce	Rhodes	Young, Mo.
Lagomarsino	Richmond	Young, Tex.
Latta	Rinaldo	Zablocki
Le Fante	Risenhoover	Zeferetti

NAYS—6

Benjamin	Edwards, Okla.	McDonald
Collins, Tex.	Evans, Ind.	Symms

NOT VOTING—39

Abdnor	Badillo	Conyers
Applegate	Burke, Calif.	Dent
Ashley	Clawson, Del	Eilberg
Fish	Koch	Railsback
Florio	Lott	Roe
Forsythe	Mann	Rousselot
Hansen	Nix	Sebelius
Heftel	O'Brien	Steers
Hillis	Pepper	Stockman
Howard	Poage	Thompson
Hubbard	Pressler	Udall
Johnson, Colo.	Price	Van Deerlin
Kemp	Pursell	Winn

The Clerk announced the following pairs:

Mr. Thompson with Mr. Fish.
Mr. Dent with Mr. Hansen.
Mr. Heftel with Mr. O'Brien.
Mr. Howard with Mr. Del Clawson.
Mr. Badillo with Mr. Hillis.
Mr. Udall with Mr. Lott.
Mr. Price with Mr. Abdnor.
Mr. Koch with Mr. Kemp.
Mr. Nix with Mr. Pressler.
Mr. Pepper with Mr. Winn.
Mr. Florio with Mr. Mann.
Mr. Eilberg with Mr. Johnson of Colorado.
Ms. Burke of California with Mr. Sebelius.
Mr. Ashley with Mr. Railsback.
Mr. Roe with Mr. Stockman.
Mr. Hubbard with Mr. Rousselot.
Mr. Applegate with Mr. Pursell.
Mr. Conyers with Mr. Van Deerlin.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER pro tempore (Mr. DOWNEY). Pursuant to the provisions of clause 3(b)(3) of rule XXVII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all of the additional motions to suspend the rules on which the Chair has postponed further proceedings.

SEAL BEACH, GREAT DISMAL SWAMP, AND SAN FRANCISCO BAY NATIONAL WILDLIFE REFUGES AUTHORIZATIONS

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill (H.R. 5493).

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill, H.R. 5493.

The question was taken.

RECORDED VOTE

Mr. MOTTL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 384, noes 4, not voting 44, as follows:

[Roll No. 234]

AYES—384

Addabbo	Andrews, N.C.	Badham
Akaka	Andrews, N. Dak.	Bafalis
Alexander	Annunzio	Baldus
Allen	Archer	Baucus
Ambro	Armstrong	Bauman
Ammerman	Ashbrook	Beard, R.I.
Anderson, Calif.	Aspin	Beard, Tenn.
Anderson, Ill.	AuCoin	Bedell
Benjamin	Foley	Mathis
Bennett	Ford, Mich.	Mattox
Bevill	Ford, Tenn.	Mazzoli
Biaggi	Fountain	Meeds
Bingham	Fowler	Metcalfe
Blanchard	Fraser	Meyner
Blouin	Frenzel	Michel
Boggs	Frey	Mikulski
Boland	Fuqua	Mikva
Bolling	Gammage	Milford
Bonior	Gaydos	Miller, Calif.
Bonker	Gephardt	Miller, Ohio
Bowen	Giaimo	Mineta
Brademas	Gibbons	Minish
Breaux	Gilman	Mitchell, Md.
Breckinridge	Ginn	Mitchell, N.Y.
Brinkley	Glickman	Moakley
Brodhead	Goldwater	Moffett
Brooks	Gonzalez	Mollohan
Broomfield	Goodling	Montgomery
Brown, Calif.	Gore	Moore
Brown, Mich.	Gradison	Moorhead, Calif.
Brown, Ohio	Grassley	Moorhead, Pa.
Broyhill	Gudger	Moss
Buchanan	Guyer	Motti
Burgener	Hagedorn	Murphy, Ill.
Burke, Fla.	Hall	Murphy, N.Y.
Burke, Mass.	Hamilton	Murphy, Pa.
Burleson, Tex.	Hammer-schmidt	Murtha
Burlison, Mo.	Hanley	Myers, Gary
Burton, John	Hannaford	Myers, Ind.
Burton, Phillip	Harkin	Natcher
Butler	Harrington	Neal
Byron	Harris	Nedzi
Caputo	Harsha	Nichols
Carney	Hawkins	Nolan
Carr	Heckler	Nowak
Carter	Hefner	Oakar
Cavanaugh	Hightower	Oberstar
Cederberg	Holland	Obey
Chappell	Hollenbeck	Ottinger
Chisholm	Holt	Panetta
Clausen, Don H.	Holtzman	Patten
Clay	Horton	Patterson
Cleveland	Hubbard	Pattison
Cochran	Huckaby	Pease
Cohen	Hughes	Perkins
Coleman	Hyde	Pettis
Collins, Ill.	Ichord	Pickle
Conable	Ireland	Pike
Conte	Jacobs	Preyer
Corcoran	Jeffords	Pritchard
Corman	Jenkins	Quayle
Cornell	Jenrette	Quie
Cornwell	Johnson, Calif.	Quillen
Cotter	Jones, N.C.	Rahall
Coughlin	Jones, Okla.	Rangel
Crane	Jones, Tenn.	Regula
D'Amours	Jordan	Reuss
Daniel, Dan	Kasten	Rhodes
Daniel, R. W.	Kastenmeier	Richmond
Danielson	Kazen	Rinaldo
Davis	Kelly	Risenhoover
de la Garza	Ketchum	Roberts
Delaney	Keys	Robinson
Dellums	Kildee	Rodino
Derrick	Kindness	Rogers
Derwinski	Kostmayer	Roncalio
Devine	Krebs	Rooney
Dickinson	Krueger	Rose
Dicks	LaFalce	Rosenthal
Diggs	Lagomarsino	Rostenkowski
Dingell	Latta	Roybal
Dodd	Le Fante	Rudd
Dornan	Leach	Runnels
Downey	Leggett	Ruppe
Drinan	Lehman	Russo
Duncan, Oreg.	Lent	Ryan
Duncan, Tenn.	Levitas	Santini
Early	Lloyd, Calif.	Sarasin
Eckhardt	Lloyd, Tenn.	Satterfield
Edgar	Long, La.	Sawyer
Edwards, Ala.	Long, Md.	Scheuer
Edwards, Calif.	Lujan	Schroeder
Edwards, Okla.	Luken	Schulze
Emery	Lundine	Seiberling
English	McClory	Sharp
Erlenborn	McCloskey	Shipley
Ertel	McCormack	Shuster
Evans, Colo.	McDade	Sikes
Evans, Del.	McEwen	Simon
Evans, Ga.	McFall	Sisk
Evans, Ind.	McHugh	Skelton
Fary	McKay	Slack
Fascell	McKinney	Smith, Iowa
Fenwick	Madigan	Smith, Nebr.
Findley	Maguire	Snyder
Fisher	Mahon	Solarz
Fithian	Markey	Spellman
Flippo	Marks	Spence
Flood	Marlenee	St Germain
Flowers	Marriott	Staggers
Flynt	Martin	Stangeland

Stanton	Vander Jagt	Wiggins
Stark	Vanik	Wilson, C. H.
Steed	Vento	Wilson, Tex.
Steiger	Volkmer	Wirth
Stokes	Waggonner	Wolff
Stratton	Walgren	Wright
Studds	Walker	Wydler
Taylor	Walsh	Wylie
Teague	Wampler	Yates
Thone	Watkins	Yatron
Thornton	Weaver	Young, Alaska
Traxler	Weiss	Young, Fla.
Treen	Whalen	Young, Mo.
Trible	White	Young, Tex.
Tsongas	Whitehurst	Zablocki
Tucker	Whitley	Zeferetti
Ullman	Whitten	

NOES—4

Collins, Tex.	Stump	Symms
McDonald		

NOT VOTING—44

Abdnor	Hillis	Pursell
Applegate	Howard	Railsback
Ashley	Johnson, Colo.	Roe
Badillo	Kemp	Rousselot
Barnard	Koch	Sebelius
Burke, Calif.	Lederer	Skubitz
Clawson, Del	Lott	Steers
Conyers	Mann	Stockman
Dent	Myers, Michael	Thompson
Eilberg	Nix	Udall
Fish	O'Brien	Van Deerlin
Florio	Pepper	Waxman
Forsythe	Poage	Wilson, Bob
Hansen	Pressler	Winn
Heftel	Price	

The Clerk announced the following pairs:

Mr. Thompson with Mr. Del Clawson.
Mr. Dent with Mr. Hansen.
Mr. Heftel with Mr. Johnson of Colorado.
Mr. Eilberg with Mr. Lott.
Mr. Conyers with Mr. Michael O. Myers.
Mrs. Burke of California with Mr. Abdnor.
Mr. Nix with Mr. O'Brien.
Mr. Pepper with Mr. Fish.
Mr. Waxman with Mr. Pursell.
Mr. Van Deerlin with Mr. Hillis.
Mr. Roe with Mr. Rousselot.
Mr. Florio with Mr. Barnard.
Mr. Badillo with Mr. Steers.
Mr. Ashley with Mr. Lederer.
Mr. Koch with Mr. Kemp.
Mr. Howard with Mr. Stockman.
Mr. Mann with Mr. Railsback.
Mr. Price with Mr. Winn.
Mr. Applegate with Mr. Sebelius.
Mr. Udall with Mr. Pressler.
Mr. Bob Wilson with Mr. Skubitz.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CANAL ZONE BIOLOGICAL AREA AUTHORIZATION

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 3348, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill H.R. 3348, as amended.

RECORDED VOTE

Mr. SNYDER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 245, noes 141, answered "present" 1, not voting 45, as follows:

[Roll No. 235]

AYES—245

Addabbo	Flowers	Nowak
Akaka	Foley	Oberstar
Alexander	Ford, Mich.	Obey
Allen	Ford, Tenn.	Ottinger
Ambro	Fraser	Panetta
Ammerman	Frenzel	Patten
Anderson, Calif.	Fuqua	Patterson
	Gaydos	Pease
Anderson, Ill.	Giaimo	Perkins
Andrews, N. Dak.	Ginn	Pike
	Gore	Preyer
Annunzio	Gradison	Pritchard
Aspin	Gudger	Quie
AuCoin	Hamilton	Rangel
Baldus	Hanley	Reuss
Barnard	Hannaford	Rhodes
Baucus	Harkin	Richmond
Beard, R.I.	Harrington	Rinaldo
Bedell	Harris	Risenhoover
Beilenson	Hawkins	Rodino
Biaggi	Heckler	Rogers
Bingham	Hefner	Roncalio
Blanchard	Holtzman	Rooney
Blouin	Horton	Rose
Boggs	Huckaby	Rosenthal
Boland	Hughes	Rostenkowski
Bolling	Hyde	Roybal
Bonior	Ireland	Ruppe
Bonker	Jeffords	Russo
Bowen	Jenrette	Ryan
Brademas	Jones, N.C.	Santini
Breckinridge	Jordan	Sarasin
Brodhead	Kastenmeier	Sawyer
Brown, Calif.	Kildee	Scheuer
Buchanan	Krebs	Schroeder
Burke, Mass.	Krueger	Schulze
Burlison, Mo.	LaFalce	Selberling
Burton, John	Le Fante	Shipley
Burton, Phillip	Leggett	Simon
Butler	Lehman	Sisk
Caputo	Lent	Skelton
Carter	Levitas	Skubitz
Cederberg	Lloyd, Calif.	Slack
Chisholm	Long, La.	Smith, Iowa
Clay	Long, Md.	Solarz
Cleveland	Luken	Spellman
Cohen	Lundine	St Germain
Collins, Ill.	McClory	Staggers
Conable	McCloskey	Stanton
Conte	McCormack	Stark
Corcoran	McDade	Steed
Cornell	McFall	Steiger
Cotter	McHugh	Stratton
Coughlin	McKay	Studds
D'Amours	McKinney	Teague
Danielson	Madigan	Thornton
de la Garza	Maguire	Tsongas
Delaney	Mahon	Ullman
Dellums	Markey	Vander Jagt
Derwinski	Marks	Vanik
Dickinson	Marlenee	Vento
Dicks	Mattox	Waggonner
Diggs	Meeds	Walgren
Dingell	Metcalfe	Walker
Dodd	Meyner	Wampler
Downey	Mikulski	Waxman
Drinan	Mikva	Weaver
Duncan, Oreg.	Miller, Calif.	Weiss
Early	Mineta	Whalen
Eckhardt	Minish	White
Edgar	Mitchell, Md.	Whitehurst
Edwards, Ala.	Moakley	Wilson, Tex.
Edwards, Calif.	Moffett	Wirth
Emery	Mollohan	Wolff
English	Moorhead, Pa.	Wright
Erlenborn	Moss	Wylie
Evans, Colo.	Murphy, Ill.	Yates
Fary	Murphy, N.Y.	Young, Mo.
Fascell	Murphy, Pa.	Young, Tex.
Fenwick	Murtha	Zablocki
Findley	Myers, Gary	Zeferetti
Fisher	Nedzi	
Flippo	Nolan	

NOES—141

Andrews, N.C.	Burke, Fla.	Derrick
Archer	Burleson, Tex.	Devine
Armstrong	Byron	Dornan
Ashbrook	Carney	Duncan, Tenn.
Badham	Carr	Edwards, Okla.
Bafalis	Cavanaugh	Ertel
Bauman	Chappell	Evans, Del.
Beard, Tenn.	Clausen, Don H.	Evans, Ga.
Benjamin		Evans, Ind.
Bennett	Cochran	Fithian
Bevill	Coleman	Flood
Brinkley	Collins, Tex.	Flynt
Broomfield	Cornwell	Fountain
Brown, Mich.	Crane	Fowler
Brown, Ohio	Daniel, Dan	Frey
Broyhill	Daniel, R. W.	Gammage
Burgener	Davis	Gephardt
Gibbons	Leach	Robinson
Gilman	Lloyd, Tenn.	Rudd
Glickman	Lujan	Runnels
Goldwater	McDonald	Satterfield
Goodling	McEwen	Sharp
Grassley	Marriott	Shuster
Guyer	Martin	Sikes
Hagedorn	Mathis	Smith, Nebr.
Hall	Mazzoli	Snyder
Hammer-schmidt	Michel	Spence
	Milford	Stangeland
Harsha	Miller, Ohio	Stump
Hightower	Mitchell, N.Y.	Symms
Holland	Montgomery	Taylor
Hollenbeck	Moore	Thone
Holt	Moorhead, Calif.	Traxler
Hubbard		Treen
Ichord	Mottl	Trible
Jacobs	Myers, Ind.	Tucker
Jenkins	Natcher	Volkmer
Jones, Okla.	Neal	Walsh
Jones, Tenn.	Nichols	Watkins
Kasten	Oakar	Whitley
Kazen	Pattison	Whitten
Kelly	Pettis	Wiggins
Ketchum	Pickle	Wilson, Bob
Keys	Quayle	Wilson, C. H.
Kindness	Quillen	Wydler
Kostmayer	Rahall	Yatron
Lagomarsino	Regula	Young, Alaska
Latta	Roberts	Young, Fla.

ANSWERED "PRESENT"—1

Gonzalez

NOT VOTING—45

Abdnor	Hansen	Poage
Applegate	Heftel	Pressler
Ashley	Hillis	Price
Badillo	Howard	Pursell
Breaux	Johnson, Calif.	Railsback
Brooks	Johnson, Colo.	Roe
Burke, Calif.	Kemp	Rousselot
Clawson, Del	Koch	Sebelius
Conyers	Lederer	Steers
Corman	Lott	Stockman
Dent	Mann	Stokes
Eilberg	Myers, Michael	Thompson
Fish	Nix	Udall
Florio	O'Brien	Van Deerlin
Forsythe	Pepper	Winn

The Clerk announced the following pairs:

Mr. Thompson with Mr. Mann.
Mr. Dent with Mr. Lott.
Mr. Heftel with Mr. Hillis.
Mrs. Burke of California with Mr. Abdnor.
Mr. Brooks with Mr. Kemp.
Mr. Nix with Mr. Del Clawson.
Mr. Pepper with Mr. Fish.
Mr. Florio with Mr. Applegate.
Mr. Eilberg with Mr. Michael O. Myers.
Mr. Koch with Mr. Hansen.
Mr. Lederer with Mr. Conyers.
Mr. Corman with Mr. O'Brien.
Mr. Breaux with Mr. Pressler.
Mr. Badillo with Mr. Rousselot.
Mr. Ashley with Mr. Sebelius.
Mr. Howard with Mr. Van Deerlin.
Mr. Price with Mr. Railsback.
Mr. Roe with Mr. Winn.
Mr. Stokes with Mr. Stockman.
Mr. Johnson of California with Mr. Udall.

Mr. KELLY changed his vote from "aye" to "no."

So (two-thirds not having voted in favor thereof) the motion was rejected.

The result of the vote was announced as above recorded.

REIMBURSEMENT FOR SEIZED COMMERCIAL FISHERMEN EXTENSION

The SPEAKER pro tempore (Mr. DOWNEY). The unfinished business is the question of suspending the rules and passing the bill H.R. 4140.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and

pass the bill H.R. 4140, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 239, nays 151, not voting 42, as follows:

[Roll No. 236]

YEAS—239

Addabbo	Fuqua	Nowak
Akaka	Gammage	Oakar
Alexander	Gaydos	Oberstar
Allen	Giaimo	Obey
Ambro	Gibbons	Ottinger
Ammerman	Ginn	Panetta
Anderson, Calif.	Goldwater	Patten
	Gonzalez	Patterson
Andrews, N.C.	Gudger	Pattison
Annunzio	Guyer	Pease
Armstrong	Hagedorn	Perkins
Ashbrook	Hall	Pettis
AuCoin	Hanley	Pickle
Badham	Hannaford	Preyer
Bafalis	Harkin	Rangel
Baldus	Harrington	Reuss
Barnard	Harris	Rhodes
Baucus	Hawkins	Risenhoover
Beard, R.I.	Heckler	Robinson
Bennett	Hefner	Rodino
Biaggi	Hightower	Rogers
Bingham	Hubbard	Roncalio
Blanchard	Huckaby	Rooney
Boggs	Hughes	Rose
Boland	Ireland	Rosenthal
Bolling	Jenkins	Rostenkowski
Bonker	Jenrette	Roybal
Bowen	Johnson, Calif.	Santini
Breaux	Jones, N.C.	Satterfield
Breckinridge	Jones, Okla.	Schroeder
Brodhead	Jordan	Shipley
Brooks	Kastenmeier	Sikes
Brown, Calif.	Kazen	Sisk
Burgener	Kelly	Skelton
Burke, Fla.	Ketchum	Skubitz
Burke, Mass.	Kildee	Slack
Burlison, Mo.	Kindness	Smith, Iowa
Burton, John	Krueger	Smith, Nebr.
Burton, Phillip	LaFalce	Snyder
Carney	Lagomarsino	Solarz
Chappell	Latta	Spellman
Chisholm	Le Fante	St Germain
Clausen, Don H.	Lederer	Staggers
	Leggett	Stangeland
Cochran	Lehman	Stanton
Collins, Ill.	Lent	Steed
Corcoran	Lloyd, Calif.	Stokes
Corman	Long, La.	Stratton
Cotter	Long, Md.	Studds
D'Amours	McCormack	Taylor
Daniel, Dan	McFall	Teague
Daniel, R. W.	McKinney	Thone
Danielson	Mahon	Thornton
de la Garza	Markey	Traxler
Delaney	Mattox	Treen
Dickinson	Mazzoli	Trible
Dicks	Meeds	Tsongas
Diggs	Metcalfe	Ullman
Dingell	Michel	Vento
Dodd	Mikulski	Waggonner
Dornan	Miller, Ohio	Wampler
Downey	Mineta	Watkins
Drinan	Minish	Waxman
Duncan, Oreg.	Mitchell, Md.	Weaver
Early	Mitchell, N.Y.	White
Edwards, Ala.	Moakley	Whitehurst
Edwards, Calif.	Mollohan	Whitley
English	Montgomery	Whitten
Erlenborn	Moore	Wilson, Bob
Evans, Colo.	Moorhead, Calif.	Wilson, Tex.
Evans, Ga.		Wirth
Fary	Moss	Wolff
Fascell	Mottl	Wright
Fisher	Murphy, Ill.	Yatron
Fithian	Murphy, N.Y.	Young, Alaska
Flood	Murtha	Young, Fla.
Flowers	Myers, Gary	Young, Mo.
Foley	Myers, Ind.	Young, Tex.
Ford, Mich.	Nedzi	Zablocki
Ford, Tenn.	Nichols	Zeferetti
Frey	Nolan	

NAYS—151

Anderson, Ill.	Bonior	Caputo
Andrews, N. Dak.	Brademas	Carr
	Brinkley	Carter
Archer	Broomfield	Cavanaugh
Aspin	Brown, Mich.	Cederberg
Bauman	Brown, Ohio	Clay
Beard, Tenn.	Broyhill	Cleveland
Bedell	Buchanan	Cohen
Beilenson	Burleson, Tex.	Coleman
Benjamin	Butler	Collins, Tex.
Blouin	Byron	Conable
Conte	Horton	Quayle
Cornell	Hyde	Quie
Cornwell	Ichord	Quillen
Coughlin	Jacobs	Rahall
Crane	Jeffords	Regula
Davis	Jones, Tenn.	Richmond
Dellums	Kasten	Rinaldo
Derrick	Keys	Roberts
Derwinski	Kostmayer	Rudd
Devine	Krebs	Runnels
Duncan, Tenn.	Leach	Ruppe
Eckhardt	Levitas	Russo
Edgar	Lloyd, Tenn.	Ryan
Edwards, Okla.	Lujan	Sarasin
Emery	Luken	Sawyer
Ertel	Lundine	Scheuer
Evans, Del.	McClory	Schulze
Evans, Ind.	McCloskey	Seiberling
Fenwick	McDade	Sharp
Findley	McDonald	Shuster
Flynt	McEwen	Simon
Fountain	McHugh	Spence
Fowler	McKay	Stark
Fraser	Madigan	Steiger
Frenzel	Maguire	Stump
Gephardt	Marks	Symms
Gilman	Marlenee	Tucker
Glickman	Marriott	Vander Jagt
Goodling	Martin	Vanik
Gore	Mathis	Volkmer
Gradison	Meyner	Walgren
Grassley	Mikva	Walker
Hamilton	Milford	Walsh
Hammer-schmidt	Miller, Calif.	Weiss
	Moffett	Whalen
Harsha	Moorhead, Pa.	Wiggins
Holland	Natcher	Wilson, C. H.
Hollenbeck	Neal	Wydler
Holt	Pike	Wylie
Holtzman	Pritchard	Yates

NOT VOTING—42

Abdnor	Hansen	Poage
Applegate	Heftel	Pressler
Ashley	Hillis	Price
Badillo	Howard	Pursell
Bevill	Johnson, Colo.	Railsback
Burke, Calif.	Kemp	Roe
Clawson, Del	Koch	Rousselot
Conyers	Lott	Sebelius
Dent	Mann	Steers
Eilberg	Murphy, Pa.	Stockman
Fish	Myers, Michael	Thompson
Flippo	Nix	Udall
Florio	O'Brien	Van Deerlin
Forsythe	Pepper	Winn

The Clerk announced the following pairs:

Mr. Thompson with Mr. Del Clawson.
Mr. Dent with Mr. Conyers.
Mr. Heftel with Mr. Fish.
Mr. Bevill with Mr. Winn.
Mr. Badillo with Mr. Abdnor.
Mr. Nix with Mr. Sebelius.
Mr. Pepper with Mr. Lott.
Mr. Van Deerlin with Mr. Kemp.
Mr. Udall with Mr. Howard.
Mr. Price with Mr. Stockman.
Mr. Florio with Mr. Railsback.
Mr. Flippo with Mr. Hillis.
Mr. Eilberg with Mr. Roe.
Mr. Mann with Mr. Rousselot.
Mr. Koch with Mr. Pressler.
Mrs. Burke of California with Mr. Hansen.
Mr. Ashley with Mr. O'Brien.
Mr. Applegate with Mr. Michael O. Myers.
Mr. Steers with Mr. Murphy of Pennsylvania.

Messrs. SPENCE, MILLER of California, RICHMOND, and LEVITAS changed their vote from "yea" to "nay."

Mr. PERKINS changed his vote from "nay" to "yea."

So (two-thirds not having voted in favor thereof), the motion was rejected.

The result of the vote was announced as above recorded.

GENERAL LEAVE

Mr. MURPHY of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on H.R. 4301, H.R. 3849, H.R. 5493, and H.R. 6823.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO FILE REPORT ON H.R. 6803, COMPREHENSIVE OIL POLLUTION LIABILITY AND COMPENSATION ACT

Mr. MURPHY of New York. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may have until midnight tonight to file a report on the bill H.R. 6803 to provide a comprehensive system of liability and compensation for oilspill damage and removal costs, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

CONFERENCE REPORT ON H.R. 3477, TAX REDUCTION AND SIMPLIFICATION ACT OF 1977

Mr. ULLMAN. Mr. Speaker, I call up the conference report on the bill (H.R. 3477) to provide for a refund of 1976 individual income taxes and other payments, to reduce individual and business income taxes, and to provide tax simplification and reform, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House of May 6, 1977.)

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The SPEAKER pro tempore. The gentleman from Oregon (Mr. ULLMAN) is recognized for 30 minutes, and the gentleman from Tennessee (Mr. DUNCAN) is recognized for 30 minutes.

The Chair recognizes the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I bring to the floor today the conference report on H.R. 3477, the Tax Reduction and Simplification Act of 1977. This is the first major tax bill of this Congress and represents a serious response to two pressing problems in the country today: The need for an economic stimulus to reduce unemployment and ensure rapid economic growth and the

need to simplify the individual income tax.

That the economy needs some additional stimulus is evident from the fact that the rate of unemployment is still 7 percent. This bill contains an important innovation in tax policy—a new jobs tax credit—designed to deal directly with the problem of unemployment.

As a result of the relatively strong performance of the economy early this year, despite the extremely cold weather, the administration and the conferees agreed that a smaller stimulus would be necessary this year than was originally included in the House bill. Therefore, the House conferees agreed to delete the tax rebate, as was recommended by the administration. On the other hand, there has been some question about the viability of the economic recovery next year, and accordingly, the conference report provides a slightly larger tax reduction next year than in the House bill.

The conference version of the tax cut provides a $2.6 billion tax reduction in fiscal year 1977 and a $17.6 billion tax reduction in fiscal year 1978. Seventy-five percent of the tax reduction in fiscal year 1977, and 80 percent in fiscal year 1978, goes to individuals. The rest goes to businesses, almost all to small businesses.

The economic stimulus results from three major provisions: An increase in the standard deduction, the new jobs credit, and the extension of the 1975 individual and corporate tax cuts. The bill also achieves a significant simplification in filling out tax returns for almost all taxpayers through the revisions of the standard deduction and the use of new tax tables. In addition to these major tax revisions, the conference agreement postpones for 1 year the retroactive effective dates of certain provisions in the 1976 Tax Reform Act. Also, the bill contains what I believe acceptable compromises with respect to the amendments added to the bill by the Senate.

A major provision of the House bill was an $11 billion rebate on 1976 taxes. When the House acted, the economy looked significantly weaker than it does today. Since the House action, we have seen a drop in the unemployment rate of ½ of 1 percent, a pickup in housing starts and business investment and a healthy growth rate of 5.2 percent in the first 3 months of this year. The rebate was intended to provide immediate stimulus in 1977, and these data indicate that such quick, temporary stimulus is no longer needed. When he reexamined the state of the economy, President Carter concluded that the rebate would not be needed, and the House conferees agreed with this decision and accepted the Senate amendment deleting the rebate.

Another important difference between the House and Senate versions of the tax reduction bill was the additional tax reduction which the Senate provided for business. The Senate amendment provided not only the new jobs credit, similar to that in the House bill, but also an elective 2 additional percentage points in the investment credit. The House conferees felt very strongly that there was no need to increase the present investment credit above its current level of 10 percent. It is true that investment in the economy is not high enough. The House conferees, however, felt that simply increasing the investment credit was not the right solution to the problem of the need for additional capital formation and insisted that the Senate recede. I fully expect the Ways and Means Committee to consider other measures to assist capital formation and to reconsider the whole question of business taxation in connection with the administration's proposals for tax reform. I believe we need to develop a systematic package which will provide for a solution to our long-term capital formation needs.

One amendment to this bill that is of considerable concern to many Members of Congress is the tax treatment of the intangible drilling costs of independent oil producers under the minimum tax. The administration has proposed removing these costs from the minimum tax, except to the extent they exceed oil production income, and the Senate added this change to their version of the bill. I think this question should be considered in the context of the energy bill, but the Senate felt strongly that delaying tax relief for the independent oil producers until the end of the year would inhibit drilling activity. Therefore, the House conferees agreed to a 1-year exemption from the minimum tax for intangible drilling costs up to the amount of a taxpayer's oil-production income. Limiting this change to 1 year will insure that this issue will be considered in the energy bill, and Congress can make a decision about whether to impose the minimum tax on the independent oil producers at that time.

Let me now briefly explain the other provisions in the conference agreement.

The House and Senate were in basic agreement on the need to extend the 1975–77 tax reductions through 1978. These include the general tax credit, which equals $35 per person or 2 percent of the initial $9,000 of taxable income, and the refundable earned income credit. Also, they include the corporate rate cuts for small business, which reduce rates to 20 percent on the first $25,000 of corporate taxable income and 22 percent on the next $25,000 of taxable income. These tax cuts amount to $14.3 billion for calendar year 1978.

There was also general agreement on the changes in the standard deduction and tax tables. By building the standard deduction into the tax tables, which can be used by 96 percent of taxpayers, the bill will reduce the number of calculations the average taxpayer must make. Also, the increased level of the standard deduction will make it worthwhile for over 7 million taxpayers not to itemize their deductions, raising the fraction of taxpayers who do not itemize deductions to 76 percent.

The House and Senate bills differed on the appropriate levels of the new standard deduction. The House bill provided for a standard deduction of $2,400 for single persons and $3,000 for married couples filing jointly. This meant there would have been a $1,800 decrease in the standard deduction for single persons who decided to get married, which is sometimes called a marriage penalty. Current law creates such a marriage penalty in the standard deduction of between $1,300 and $2,000. The Senate version of the standard deduction was $2,200 for single persons and $3,200 for married couples filing jointly, which involves a $1,200 marriage penalty, which is smaller than under current law.

The administration strongly supported the Senate provision, even though it involved tax increases averaging about $50 for 2 million single persons. After considering the problem of the marriage penalty in our bill, plus the fact that the Senate bill encouraged an additional 1 million switchers to the standard deduction, and the fact that the tax increases only applied to single people with income over $13,750, we agreed to the Senate version.

However, we were able to eliminate a Senate amendment which accorded heads of households the same standard deduction as is available to joint returns. This would have had the effect of creating a "divorce bonus" even larger than the marriage penalty I have just discussed and would have cost $600 million.

We did agree to the Senate amendment postponing until June 1 the date at which withholding taxes are to be reduced to reflect the additional standard deduction. This was needed because of the delay in passing the bill in the Senate.

Another major item in which there was basic agreement between the House and Senate involved the new jobs credit. This is a new, innovative approach to reducing unemployment. Both the House and Senate overwhelmingly approved this concept. The conference agreement provides a credit equal to 50 percent of the increase in each employer's wage base under the Federal Unemployment Tax Act, above 102 percent of the wage base in the previous year. The FUTA base for a year consists of wages paid up to $4,200 per employee. Our version had a 103-percent threshold, instead of 102 percent. The Senate amendment provided that States in which the unemployment rate was at or above 7½ percent would have a 101-percent threshold. A compromise was reached which adopts a flat 102-percent threshold rather than one which varies from State to State. This will be much easier to administer.

The total amount of the credit has four limitations:

First. The credit cannot be more than 50 percent of the increase in total wages paid by the employer for the year above 105 percent of total wages paid by the employer in the previous year;

Second. The credit must be no more than 25 percent of the current year's FUTA wages;

Third. The credit for a year cannot exceed $100,000; and

Fourth. The credit cannot exceed the taxpayer's tax liability.

Under the conference agreement, the employer's deduction for wages is to be reduced by the amount of the credit to

prevent an employer's receiving tax benefits in excess of 100 percent of an employee's wages.

An additional 10-percent credit is allowed for the first $4,200 of wages paid to handicapped individuals—including disabled veterans—who were first paid FUTA wages by the employer during 1977 or 1978, and who have begun—or recently completed—vocational rehabilitation programs. The $100,000 limitation on the amount of the credit does not apply to the additional credit for handicapped employees.

In several cases, the Senate added to this bill provisions similar to those already passed by the House in other legislation. These related to changes made necessary by the Tax Reform Act of 1976.

The conference agreement postpones from 1976 to 1977 the effective date of the changes in the sick pay exclusion made by the Tax Reform Act of 1976 and provides relief from interest and penalties attributable to retroactive tax changes made by that act. These provisions were passed by the House in H.R. 1828.

The Senate also included an amendment similar to H.R. 3340, which has been passed by the House and deals with liberalizing deductions for the business use of the home as a day care center. The Senate amendment applied to all day care centers, while H.R. 3340 was limited to licensed day care centers. We insisted on that limitation, and the Senate agreed to it. However, we agreed to a Senate limitation that the allowable deductions be limited to a fraction of total expenses equal to the fraction of total available time—including sleeping time—during which the home was used for day care.

We also agreed to a Senate amendment extending through 1976 the rules enacted in the Tax Reform Act relating to deductions for travel expenses of State legislators. This problem had to be dealt with immediately to enable State legislators to file their 1976 tax returns, and we agreed to a 1-year extension of the temporary 1975 rules even though the house has passed a bill, H.R. 4007, providing a prospective rule for this problem.

The House agreed to two other Senate amendments which eliminated some retroactive tax increases for middle income people enacted in the 1976 act. The conference agreement postpones from 1976 to 1977 the effective date of the changes in the exclusion for income earned abroad. Also, it gives taxpayers an election for 1976 to use the prior rules for computing the retirement income credit.

The House receded on a Senate amendment relating to charitable contributions for conservation easements and remainder interests in conservation property. As a result of the Tax Reform Act of 1976, deductions for such contributions were permitted only if contributed before June 14, 1977. Under the amendment, such deductions are permitted for transfers for contributions made prior to June 14, 1981. However, the House insisted that such contributions for easements be allowed only for perpetual easements and not for easements of 30 years duration or more, as in the original Senate amendment.

The conference agreement provides for $435 million of additional authorizations for the WIN program in fiscal years 1978 nad 1979. These new funds, which are for employment in supportive services for welfare recipients, do not require additional State matching funds.

The House conferees also accepted the Senate amendment extending through 1981 the provision for rapid amortization for expenditures by an employer for child care facilities, which expired in 1976.

We accepted a Senate amendment to modify a provision of the 1976 act relating to withholding on gambling winnings. Without these changes, the IRS is not able to enforce that law. Under the conference agreement, the IRS will withhold tax on parimutuel gambling winnings only if the amount won exceeds $1,000 and the odds exceed 300 to 1.

The House also agreed to a Senate provision allowing a 1-year postponement for two chicken farms of the requirement imposed in the 1976 act that most farm corporations use the accrual method of accounting. These two farms were placed at a competitive disadvantage because certain larger farms are exempt from that requirement while others are not. We need to reexamine this provision to determine the extent of any competitive problems for small farms with larger ones.

Minor Senate amendments to which we agreed include technical amendments to the Social Security Act and an amendment providing for withholding of county income taxes.

We were able to force the Senate to recede on several of its amendments. I have already mentioned that the conference report deletes the additional 2-percent investment credit passed by the Senate. The Senate also receded on its amendment to postpone for 1 year Treasury regulations limiting tax deferral on investment annuities, which threatened to grow into a major new tax shelter without these regulations. The conference also deleted the Senate amendment to provide a $400 million tax credit to people who maintain a household for an elderly dependent, which we felt was better dealt with in the tax reform bill.

The Senate also added an amendment which extends the countercyclical revenue sharing program for an additional six quarters through fiscal year 1978. The amendment provides up to $1 billion in additional funding in fiscal year 1977 and up to $2.25 billion for fiscal year 1978. The amendment also provides for payments to Puerto Rico and the Virgin Islands and makes several technical changes in the formula. The House conferees decided not to deal with this amendment in the conference report and therefore it is being taken back to the House in disagreement and will be dealt with separately after the conference report is voted on.

Mr. Speaker, the Tax Reduction and Simplification Act of 1977 represents the first effort toward tax reform and simplification in the 95th Congress. We hope to follow it up with a comprehensive tax reform bill following the submission of the administration's recommendations later this year. Mr. Speaker, I urge adoption of the conference report.

Mr. DUNCAN of Tennessee. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the conference report on H.R. 3477, the Tax Reduction and Simplification Act of 1977. Inasmuch as the chairman has already described much of the bill, I would like to refer only briefly to a number of its provisions.

TITLE I—REDUCTION AND SIMPLIFICATION OF INDIVIDUAL INCOME TAXES

One of the major provisions, as agreed to by the conferees, would substitute for the present system of minimum and maximum standard deductions for single persons and joint returns, a flat $2,200 deduction for single filers and a $3,200 deduction for joint filers.

Under the conference agreement, this approach would reduce the so-called marriage penalty to $1,200 from the present range of $1,300 to $2,000. Title I of the bill would also extend the general tax credit and the earned income credit which are now scheduled to expire at the end of 1977 through 1978. These provisions, when combined with the changes in the standard deduction, account for almost 80 percent of the revenue impact of the bill in fiscal years 1978 and 1979.

In addition, title I contains certain simplification changes in the law with regard to the compuation of tax liability by individual taxpayers. Also, the Conference agreement increases the income levels at which tax returns must be filed to conform to the proposed increases in the standard deduction.

TITLE II—REDUCTION IN BUSINESS TAXES

Title II of the bill as agreed to in conference includes two business tax reductions. First, the corporate tax reductions on the first $25,000 of taxable income, from 22 to 20 percent, and on the second $25,000 of taxable income, from 48 to 22 percent, which were first enacted in the Tax Reduction Act of 1975, have been extended through 1978. These cuts were otherwise scheduled to expire at the end of 1977.

Also, the conference agreement provides for a new jobs credit for businesses in 1977 and 1978. This credit would be equal to one-half of the increase in an employer's wage base under the Federal Unemployment Tax Act—FUTA—to the extent that such wage base exceeds 102 percent of the previous year's base. In order to reduce the possibilities for unreasonably high benefits by high marginal tax bracket taxpayers, the conference agreement provides that an employer's deduction for wages paid shall be reduced by the amount of any credit granted pursuant to this new provision. The bill contains certain additional limitations on the credit, including an overall annual limitation of $100,000.

There would be an additional 10 percent credit on the first $4,200 of FUTA wages which are paid to handicapped

individuals who receive vocational rehabilitation. All of the business reductions included in title II of the bill account for slightly over 20 percent of the bill's total revenue impact in fiscal years 1978 and 1979.

TITLE III—PROVISIONS RELATING TO EFFECTIVE DATES AND OTHER PROVISIONS OF THE TAX REFORM ACT OF 1976

Title III of the bill as agreed to in conference includes a number of provisions which relate to effective dates and certain other provisions of the 1976 Tax Reform Act. A number of these provisions have previously been approved by the House in this session in either identical or substantially similar form. A number of these changes which delay effective dates have been thought to be necessary as a consequence of the fact that the 1976 act did not become law until October of that year, while many of the provisions of the act had effective dates of yearend 1975, resulting in hardship to many taxpayers.

Section 301 of the bill as agreed to would postpone for 1 year the repeal of the sick pay exclusion in the 1976 act. Section 302 would delay for 1 year the provisions of the 1976 act relating to the section 911 exclusion for income earned abroad, so that this matter may be considered further by the Congress.

Title III of the bill also contains provisions granting relief from interest, additions to tax, and penalties for underwithholding which are attributable to the application in 1976 of the 1976 Tax Reform Act provisions.

Title III creates a limited exception to the 1976 act provisions with regard to deductibility of expenses related to the business use of a taxpayer's home for business purposes, in those cases where the residence is used as a day care facility. The bill also extends for 1 year the election which was provided in the Tax Reform Act last year as to the tax treatment of State legislators and where their "tax homes" shall be located for purposes of computing tax deductible "away from home living expenses."

TITLE IV—MISCELLANEOUS PROVISIONS

Title IV of the bill contains a number of miscellaneous provisions, including several which also relate to the impact of the 1976 Tax Reform Act and certain effective dates in that act. For example, the conferees agreed that taxpayers who computed the retirement income credit on their 1976 tax returns should have the option of using either prior law or the 1976 act changes in this area in determining the credit to which they are entitled.

Title IV also provides for withholding by Federal agencies for county income and employment taxes in cases where such withholding is already provided for in the case of city income or employment taxes. Under the present rules withholding is voluntary on the part of the Federal employee in question.

TITLE V—SOCIAL SECURITY ACT AMENDMENTS

Finally, title V of the bill provides a number of amendments to the Social Security Act. These amendments relate principally to child support and alimony questions, including such matters as garnishment of certain federal payments for purposes of child support and alimony payments, bonding of State and local employees, establishment of the proportion of child support payments retained by the State in which the family lives which will be paid as an incentive to the political subdivision within the State, or to another State, making the collections, et cetera.

Mr. Speaker, on balance I believe that the conference report on H.R. 3477 should be supported. I urge its adoption.

Mr. ULLMAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas (Mr. HAMMERSCHMIDT).

Mr. HAMMERSCHMIDT. Mr. Speaker, I commend the House-Senate conferees for retaining an amendment to H.R. 3477 passed by the Senate which will postpone for 1 year changes made by the Tax Reform Act of 1976 in the method of accounting for certain corporations engaged in farming.

As the sponsor of legislation to eliminate the inequity created within Public Law 94-455, I urge the Committee on Ways and Means to study the situation, for I believe that during the course of hearings the true nature of this inequity will become apparent to all. One of the measures I have sponsored would repeal that section of the 1976 tax bill requiring the use of the accrual method of accounting by certain corporations and the other bill would provide for an exemption for certain corporations under that section.

I am most appreciative, Chairman ULLMAN, for your prompt and responsive reply to my request that hearings be held on these bills. Realizing the pressing demands of time on the committee in the months ahead in consideration of energy legislation, I am hopeful that this matter will be among those to be reviewed by your committee at the earliest possible time when you again hold tax reform hearings in this Congress.

Had the accrual accounting provisions under Public Law 94-455 gone into effect, they would have had an extremely adverse effect on these corporations who would have been required to use this system for the very first time. The amendment approved by the Senate and retained by the conferees will at least afford a reasonable period of time during which we can fully study the situation in greater depth.

I again thank the conferees for having acted wisely in retaining the language of the Senate-passed amendment within the framework of H.R. 3477.

Mr. ULLMAN. Mr. Speaker, I want to commend the conferees again on what appeared to be a very difficult conference. They were extremely helpful.

One of the conferees, the gentleman from Ohio (Mr. VANIK) is here. I yield 4 minutes to the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Speaker, although I opposed certain provisions of the conference report—such as the 1-year exemption for oil and gas producers from the minimum tax on intangible drilling expenses—I think the conference report should be adopted.

In the course of this year we can observe developments. We can determine whether the exemption for intangible drilling expense from the minimum tax will result in the development of a substantial number of new wells. We can determine whether there is any basis for extending the exemption from the minimum tax on intangible drilling expense in the energy bill.

If there is no substantial proof that the minimum tax exemption is producing more oil and gas—it should be terminated.

I want to take this time to commend the chairman of the Committee on Ways and Means, the distinguished gentleman from Oregon, the Honorable AL ULLMAN, for his efforts in developing an innovative approach to one of the Nation's most serious economic and social problems.

The unemployment problem of America is not a transitory, temporary phenomenon. It is an ever-growing blight on the health of the U.S. economy. It is a long-term problem to be faced with long-range solutions. Yet, Chairman ULLMAN was quick to perceive the need for a business incentive that is carefully and precisely focused on our immediate situation. His 2-year new jobs tax credit is a part of the conference report before us today. It will insure that as the demand for goods and services continues to climb, that increased demand will be reflected in greater employment. This credit is designed to encourage growth, along with the rest of the stimulative measures in H.R. 3477, but it is also designed to insure that the positive effects of economic growth will improve our unemployment problem.

The new jobs tax credit contains several features which should make it a more effective device to encourage the hiring of new employees—more effective than the alternatives which have been suggested. These features were described before, but let me emphasize the positive features which convinced the conferees to adopt the Ullman approach.

First, to benefit from the credit, employers will have to do more than simply maintain current employment levels. The administration's proposals, on the other hand, were not tied to new hiring. Second, the credit is only 2 years in duration—to benefit from it, employers must begin hiring shortly. We will have a chance in 2 years to review the results and assess whether we should extend it.

Many have questioned whether business, small or large, would hire additional workers now, if they are not sure they can sell the output those workers produce. Firms can take this opportunity to hire additional workers who can be used to build up the inventories needed to meet increased sales which are projected as the economy improves. Also, firms with order backlogs, firms which may have deferred general maintenance activities because of the recession, and

firms which may wish to increase the quality of their goods or services, all will have an incentive here to add workers to their payrolls immediately.

This is the right time for a new idea.

The new jobs credit also provides an extra incentive for hiring handicapped individuals who face special difficulties in securing jobs after they enter the labor market. None of the alternative proposals were aimed specifically at the problems of the handicapped.

Finally, I am satisfied that the new jobs tax credit has been limited so as to prevent abuses. As you all know, this is an important feature to me. It is important to all of us to prevent the abuse of purposefully designed tax incentives. The new jobs credit provides special rules for computation of the credit by groups of companies under common control, for businesses with employees working abroad, and for businesses affected by acquisitions, dispositions, and other changes in business form. In this way, the new jobs tax credit has been designed to have a real effect on unemployment, but without the opportunity for tax gimmickery.

Notably, however, even with all the special rules, the provision does not create any additional recordkeeping requirements, employers will use records already maintained for Federal unemployment tax purposes (FUTA). Thus, employers can easily understand their status with respect to the credit.

I want to make mention also of Chairman ULLMAN's agreement when the bill was considered on the House that a follow-up study be made on this section.

Too often we enact well-meaning tax incentives to find later that they do not accomplish what they were meant to do and are costing the public and the Treasury large amounts of money. I do not anticipate the new jobs tax credit to be an example of such a tax provision, but I am glad that it is clear that a study will be made to assess its benefits.

Specifically, the chairman agreed on consideration of the bill that an annual study would be done by the Internal Revenue Service and the Department of the Treasury. The study will provide an official, formalized and mandated follow-up to determine the effects, costs, and repercussions of the new section.

The Ullman jobs credit is direct, simple, and designed to prevent useless cost to the Government. The changes made in the credit, since it left the House on March 8, improve its effectiveness. I emphasize that these changes have even improved the credit.

In closing, I want to again commend the chairman for presenting to the House the new jobs credit which reflects personal foresight and innovative tax policy.

Mr. ULLMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Speaker, I thank the chairman for yielding to me.

Mr. Speaker, I have had some correspondence from constituents that raise poultry concerning the definition of "section 38 property" for purposes of investment credit. Under the Code, a structure used for the production of livestock can qualify for investment credit if it is not a building. To be excluded from the definition of a building, a structure must be a special purpose structure; the use of a structure must be so closely related to the use of the equipment it houses that the structure can be expected to be replaced when the property it houses is replaced. The 1971 report of the Senate Committee on Finance stated that a structure which housed a unitary system for raising hogs would qualify. My constituents have a unitary system for raising poultry.

Let me explain the type of structure in question. It is not a "building" because it is not a structure enclosing a space within walls. It commonly has a sheet metal roof supported by steel trusses. The short side is faced with sheet metal while the long side is covered with chicken wire. The roof and short side of the structure are insulated. A translucent film plastic curtain is attached to the long side of the structure in such a manner as it is possible to raise and lower the curtain to protect the poultry in inclement weather. A concrete strip runs along the bottom edge of the structure and acts as a foundation. There is no flooring other than bare earth. The structure protects the poultry and the following equipment necessary for the care of the poultry; an automatic Big Dutchman feeder; a feed bin; automatic watering system; propane circular brooders; fans; automatic timing devices to control lights, fans, and feeders; and winches to raise and lower curtains, fans, feeders, brooders and waterers. The structure is used to raise chickens for eating called "broilers" in the poultry industry and is peculiarly adapted to that purpose.

It seems to me that such enclosure or structures used for the housing, raising or feeding of livestock or poultry or their produce, that is designed and used solely to provide for such housing, raising or feeding and for the equipment necessary for such housing, raising or feeding, should be included as "section 38 property."

Mr. Speaker, do you agree that this is "section 38 property"?

Mr. ULLMAN. Do I understand that this structure is solely adapted for use in raising broilers and egg collecting?

Mr. PICKLE. Yes. These are not ordinary structures, but they are constructed solely for raising poultry and cannot economically be used for other purposes.

Mr. ULLMAN. I would think that such structures should be treated as section 38 property. As you noted, when the investment credit was restored in 1971, the report of the Senate Committee on Finance contained a discussion of the standards necessary for a structure to qualify for the investment credit. An example of the type of structure intended to qualify for the investment credit cited in the committee report was a unitary system for raising hogs, which included automatic feed systems, special air flow units, slatted flooring, pens, partitions, and a roof.

The structure you describe seems to be very similar in construction and purpose and the example would seem to fit. I might point out to you that the tax court has concluded that a structure similar to the type you are inquiring about does qualify for the investment credit. I believe that the tax court's interpretation of congressional intent is correct.

Mr. PICKLE. I thank the gentleman.

Mr. DUNCAN of Tennessee. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. Mr. Speaker, I am disturbed that again we have not recognized the problems of young people who are working for moderate salaries or wages, who marry and whose marriage costs them such an extra amount in taxes. I had hoped, and I have again and again urged, that the Committee on Ways and Means would consider the problem of these young people. The tax structure seems to be based on the idea of a man supporting a woman. A great number of married women are now working. When they are young and both have moderate incomes, they find, as one young woman told me, quite frankly, "If my boy friend and I get married, it is going to cost us $640."

This is a tax on marriage which I think is unfair and counter to the interests of society. We should not have a tax which makes it better for young people who are working to stay unmarried than to marry.

Mr. Speaker, I know it is too late now, but I would so hope that at the earliest opportunity we could consider the problems of these young people.

Mr. ULLMAN. Mr. Speaker, will the gentlewoman yield?

Mrs. FENWICK. I yield to the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. I thank the gentlewoman for yielding.

Mr. Speaker, let me say that in this bill, for the 76 percent of the taxpayers who do not use standard deductions, we have greatly reduced the marriage penalty. Where the maximum penalty was $2,000 under present law, we have reduced it to $1,200.

Mrs. FENWICK. I notice there is an improvement in the situation, but it would be simple just to say to these unmarried people, "File any way you like; single, married, whatever way you like, fine."

Mr. DUNCAN of Tennessee. Mr. Speaker, I have no further requests for time.

Mr. ULLMAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Virgina (Mr. FISHER).

Mr. FISHER. Mr. Speaker, I wish to rise in support of this tax reduction and simplification bill. I think it scores quite well on the count of tax reduction or simplification. It scores less well, in my opinion, on the count of anticyclical tax legislation, because it does provide for reductions later on, next year and in the following year, at which time we will not know whether we need additional stimulation. So I do criticize the bill on this count, and I believe that this House will

have to examine more closely into the matter on tax legislation designed really to offset business cycle swings. But on the whole, I support the legislation on the grounds of reduction and simplification, both of which I think, on balance, will help the economy. I only wish that we could have geared it more skillfully to the immediate needs of the business situation.

Mr. BIAGGI. Mr. Speaker, I am most pleased to note that included in this conference report today, is language similar to legislation I cosponsored to postpone the implementation date of the sick pay exclusion provision contained in the Tax Reform Act of 1976. Passage of this legislation will provide needed tax relief for hundreds of thousands of retired and disabled workers who were fearful of being saddled with an additional and unexpected tax burden.

Many of us in the House felt that the failure of the House and Senate to agree on language in earlier legislation in this area, had doomed its prospects for passage in time for this tax year. However, the Senate Finance Committee overcame some of their earlier objections to the language and voted to include the postponement in this legislation.

Specifically, H.R. 3477 proposes to restore the old sick pay exclusion language for the 1976 tax year and provides a waiver for interest and penalties on underpayments of estimated tax, resulting from retroactive changes made in the 1976 Tax Reform Act.

In reality, we are talking about a stopgap measure, but an essential one, nevertheless. It is my fervent hope that the fight will not end here. Rather, I would hope that the House Ways and Means Committee will convene early hearings on the feasibility of repealing the sick pay provisions of the Tax Reform Act in their entirety. This would provide the ultimate and best solution to this problem which is of grave concern to hundreds of thousands of already hard-pressed American taxpayers.

Both the Senate Finance, and the House Ways and Means Committees are to be commended for this and other essential compromises which were made in the interest of this legislation. This measure has been referred to as the "centerpiece" of the administration's effort to stimulate the economy. We have learned that economic stimulation is occurring faster than expected. As a result, major changes have been made in this legislation including an elimination of the $50 rebate.

For hundreds of thousands of disabled retirees in the Nation, this legislation is significant for the relief it provides them. Many complain that our tax laws are too complicated, a complaint which is not without some truth. But at least as it relates to this provision of the Tax Reduction Act, the language is clear. For some of our disabled retirees, it may mean a reduction of up to $1,000 in taxes assessed against them during the past year. For others who were hopeful of this very action, it eliminates the fear of their being penalized for not including computations for the revised sick pay exclusion. For most disabled retirees, H.R. 3477 means one less threat to their economic security, which is already precarious. The additional taxes which would have been paid by these disabled retirees might have come from the same funds they use for food or rent. No one wants to see our taxpayers, especially our elderly taxpayers, suffer any more. It is for this reason that H.R. 3477 has my full support. I urge its quick adoption today.

Mr. LEDERER. Mr. Speaker, I rise today in support of the Tax Reduction and Simplification Act of 1977 as approved by the conferees especially to section 202, the new jobs credit.

I have always agreed with the basic principle which is established by this proposal. For 30 years, the Federal Government has been making it more and more expensive to employ people. In short it has been putting too many taxes on labor and business. I welcome the attempts of Chairman ULLMAN and the other members of the Ways and Means Committee to provide tax incentives for business to hire people. More importantly, I have supported the efforts to gear this tax credit to small- and medium-size business firms.

During the course of the debate on this tax bill in committee, I proposed increasing the size of the tax credit to 40 percent of the FUTA base and capping the total amount of the credit to $40,000. While the final version of the credit we have today has increased the cap I suggested, I am happy to see that our distinguished chairman was able to get any cap at all. The credit as designed will help the smaller business firms hire new employees. Since these small firms make up the majority of our Nation's business community, I am happy to see they will finally get a break.

Mr. Speaker, I want to compliment the distinguished chairman of the Ways and Means Committee and the other members of this body for their commitment to our Nation's unemployed. I urge passage of this conference report.

Mr. HARRIS. Generally, the Tax Reduction and Simplification Act of 1977 is a good bill; and, I intend to vote for the adoption of the conference report.

I particularly support the increase of the standard deduction, and the inclusion of the standard deduction, the personal exemption, and the general tax credit into the tax tables. These reforms will eliminate several needless computations and will reduce the tax burden of many taxpayers.

Further, by postponing for 1 year the effective date of the modification of the sick pay exclusion, by allowing taxpayers to elect for 1976 to claim either the retirement income credit of the tax credit for the elderly, and by allowing taxpayers to deduct expenses incurred in the use of a residence as a day care facility, this bill will have a positive impact on many families. I support these provisions of the bill.

However, I do not support the conference report in its entirety. I oppose the new jobs tax credit and the modification of the Tax Reform Act of 1976 regarding intangible drilling costs; and, although I believe that the "marriage penalty" issue needs to be addressed, I am disappointed that the conferees voted to reduce the standard deduction, and thereby increase the tax burden, for certain single taxpayers.

NEW JOBS TAX CREDIT

Despite its name, the new jobs tax credit is not going to create a single job; it simply rewards firms that would be expanding irrespective of the tax credit. Firms will employ additional workers when managers believe that the goods and services which workers produce can be sold, not because of a tax credit. The new job tax credit is just another tax loophole for large corporations; and, frankly, I am concerned that once this credit is created, we will never get rid of it.

The arguments against the investment tax credit are equally applicable to the new jobs tax credit. I was pleased to see a statement in the April 29, 1977, RECORD by my colleague, Congressman JACK KEMP, regarding the investment tax credit. He said in his statement:

> In spite of all this, the investment tax credit might be justified if it truly accomplished the purpose of increasing capital formation and productive capacity. Actually, it only gives windfalls to companies which would be expanding plant capacity under normal circumstances anyway.

Congressman KEMP went on to say in his statement:

> I say all this as one who has in the past strongly supported the investment tax credit as the best means of stimulating capital formation. I was wrong.

I agree with my distinguished colleague.

STANDARD DEDUCTION FOR SINGLE TAXPAYERS

Establishing the new flat standard deduction at $2,200 for single taxpayers will increase the tax burden for single individuals who previously claimed a standard deduction of $2,200 to $2,400. Reducing the standard deduction for these individuals is not a good "reform;" and, I am opposed to this action.

I share the concern of many of my colleagues that our tax laws may tend to discourage working couples from marrying. Under both current law and this bill, an unmarried working couple can claim a combined standard deduction which is greater than the standard deduction that a married couple may claim.

However, I believe that this issue must be approached in a comprehensive manner. The Federal income tax should be based upon an individual's ability to pay; and, emphasis should be placed upon the number of people who are dependent upon a given income, rather than upon the marital status of a taxpayer.

Although the conference report has reduced the marriage penalty, it has not eliminated it altogether. This issue has not been resolved and must be considered at a later date. Therefore, little is gained by decreasing the standard deduction for certain single taxpayers.

Instead of the compromise reached by the conferees, a more acceptable interim compromise would have been:

To increase the standard deduction to $2,200 for single taxpayers who, under current law, can claim a standard deduction of less than $2,200; and

To allow single taxpayers who, under current law, can claim between $2,200 and $2,400, to claim the amount which was previously allowed.

The "solution" provided by this bill is not acceptable; and, I hope the administration will address this issue in its forthcoming tax reform package.

Mrs. COLLINS of Illinois. Mr. Speaker, I rise in support of H.R. 3477, the Tax Reduction Act, as modified by the conference report.

The Tax Reduction Act was conceived as the cornerstone of the administration's efforts to stimulate the economy and to help those sectors of our population that have been the most victimized by the continuing recession.

Substituting substantive measures for a proposed rebate that was largely symbolic in effect, the conferees arrived at a series of individual and business reductions amounting to $2.8 billion for fiscal year 1977, $17.7 billion for fiscal year 1978 and $13.7 billion for fiscal year 1979.

These measures include an increase in the minimum standard deduction from $1,700 to $2,200 for single persons and from $2,100 to $3,200 for married couples. This will benefit approximately 47 million people who do not itemize deductions, and particularly those in the lower-income brackets. Additional benefits are included for elderly and blind citizens.

Employer tax credits, if fully and efficiently utilized, could generate a significant number of new jobs, with special provisions to encourage the hiring of handicapped workers. Day care services will be stimulated by deductions for home day care and by a 5-year extension of provisions permitting a fast write-off of expenses resulting from the construction of day care facilities.

Low income workers will benefit from extension of the earned income credit and the tax exclusion of sick pay for the 1976 fiscal year.

Taken together, these measures can contribute in a significant way to the economic recovery of our country and to the well-being of many citizens.

I, therefore, urge my colleagues to join me in support of H.R. 3477.

Mr. FRENZEL. Mr. Speaker, it is with reluctance that I will vote for this conference report on the tax stimulus bill. Although I continue to object to many of the provisions in the bill which are supposed to stimulate the economy, I strongly support several of the amendments and, in fact, even sponsored one of them.

When this bill was originally considered in the House, I voted against it and at that time detailed both my belief that H.R. 3477 proposed the wrong kind of stimulus at the wrong time and my objections to specific sections of the bill, most notably to the rebate and the employment tax credit. The continued improvements in the economy prompted President Carter to withdraw his own rebate proposal. I heartily congratulated him on that wise and courageous decision to remove, what I considered, the most objectionable and irresponsible portion of the bill.

However, the totally untested employment tax credit, which was added in the House, has not only been retained but has even been expanded to provide for a possible 50-percent Federal subsidy of new jobs. At the same time, the sorely needed economic benefits which may have been obtained from increased capital investment incentives were neglected by the conference committee. The one redeeming business tax measure is an extension of the present corporate tax reductions.

Although the changes in the standard deduction will decrease taxes by an average of $121 per year for about 47 million taxpayers, about 1.7 million single taxpayers will feel an even higher tax bite amounting to about $54 per year. Yet, on the brighter side again, the so-called marriage tax has been reduced by about $100 because of the proposed levels of the standard deduction.

I applaud the conferees' adoption of my family day care exemption amendment, which is one of the few rays of sunshine in an otherwise dismal piece of legislation. This provision solves an unintentional oversight of the 1976 Tax Reform Act by retroactively exempting day care providers for taxable year 1976. Further, it upholds the original intention of the Tax Reform Act—to close possible loopholes—by adding that the deduction, beginning in tax year 1977, will apply to day care providers who have been granted a license or approval under the laws of the State. By tying the tax exemption to State law, the Federal Government will be providing an added incentive for family day care providers to comply with State requirements.

I am pleased that the conferees took advantage of this opportunity to encourage and support State efforts to enforce adequate standards and to improve the quality of day care services. The acceptance of this provision represents a major step forward is assuring the availability of dependable, safe, and reasonably priced day care, which is an essential need in our society today.

Also worthy of support is the elimination of the retroactive effective dates of the Tax Reform Act provisions relating to the sick pay exclusion and the taxation of Americans abroad. These two provisions, which increased the Federal income tax burden on millions of Americans were not signed into law until October of last year, yet were made applicable back to January 1, 1976. Many of the taxpayers who were affected by these changes did not even become aware of them until they filed their 1976 tax return. These changes proved to be a particular hardship for those taxpayers on very limited incomes who had counted on receiving the sick pay exclusion and who suddenly had to come up with a large tax payment. The same situation was faced by many Americans working abroad who had not anticipated a reduction in their allowable income tax exclusion and, therefore, often had not put aside the money to pay for these additional taxes.

Finally, I am pleased to see that the bill will allow State legislators to continue for tax year 1976 to claim their residence within the district they represent as their tax home and to deduct as living expenses the Federal per diem allowed for travel away from home, times the number of days the State legislature is in session. This is a good short term solution, yet Congress should have really taken care of the problem once and for all by making the change permanent.

Mr. Speaker, I continue to believe that the economic stimulus proposed by this bill is not appropriate at this time. However, because I support several of the major amendments to H.R. 3477, I will reluctantly vote for the conference report.

TABLE 1.—CONFERENCE AGREEMENT ON H.R. 3477, THE TAX REDUCTION AND SIMPLIFICATION ACT OF 1977

REVENUE EFFECTS OF BILL

[In millions of dollars]

	Fiscal year—		
	1977	1978	1979
TITLE I			
Reduction and Simplification of Individual Income Taxes			
Changes in the standard deduction	−1,493	−7,382	−5,424
Extension of individual income tax reductions:			
General tax credit [1]		−6,816	−3,910
Earned income credit			−1,296
Total (title I)	−1,493	−14,198	−10,630
TITLE II			
Reduction in Business Taxes			
Extension of certain corporate income tax reductions		−1,045	−1,277
New jobs credit [2]	−689	−2,458	−1,895
Total (title II)	−689	−3,503	−3,172
TITLE III			
Provisions Relating to Effective Dates and Other Provisions of the Tax Reform Act of 1976			
1-yr postponement of effective date of sick pay revisions made by the Tax Reform Act of 1976	−327		
1-yr postponement of effective date for changes made by the Tax Reform Act of 1976 to the exclusion for income earned abroad	−38		
Relief from interest, additions to tax, and penalties attributable to application to 1976 of provisions of the Tax Reform Act of 1976	−11		
Eliminating exclusive use test in the case of residences used to provide day-care services	−19	−15	−12
Deduction for State legislators' travel expenses away from home	[3]		
1-yr exclusion of intangible drilling costs from minimum tax base		−28	
Extension of termination date for charitable contributions of certain conservation easements, leases and options	[3]	[3]	[3]
Total (title III)	−395	−43	−12

	Fiscal year—		
	1977	1978	1979
TITLE IV			
Miscellaneous Provisions			
Extension of 5-yr amortization for child care facilities	(2)	(2)	(2)
Election for 1976 of former retirement income credit provision	30		
Accrual accounting for farm corporations	(3)	(3)	
Withholding tax on certain gambling winnings	(2)	−7	−5
Total (title IV)	−30	−7	−5
Grand total	−2,607	−17,751	−13,819

[1] Includes the effect of making the general tax credit available for the extra age and blindness exemptions and limiting married individuals filing separately to the $35 per capita credit.
[2] The amounts shown do not reflect most of the new jobs credit carryforwards generated in 1977 and 1978. The carryovers to be claimed are estimated at $200,000,000 in fiscal year 1980; at $100,000,000 in 1981; and at smaller amounts in the next few years.
[3] Less than $5,000,000.

Mr. CORMAN. Mr. Speaker, many of us had serious doubts about this legislation when it was first proposed. However, we were convinced that the economy did need quick stimulation and that tax cuts were the most effective way to provide it.

The bill that emerged from the House was very close to the President's original proposal, a moderate and fair piece of legislation, but it has returned to us with significant changes.

At the President's request, the tax rebates have been stripped away, but unfortunately, his request to drop the tax cuts for business were ignored.

Those who would justify this, point out that the business tax cuts are balanced by the changes in the standard deduction that provide relief for individual taxpayers. These changes are, for the most part, praiseworthy. They lower taxes for most low-income taxpayers and also provide a great degree of simplification. But there is one small group of taxpayers, about 2.1 million single persons, who will pay about $52 in additional taxes this year as a result of this bill.

Mr. Speaker, this is unconscionable in a bill that is designed to provide tax relief. In this bill, in addition to granting $3.5 billion in general business tax cuts, we have provided special tax relief for two chicken processing companies, for gamblers, for persons employed overseas and for independent oil drillers, despite the fact that drilling was up 25 percent this year. Contrast all this special relief with the young widow, struggling to support her small children on a salary of $13,750, who will have her taxes increased on June 1.

Mr. Speaker, I object most strongly to the decision of the conferees to accept the Senate version of the new standard deductions which increase taxes for these single taxpayers. The House bill recognized the plight of the two-earner family by raising the standard deduction for joint returns from $2,800 to $3,000, but it allowed the present maximum standard deduction for single filers to remain at $2,400. However, the Senate and now the conferees decided to raise the deduction for marrieds another $200 to $3,200, but it compensated for this increase by lowering the deduction for singles to $2,200.

Mr. Speaker, I cannot conceive of this Congress enacting a measure promising tax relief for individuals that actually raises the taxes of 2.1 million Americans of modest means. I urge adoption of the conference report. But I hope the Ways and Means Committee will soon consider correcting the inequity in the minimum standard deduction perpetrated by this legislation.

Mr. FORD of Tennessee. Mr. Speaker, I rise today in support of the conference report on H.R. 3477. I am pleased that the provisions of the Tax Reduction and Simplification Act of 1977 and the countercyclical antirecession assistance to State and local government legislation have been joined together. These two bills are the foundation of the administration's efforts to keep this Nation moving rapidly along the road to economic recovery. Together they represent an historic opportunity for the Members of this Congress to register their support for an economic policy dedicated to improving the welfare of the people of this Nation.

I am particularly happy to have the chance to cast my vote for the countercyclical assistance legislation as passed by the House last week. In the 94th Congress, I sponsored this legislation and believed then as I do now that, by definition, countercyclical aid to State and local governments should be based on the unemployment rate rather than the tax effort. I am pleased that the Members of this body, in their wisdom, retained this sensible approach to allocating the funds authorized under this program.

Mr. Speaker, I would also like to take this opportunity to express my deep concern about section 202(E) of the Tax Reduction and Simplification Act, the section relating to the additional 10 percent jobs credit for handicapped employees. As many Members of this body are aware, on January 4, 1977, I introduced H.R. 905, the "Handicapped Employment Act of 1977." In essence, this legislation would have provided for a 20-percent tax credit for wages paid to newly hired handicapped employees.

My colleague from the great State of Tennessee and on the Committee on Ways and Means, JOHN DUNCAN, worked closely with me on this legislation. Together we were able to secure the cosponsorship of nearly 90 of our colleagues from both sides of the aisle. H.R. 905, contained a cautiously drafted yet meaningful definition of "handicapped employee" which included, "any individual who has a medically determinable physical or mental impairment which substantially limits one or more of his or her major life activities and which can be expected to last or has lasted for a continuous period of not less than 12 months."

No such definition is provided in H.R. 3477. Rather section 202 (E) states that only persons who are vocational rehabilitation referrals would be eligible. This provision has raised serious questions in my mind and in the minds of many handicapped Americans. Two organizations—the National Federation of the Blind and the National Council of State Agencies for the Blind—have communicated their concern to me about this provision. It is their contention as well as my belief that the members of the Committee on Ways and Means and the Congress as a whole intend for the referral provision to be merely a form of certification of disability. As I interpret this certification requirement, it could just as easily be performed by a physician as by a vocational rehabilitation office and it is my expectation that regulations governing this section of the act will reflect this interpretation.

Mr. Speaker, anticipating that my concerns about section 202 (E) will be alleviated through the regulatory process, I strongly urge my colleagues to support this conference report.

GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that I may be permitted to revise and extend my remarks and that all Members may have 5 legislative days in which to revise and extend their remarks on this conference report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ULLMAN. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore, announced that the ayes appeared to have it.

Mr. ULLMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 383, nays 2, not voting 47, as follows:

[Roll No. 237]

YEAS—383

Addabbo	Boland	Clay
Akaka	Bolling	Cleveland
Alexander	Bonior	Cochran
Allen	Bonker	Cohen
Ambro	Bowen	Coleman
Ammerman	Brademas	Collins, Ill.
Anderson, Calif.	Breaux	Collins, Tex.
	Breckinridge	Conable
Anderson, Ill.	Brinkley	Conte
Andrews, N.C.	Brodhead	Conyers
Andrews, N. Dak.	Brooks	Corcoran
	Broomfield	Corman
Annunzio	Brown, Mich.	Cornell
Archer	Brown, Ohio	Cornwell
Armstrong	Broyhill	Cotter
Ashbrook	Buchanan	Coughlin
Aspin	Burgener	Crane
AuCoin	Burke, Fla.	D'Amours
Badham	Burke, Mass.	Daniel, Dan
Bafalis	Burleson, Tex.	Daniel, R. W.
Baldus	Burlison, Mo.	Danielson
Baucus	Burton, John	Davis
Bauman	Burton, Phillip	de la Garza
Beard, R.I.	Butler	Delaney
Beard, Tenn.	Byron	Dellums
Bedell	Caputo	Derrick
Bellenson	Carney	Derwinski
Benjamin	Carr	Devine
Bennett	Carter	Dickinson
Bevill	Cavanaugh	Dicks
Biaggi	Cederberg	Dingell
Bingham	Chappell	Dodd
Blanchard	Chisholm	Dornan
Blouin	Clausen, Don H.	Downey
Boggs		Drinan

Duncan, Oreg.	Leach	Roberts
Duncan, Tenn.	Lederer	Robinson
Early	Leggett	Rodino
Edgar	Lehman	Rogers
Edwards, Ala.	Lent	Roncalio
Edwards, Calif.	Levitas	Rooney
Edwards, Okla.	Lloyd, Calif.	Rose
Emery	Lloyd, Tenn.	Rosenthal
English	Long, La.	Rostenkowski
Ertel	Long, Md.	Roybal
Evans, Colo.	Lujan	Rudd
Evans, Del.	Luken	Runnels
Evans, Ga.	Lundine	Ruppe
Evans, Ind.	McClory	Russo
Fary	McCloskey	Ryan
Fascell	McCormack	Santini
Fenwick	McDade	Sarasin
Findley	McDonald	Satterfield
Fisher	McEwen	Sawyer
Fithian	McFall	Scheuer
Flood	McHugh	Schroeder
Flowers	McKay	Schulze
Flynt	McKinney	Seiberling
Foley	Madigan	Sharp
Ford, Mich.	Maguire	Shipley
Ford, Tenn.	Mahon	Shuster
Fountain	Markey	Sikes
Fowler	Marks	Simon
Fraser	Marlenee	Sisk
Frenzel	Marriott	Skelton
Frey	Martin	Skubitz
Fuqua	Mathis	Slack
Gammage	Mattox	Smith, Iowa
Gaydos	Mazzoli	Smith, Nebr.
Gephardt	Meeds	Snyder
Giaimo	Metcalfe	Solarz
Gibbons	Meyner	Spellman
Gilman	Michel	Spence
Ginn	Mikulski	St Germain
Glickman	Mikva	Staggers
Goldwater	Milford	Stangeland
Gonzalez	Miller, Calif.	Stanton
Goodling	Miller, Ohio	Stark
Gore	Mineta	Steed
Gradison	Minish	Steiger
Grassley	Mitchell, Md.	Stokes
Gudger	Mitchell, N.Y.	Stratton
Guyer	Moakley	Studds
Hagedorn	Mollohan	Stump
Hall	Montgomery	Symms
Hamilton	Moore	Taylor
Hammer-schmidt	Moorhead, Calif.	Teague
Hanley	Moorhead, Pa.	Thone
Hannaford	Moss	Thornton
Harkin	Mottl	Traxler
Harrington	Murphy, Ill.	Treen
Harris	Murphy, N.Y.	Trible
Harsha	Murphy, Pa.	Tsongas
Heckler	Murtha	Tucker
Hefner	Myers, Gary	Ullman
Hightower	Myers, Michael	Vander Jagt
Holland	Myers, Ind.	Vanik
Hollenbeck	Natcher	Vento
Holt	Neal	Volkmer
Holtzman	Nedzi	Waggonner
Horton	Nichols	Walgren
Hubbard	Nolan	Walker
Huckaby	Nowak	Walsh
Hughes	Oakar	Wampler
Hyde	Oberstar	Watkins
Ichord	Obey	Waxman
Ireland	Ottinger	Weaver
Jeffords	Panetta	Weiss
Jenkins	Patten	Whalen
Jenrette	Patterson	White
Johnson, Calif.	Pattison	Whitehurst
Jones, N.C.	Pease	Whitley
Jones, Okla.	Perkins	Whitten
Jordan	Pettis	Wilson, Bob
Kasten	Pickle	Wilson, C. H.
Kastenmeier	Pike	Wilson, Tex.
Kazen	Preyer	Wirth
Kelly	Pritchard	Wolff
Ketchum	Quayle	Wright
Keys	Quie	Wydler
Kildee	Quillen	Wylie
Kindness	Rahall	Yates
Kostmayer	Rangel	Yatron
Krebs	Regula	Young, Alaska
Krueger	Reuss	Young, Fla.
LaFalce	Rhodes	Young, Tex.
Lagomarsino	Richmond	Zablocki
Latta	Rinaldo	Zeferetti
Le Fante	Risenhoover	

NAYS—2

Jacobs	Wiggins

NOT VOTING—47

Abdnor	Brown, Calif.	Eckhardt
Applegate	Burke, Calif.	Eilberg
Ashley	Cawson, Del	Erlenborn
Badillo	Dent	Fish
Barnard	Diggs	Flippo
Florio	Lott	Roe
Forsythe	Mann	Rousselot
Hansen	Moffett	Sebelius
Hawkins	Nix	Steers
Heftel	O'Brien	Stockman
Hillis	Pepper	Thompson
Howard	Poage	Udall
Johnson, Colo.	Pressler	Van Deerlin
Jones, Tenn.	Price	Winn
Kemp	Pursell	Young, Mo.
Koch	Railsback	

The Clerk announced the following pairs:

Mr. Thompson with Mr. Del Clawson.
Mr. Heftel with Mr. Fish.
Mr. Badillo with Mr. Winn.
Mr. Nix with Mr. Abdnor.
Mr. Pepper with Mr. Sebelius.
Mr. Van Deerlin with Mr. Lott.
Mr. Udall with Mr. Kemp.
Mr. Price with Mr. Howard.
Mr. Florio with Mr. Stockman.
Mr. Eilberg with Mr. Railsback.
Mr. Mann with Mr. Hillis.
Mr. Koch with Mr. Roe.
Ms. Burke of California with Mr. Rousselot.
Mr. Ashley with Mr. Pressler.
Mr. Applegate with Mr. Hansen.
Mr. Diggs with Mr. O'Brien.
Mr. Barnard with Mr. Young of Missouri.
Mr. Hawkins with Mr. Pressler.
Mr. Brown of California with Mr. Steers.
Mr. Jones of Tennessee with Mr. Moffett.
Mr. Flippo with Mr. Eckhardt.

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENT IN DISAGREEMENT

The SPEAKER pro tempore. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 85: Page 85 insert:

TITLE VII—ANTIRECESSION PROVISIONS

SEC. 701. SHORT TITLE.

This title may be cited as the "Intergovernmental Antirecession Assistance Act of 1977."

SEC. 702. AUTHORIZATION OF APPROPRIATIONS.

(a) Section 202(b) of the Public Works Employment Act of 1976 (42 U.S.C. 6722(b)) is amended to read as follows:

"(b) AUTHORIZATION OF APPROPRIATIONS.—Subject to the provisions of subsections (c) and (d) of this section, there are authorized to be appropriated for each of the six succeeding calendar quarters (beginning with the calendar quarter which begins on April 1, 1977) for the purpose of payments under this title—

"(A) $125,000,000 plus

"(B) $30,000,000 multiplied by the number of one-tenth percentage points by which the rate of seasonally adjusted national unemployment for the most recent calendar quarter which ended three months before the beginning of such calendar quarter exceeded 6 percent.".

(b) Section 202(c) of such Act is amended to read as follows:

"(c) LIMITATION ON AUTHORIZATION.—

"(1) INITIAL PERIOD.—In no case shall the aggregate amount authorized to be appropriated under the provisions of subsection (b) of this section for the five successive calendar quarters beginning with the calendar quarter which begins July 1, 1976, exceed $2,250,000,000.

"(2) SUBSEQUENT FISCAL YEAR.—In no case shall the aggregate amount authorized to be appropriated under the provisions of subsection (b) of this section for the fiscal year beginning on or after October 1, 1977, exceed $2,250,000,000.

"(3) FISCAL YEAR.—For the purposes of this section, the term 'fiscal year' refers to a period of twelve consecutive months beginning on October 1 of any year.".

SEC. 703. STATE ALLOCATION.

(a) Section 203(b)(3)(D) of such Act is amended by striking out "for the one-year period beginning on July 1, 1975." and inserting in lieu thereof "for the recently completed entitlement period, as defined under section 151(b) of this Act (31 U.S.C. 1216(b)).".

(b) Section 203(c)(1) of such Act is amended by striking out "paragraphs (3) and (5)" and inserting in lieu thereof "paragraph (4)".

(c) Section 203(c) of such Act is amended by striking out paragraph (3) and redesignating paragraphs (4) and (5) as (3) and (4).

(d) Section 203(c)(3)(B) of such Act is amended by—

(1) inserting "or assigned" after the word "determined", and

(2) striking out the parenthetical phrase and inserting in lieu thereof "(in the case of a local government for which the Secretary of Labor cannot determine a local unemployment rate, he shall assign such local government the local unemployment rate of the smallest unit or subunit of local government for which he has determined a local unemployment rate and within the jurisdiction of which such local government is located, unless

"(i) the Governor of the State in which such local government is located has provided the Secretary of Labor with a local unemployment rate for such local government, and

"(ii) the Secretary of Labor finds that such local unemployment rate provided by the Governor has been determined in a manner consistent with the procedures and methodologies used by the Secretary of Labor in determining local unemployment rates,

in which case the Secretary of Labor shall assign such local government the local unemployment rate provided by such Governor)".

(e) Section 203(c)(3)(C) of such Act is amended by—

(1) striking out "for the one-year period beginning on July 1, 1975" and inserting in lieu thereof "for the most recently completed entitlement period, as defined under section 141(b) of this Act (31 U.S.C. 1227); and",

(2) striking out the parenthetical phrase.

(f) Section 203(c)(3) of such Act is amended by striking out subparagraph (D) and redesignating subparagraph (E) as (D).

(g) Section 203(c)(3)(D)(i) of such Act is amended by striking out "Social and Economic Statistics Administration" and inserting in lieu thereof "Bureau of the Census".

(h) Section 203(c)(3) of such Act is amended by striking out "For the purpose of paragraph (4)(D), the Secretary of Labor shall, notwithstanding any of the provisions of law, continue to make determinations with respect to the rate of unemployment for the purposes of such title VI.".

SEC. 704. USES OF PAYMENTS.

Section 204 of such Act is amended by striking out "and for construction unless such supplies and materials or construction are to maintain basic services." and inserting in lieu thereof "or construction, except for normal supplies or repairs necessary to maintain basic services.".

SEC. 705. STATEMENT OF ASSURANCES.

Section 205 of such Act is amended by—

(1) striking out "207" and inserting in lieu thereof "206",

(2) striking out "208" and inserting in lieu thereof "207", and

(3) striking out "209" and inserting in lieu thereof "208".

SEC. 706. OPTIONAL ALLOCATION PLANS.

Such Act is amended by striking out section 206 and redesignating sections 207 through 215 as sections 206 through 214, respectively.

SEC. 707. PAYMENTS.

Section 209(c) of such Act is amended to read as follows:

"(c) TERMINATION.—No amount shall be paid to any State or local government under the provisions of this section for any calendar quarter if the average rate of unemployment within the jurisdiction of such State or local government during the most recent calendar quarter which ended three months before the beginning of such calendar quarter was less than 4.5 percent.".

SEC. 708. AUTHORIZATION OF APPROPRIATIONS FOR PUERTO RICO AND THE VIRGIN ISLANDS.

Title II of such Act is amended by adding at the end thereof the following new section:

"AUTHORIZATION OF APPROPRIATIONS FOR PUERTO RICO AND THE VIRGIN ISLANDS

"SEC. 215. (a) IN GENERAL.—There is hereby authorized to be appropriated for each of the six succeeding calendar quarters (beginning with the calendar quarter which begins on April 1, 1977) for the purpose of making payments under this title to Puerto Rico and the Virgin Islands, an amount equal to 1 percent of the amount authorized for each such quarter under section 202(b).

"(b) ALLOCATIONS.—

"(1) The Secretary shall allocate from the amount authorized under subsection (a) an amount for the purpose of making payments to such governments equal to the total authorized for the calendar quarter multiplied by the applicable territorial percentage.

"(2) For purposes of this subsection, the applicable territorial percentage is equal to the quotient resulting from the division of the territorial population by the sum of the territorial population for both territories.

"(3) For purposes of this section—

"(A) the term 'territory' means Puerto Rico and the Virgin Islands.

"(B) the term 'territorial population' means the most recent population for each territory as determined by the Bureau of Census.

"(c) CERTAIN PROVISIONS TO APPLY.—The provisions of sections 203(c)(4), 204, 205, 206, 207, 208, 209, 210, 211, 212, and 213 shall apply to the funds authorized under this section.

"(d) PAYMENTS TO LOCAL GOVERNMENTS.—The governments of the territories are authorized to make payments to local governments within their jurisdictions from sums received under this section as they deem appropriate.".

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

MOTION OFFERED BY MR. ULLMAN

Mr. ULLMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ULLMAN moves that the House recede from its disagreement to the amendment of the Senate numbered 85 and concur therein with an amendment as follows:

In lieu of the matter proposed to be inserted by such Senate amendment, insert the following:

TITLE VI—INTERGOVERNMENTAL ANTIRECESSION ASSISTANCE

SEC. 602. This title may be cited as the "Intergovernmental Antirecession Assistance Act of 1977".

SEC. 602. (a) Subsection (b) of section 202 of the Public Works Employment Act of 1976 (42 U.S.C. 6722(b)) is amended to read as follows:

"(b) AUTHORIZATION OF APPROPRIATIONS.—Subject to the provisions of subsections (c) and (d) of this section, there are authorized to be appropriated for each of the five succeeding calendar quarters (beginning with the calendar quarter which begins on July 1, 1977) for the purpose of payments under this title—

"(1) $125,000,000, plus

"(2) $30,000,000 multiplied by the number of whole one-tenth percentage points by which the rate of seasonally adjusted national unemployment for the most recent calendar quarter which ended three months before the beginning of such quarter exceeded 6 per centum.".

(b) Subsection (c) of section 202 of such Act is amended to read as follows:

"(c) LIMITATION ON AUTHORIZATION.—In no case shall the aggregate amount authorized to be appropriated under the provisions of subsection (b) of this section for the five successive calendar quarters beginning with the calendar quarter which begins July 1, 1977, exceed $2,250,000,000.".

SEC. 603. (a) Section 203(b)(3)(D) of the Public Works Employment Act of 1976 (42 U.S.C. 6723(b)(3)(D)) is amended by striking out "for the one-year period beginning on July 1, 1975" and inserting in lieu thereof "for the most recently completed entitlement period, as defined under section 141(b) of such Act".

(b) Section 203(c)(1) of such Act is amended by striking out "paragraphs (3) and (5)" and inserting in lieu thereof "paragraph (4)".

(c) Section 203(c) of such Act is amended by striking out paragraph (3) and redesignating paragraphs (4) and (5) as paragraphs (3) and (4).

(d) Section 203(c)(3)(B) of such Act is amended by—

(1) inserting "or assigned" after the word "determined"; and

(2) striking out the parenthetical phrase and inserting in lieu thereof the following: "in the case of a local government for which the Secretary of Labor cannot determine a local unemployment rate, he shall assign such local government the local unemployment rate of the smallest unit or subunit of local government for which he has determined a local unemployment rate and within the jurisdiction of which local government is located, unless—

"(i) the Governor of the State in which such local government is located has provided the Secretary of Labor with a local unemployment rate for such local government, and

"(ii) the Secretary of Labor finds that such local unemployment rate provided by the Governor has been determined in a manner consistent with the procedures and methodologies used by the Secretary of Labor in determining local unemployment rates,

in which case the Secretary of Labor shall assign such local government the local unemployment rate provided by such Governor)".

(e) Section 203(c)(3)(C) of such Act is amended by—

(1) striking out "for the one-year period beginning on July 1, 1975" and inserting in lieu thereof "for the most recently completed entitlement period, as defined under section 141(d) of such Act"; and

(2) striking out the parenthetical phrase.

(f) Section 203(c)(3) of such Act is amended by striking out subparagraph (D) and redesignating subparagraph (E) as subparagraph (D).

(g) Section 203(c)(3)(D)(i) of such Act is amended by striking out "Social and Economic Statistics Administration" and inserting in lieu thereof "Bureau of the Census".

(h) Section 203(c)(3) of such Act is amended by striking out "For the purpose of paragraph (4)(D), the Secretary of Labor shall, notwithstanding any of the provisions of law, continue to make determinations with respect to the rate of unemployment for the purposes of such title VI.".

(i) Section 206 of such Act is repealed.

SEC. 604. Section 204 of the Public Works Employment Act of 1976 (42 U.S.C. 6724 is amended by striking out "and for construction unless such supplies and materials or construction are to maintain basic services" and inserting in lieu thereof "or for construction, except for normal supplies or repairs necessary to maintain basic services".

SEC. 605. Section 207 of the Public Works Employment Act of 1976 (42 U.S.C. 6727) is amended to read as follows:

"NONDISCRIMINATION

"SEC. 207. (a)(1) IN GENERAL.—No person in the United States shall, on the ground of race, color, national origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity of a State government or unit of local government, which government or unit receives funds made available under this title. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in section 504 of the Rehabilitation Act of 1973 shall also apply to any such program or activity. Any prohibition against discrimination on the basis of religion, or any exemption, from such prohibition, as provided in the Civil Rights Act of 1964 or title VIII of the Act of April 11, 1968, commonly referred to as Civil Rights Act of 1968, shall also apply to any such program or activity.

"(2) EXCEPTIONS.—

"(A) FUNDING.—The provisions of paragraph (1) of this subsection shall not apply where any State government or unit of local government demonstrates, by clear and convincing evidence, that the program or activity with respect to which the allegation of discrimination has been made is not funded in whole or in part with funds made available under this title.

"(B) CONSTRUCTION PROJECTS IN PROGRESS.—The provisions of paragraph (1), relating to discrimination on the basis of handicapped status, shall not apply with respect to construction projects commenced prior to January 1, 1977.

"(b) ENFORCEMENT AND REMEDIES.—The provisions of subsection (a) of this section shall be enforced by the Secretary in the same manner and in accordance with the same procedures as are required by sections 122, 124, and 125 of the State and Local Fiscal Assistance Act of 1972 to enforce compliance with section 122(a) of such Act. The Attorney General shall have the same authority, functions, and duties with respect to funds made available under this title as the Attorney General has under sections 122 (g) and (h) and 124(c) of such Act with respect to funds made available under that Act. Any person aggrieved by a violation of subsection (a) of this section shall have the same rights ond remedies as a person aggrieved by a violation of subsection (a) of section 122 of such Act, including the rights provided under section 124(c) of such Act.".

SEC. 606. Section 215 of the Public Works Employment Act of 1976 (42 U.S.C. 6735) is amended by adding at the end thereof the following new subsection:

"(c) ALTERNATIVE METHODS OF ALLOCATION.—The Secretary shall, in consultation with the Secretary of Commerce, conduct an investigation of—

"(1) the extent to which allocations of funds provided under this Act might be more precisely related to true economic conditions by the use of data on aggregate declines in private real wages and salaries;

"(2) the extent to which other factors, such as relative tax effort, should also be made part of the allocation system provided by this Act; and

"(3) the availability and reliability of data concerning Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands, and the extent to which such territories may properly be made part of the regular allocation system applicable to the several States.

The results of such investigation shall be submitted to the Congress not later than March 1, 1978, in order that such results may be available during congressional consideration of any extension of this Act beyond the fiscal year ending September 30, 1978.".

SEC. 607. Title II of the Public Works Employment Act of 1976 (42 U.S.C. 6721–6735) is amended by adding at the end thereof the following new section:

"AUTHORIZATION OF APPROPRIATIONS FOR PUERTO RICO, GUAM, AMERICAN SAMOA, AND THE VIRGIN ISLANDS

"SEC. 216. (a) IN GENERAL.—There is hereby authorized to be appropriated for each of the five succeeding calendar quarters (beginning with the calendar quarter which begins on July 1, 1977) for the purpose of making payments under this title to Puerto Rico, Guam, American Samoa, and the Virgin Islands, an amount equal to 1 percent of the amount authorized for each such quarter under section 202(b).

"(b) ALLOCATIONS.—

"(1) The Secretary shall allocate from the amount authorized under subsection (a) an amount for the purpose of making payments to such governments equal to the total authorized for the calendar quarter multiplied by the applicable territorial percentage.

"(2) For the purposes of this subsection, the applicable territorial percentage is equal to the quotient resulting from the division of the territorial population by the sum of the territorial population for all territories.

"(3) For purposes of this section—

"(A) The term 'territory' means Puerto Rico, Guam, American Samoa, and the Virgin Islands.

"(B) The term 'territorial population' means the most recent population for each territory as determined by the Bureau of Census.

"(C) The provisions of sections 203(c)(4), 204, 205, 206, 207, 208, 209, 210, 211, 212, and 213 shall apply to the funds authorized under this section.

"(c) PAYMENTS TO LOCAL GOVERNMENTS.—The governments of the territories are authorized to make payments to local governments within their jurisdiction from sums received under this section as they deem appropriate.".

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ULLMAN. Mr. Speaker, what we are doing here is taking the language of the House-passed bill that was passed by this House last week out of the Committee on Government Operations, and with the full concurrence of the Chairman of that committee, the gentleman from Texas (Mr. BROOKS) we are substituting that House-passed language for the Senate countercyclical provisions that were brought back in disagreement. I think this clearly points up the situation. An aye vote is to provide this substitute language for the Senate provisions on the countercyclical revenue sharing in this conference report.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion.

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oregon (Mr. ULLMAN).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 252, nays 134, not voting 46, as follows:

[Roll No. 238]

YEAS—252

Addabbo	de la Garza	Jeffords
Akaka	Delaney	Jenrette
Alexander	Dellums	Johnson, Calif.
Allen	Derrick	Jordan
Ambro	Derwinski	Kastenmeier
Ammerman	Dicks	Kazen
Anderson, Calif.	Diggs	Keys
	Dingell	Kildee
Annunzio	Dodd	Kostmayer
Aspin	Downey	Krebs
AuCoin	Drinan	Krueger
Baldus	Duncan, Oreg.	LaFalce
Baucus	Duncan, Tenn.	Latta
Beard, R.I.	Early	Le Fante
Beilenson	Eckhardt	Lederer
Bennett	Edgar	Leggett
Bevill	Edwards, Calif.	Lehman
Biaggi	Emery	Lent
Bingham	Ertel	Lloyd, Calif.
Blanchard	Evans, Colo.	Lloyd, Tenn.
Boggs	Evans, Del.	Long, La.
Boland	Fary	Long, Md.
Bolling	Fascell	Luken
Bonior	Fenwick	Lundine
Bonker	Fisher	McCloskey
Brademas	Flood	McCormack
Breckinridge	Foley	McDade
Brinkley	Ford, Tenn.	McEwen
Broomfield	Fowler	McFall
Brown, Mich.	Fraser	McHugh
Buchanan	Frey	McKinney
Burke, Mass.	Fuqua	Maguire
Burlison, Mo.	Gaydos	Markey
Burton, John	Gephardt	Marks
Burton, Phillip	Giaimo	Mazzoli
Byron	Gilman	Meeds
Caputo	Ginn	Metcalfe
Carney	Gonzalez	Meyner
Carr	Gore	Mikulski
Carter	Gradison	Mikva
Cederberg	Guyer	Miller, Calif.
Chisholm	Hanley	Mineta
Clausen, Don H.	Hannaford	Minish
	Harrington	Mitchell, N.Y.
Cohen	Harris	Moakley
Coleman	Harsha	Mollohan
Collins, Ill.	Hawkins	Moore
Conte	Heckler	Moss
Conyers	Hollenbeck	Motti
Corman	Holtzman	Murphy, Ill.
Cornell	Horton	Murphy, N.Y.
Cornwell	Hubbard	Murphy, Pa.
Cotter	Huckaby	Murtha
D'Amours	Hughes	Myers, Michael
Danielson	Hyde	Natcher
Davis	Ireland	Nedzi
Nolan	Ruppe	Tsongas
Nowak	Russo	Tucker
Oakar	Ryan	Ullman
Oberstar	Santini	Vander Jagt
Obey	Sarasin	Vento
Ottinger	Sawyer	Volkmer
Panetta	Scheuer	Walgren
Patten	Schroeder	Walsh
Patterson	Schulze	Wampler
Pattison	Seiberling	Watkins
Perkins	Shipley	Weaver
Pike	Simon	Weiss
Preyer	Sisk	Whalen
Pritchard	Skelton	White
Quillen	Slack	Wilson, Bob
Rahall	Solarz	Wilson, C. H.
Rangel	Spellman	Wilson, Tex.
Regula	St Germain	Wirth
Reuss	Staggers	Wolff
Richmond	Stanton	Wright
Rinaldo	Stark	Wydler
Risenhoover	Steed	Wylie
Rodino	Steiger	Yates
Roncalio	Stokes	Yatron
Rooney	Stratton	Young, Mo.
Rose	Studds	Young, Tex.
Rosenthal	Thornton	Zablocki
Rostenkowski	Traxler	Zeferetti
Roybal	Trible	

NAYS—134

Anderson, Ill.	Flowers	Milford
Andrews, N.C.	Flynt	Miller, Ohio
Andrews, N. Dak.	Fountain	Montgomery
	Frenzel	Moorhead, Calif.
Archer	Gammage	
Armstrong	Gibbons	Myers, Gary
Ashbrook	Glickman	Myers, Ind.
Badham	Goldwater	Neal
Bafalis	Goodling	Nichols
Barnard	Grassley	Pease
Bauman	Gudger	Pettis
Beard, Tenn.	Hagedorn	Pickle
Bedell	Hall	Quayle
Benjamin	Hamilton	Quie
Blouin	Hammer-schmidt	Rhodes
Bowen		Roberts
Breaux	Harkin	Robinson
Brodhead	Hefner	Rogers
Brooks	Hightower	Rudd
Brown, Ohio	Holland	Runnels
Broyhill	Holt	Satterfield
Burgener	Ichord	Sharp
Burke, Fla.	Jacobs	Shuster
Burleson, Tex.	Jenkins	Sikes
Butler	Jones, N.C.	Skubitz
Cavanaugh	Jones, Okla.	Smith, Iowa
Chappell	Kasten	Smith, Nebr.
Cleveland	Kelly	Snyder
Cochran	Kemp	Spence
Collins, Tex.	Ketchum	Stangeland
Conable	Kindness	Stump
Corcoran	Lagomarsino	Symms
Coughlin	Leach	Taylor
Crane	Levitas	Teague
Daniel, Dan	Lujan	Thone
Daniel, R. W.	McClory	Treen
Devine	McDonald	Vanik
Dickinson	McKay	Waggonner
Dornan	Madigan	Walker
Edwards, Ala.	Mahon	Whitehurst
Edwards, Okla.	Marlenee	Whitley
English	Marriott	Whitten
Evans, Ga.	Martin	Wiggins
Evans, Ind.	Mathis	Young, Alaska
Findley	Mattox	Young, Fla.
Fithian	Michel	

NOT VOTING—46

Abdnor	Hansen	Pressler
Applegate	Heftel	Price
Ashley	Hillis	Pursell
Badillo	Howard	Railsback
Brown, Calif.	Johnson, Colo.	Roe
Burke, Calif.	Jones, Tenn.	Rousselot
Clawson, Del	Koch	Sebelius
Clay	Lott	Steers
Dent	Mann	Stockman
Eilberg	Mitchell, Md.	Thompson
Erlenborn	Moffett	Udall
Fish	Moorhead, Pa.	Van Deerlin
Flippo	Nix	Waxman
Florio	O'Brien	Winn
Ford, Mich.	Pepper	
Forsythe	Poage	

The Clerk announced the following pairs:

On this vote:

Mr. Thompson for, with Mr. Abdnor against.

Mr. Dent for, with Mr. Del Clawson against.

Mr. Moorhead of Pennsylvania for, with Mr. Erlenborn against.
Mr. Fish for, with Mr. Hansen against.
Mr. Flippo for, with Mr. Lott against.
Mr. O'Brien for, with Mr. Railsback against.
Mr. Mitchell of Maryland for, with Mr. Rousselot against.
Mr. Pursell for, with Mr. Sebelius against.
Mr. Jones of Tennessee for, with Mr. Stockman against.
Mr. Steers for, with Mr. Winn against.

Until further notice:

Mr. Badillo with Mr. Applegate.
Ms. Burke of California with Mr. Hillis.
Mr. Koch with Mr. Roe.
Mr. Florio with Mr. Ashley.
Mr. Ford of Michigan with Mr. Howard.
Mr. Moffett with Mr. Pressler.
Mr. Nix with Mr. Brown of California.
Mr. Pepper with Mr. Van Deerlin.
Mr. Price with Mr. Clay.
Mr. Eilberg with Mr. Waxman.
Mr. Udall with Mr. Mann.
Mr. Heftel with Mr. Koch.

Mr. McKAY changed his vote from "yea" to "nay."

Mr. MAGUIRE changed his vote from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE ON COMPENSATION, PENSION, AND INSURANCE OF COMMITTEE ON VETERANS' AFFAIRS TO SIT DURING 5-MINUTE RULE ON MORNING OF MAY 18, 1977

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the Subcommittee on Compensation, Pension, and Insurance of the Committee on Veterans' Affairs may be permitted to meet on the morning of Wednesday, May 18, 1977, while the House is proceeding under the 5-minute rule.

The SPEAKER pro tempore (Mr. LEHMAN). Is there objection to the request of the gentleman from Mississippi?

There was no objection.

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO FILE REPORT ON H.R. 4740

Mr. BARNARD. Mr. Speaker. I ask unanimous consent that the Committee on Merchant Marine and Fisheries may have until midnight tonight to file a report on H.R. 4740, to increase the appropriations authorization for fiscal year 1978 and authorize appropriations for fiscal year 1978 to carry out the Marine Mammal Protection Act of 1972.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

ISRAEL CELEBRATES ITS 29TH ANNIVERSARY AS A NATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ilinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I take great pleasure in saluting the people of Israel on the occasion of the 29th anniversary of the founding of their nation, which this year is being celebrated on May 21. It was on the 6th of Iyar, May 15, 1948, that the Israeli people proclaimed their independence and founded the Republic of Israel—a strong and prosperous nation.

In the Declaration of the Establishment of the State of Israel are enunciated the noble ideals upon which this nation was founded, and at this point in the RECORD I wish to insert this declaration, which follows:

ISRAEL: THE FIRST 26 YEARS DECLARATION OF THE ESTABLISHMENT OF THE STATE OF ISRAEL MAY 14, 1948

Eretz-Israel was the birthplace of the Jewish people. Here their spiritual religious and political identity was shaped. Here they first attained to statehood, created cultural values of national and universal significance and gave to the world the eternal book of books.

After being forcibly exiled from their land, the people kept faith with it throughout their dispersion and never ceased to pray and hope for their return to it and for the restoration in it of their political freedom.

Impelled by this historic and traditional attachment, Jews strove in every successive generation to re-establish themselves in their ancient homeland. In recent decades they returned in their masses, pioneers, ma'apilim and defenders. They made deserts bloom, revived the Hebrew language, built villages and towns, and created a thriving community, controlling its own economy and culture, loving peace but knowing how to defend itself, bringing the blessings of progress to all the country's inhabitants, and aspiring towards independent nationhood.

In the year 5657 (1897), at the summons of the spiritual father of the Jewish state, Theodor Herzl, the first Zionist Congress convened and proclaimed the right of the Jewish people to national rebirth in its own country.

This right was recognized in the Balfour Declaration of the 2nd November, 1917, and re-affirmed in the mandate of the League of Nations which, in particular, gave international sanction to the historic connection between the Jewish people and Eretz-Israel and to the right of the Jewish people to rebuild its national home.

The catastrophe which recently befell the Jewish people—the massacre of millions of Jews in Europe—was another clear demonstration of the urgency of solving the problem of its homelessness by re-establishing in Eretz-Israel the Jewish state, which would open the gates of the homeland wide to every Jew and confer upon the Jewish people the status of a fully-privileged member of the comity of nations.

Survivors of the Nazi holocaust in Europe, as well as Jews from other parts of the world, continued to migrate to Eretz-Israel. Undaunted by difficulties, restrictions and dangers and never ceased to assert their right to a life of dignity, freedom and honest toil in their national homeland.

In the Second World War, the Jewish community of this country contributed its full share to the struggle of the freedom and peace-loving nations against the forces of Nazi wickedness and, by the blood of its soldiers and its war effort, gained the right to be reckoned among the peoples who founded the United Nations.

On the 29th November, 1947, the United Nations General Assembly passed a resolution calling for the establishment of a Jewish state in Eretz-Israel: the General Assembly required the inhabitants of Eretz-Israel to take such steps as were necessary on their part for the implementation of that resolution, this recognition by the United Nations of the right of the Jewish people to establish their state is irrevocable.

This right is the natural right of the Jewish people to be masters of their own fate, like all other nations, in their own sovereign state.

Accordingly we, members of the people's council, representatives of the Jewish community of Eretz-Israel and of the Zionist movement, are here assembled on the day of the termination of the British mandate over Eretz-Israel and, by virtue of our natural and historic right and on the strength of the resolution of the United Nations General Assembly, hereby declare the establishment of a Jewish state in Eretz-Israel, to be known as the State of Israel.

We declare that, with effect from the moment of the termination of the mandate, being tonight, the eve of sabbath, the 6th iyar, 5708 (15th May, 1948). Until the establishment of the elected, regular authorities of the state in accordance with the constitution which shall be adopted by the elected constituent assembly not later than the 1st October 1948, the people's council shall act as a provisional council of state, and its executive organ, the people's administration, shall be the provisional government of the Jewish state, to be called "Israel".

The State of Israel will be open for Jewish immigration and for the ingathering of the exiles; it will foster the development of the country for the benefit of all its inhabitants; it will be based on freedom, justice and peace as envisaged by the prophets of Israel; it will ensure complete equality of social and political rights to all its inhabitants irrespective of religion, race or sex; it will guarantee freedom of religion, conscience, language, education and culture; it will safeguard the holy places of all religions; and it will be faithful to the principles of the charter of the United Nations.

The State of Israel is prepared to cooperate with the agencies and representatives of the United Nations in implementing the resolution of the General Assembly of the 29th November, 1947, and will take steps to bring about the economic union of the whole of Eretz-Israel.

We appeal to the United Nations to assist the Jewish people in the building-up of its state and to receive the State of Israel into the comity of nations.

We appeal—in the very midst of the onslaught launched against us now for months—to the Arab inhabitants of the State of Israel to preserve peace and participate in the upbuilding of the state on the basis of full and equal citizenship and due representation in all its provisional and permanent institutions.

We extend our hand to all neighboring states and their peoples in an offer of peace and good neighbourliness, and appeal to them to establish bonds of cooperation and mutual help with the sovereign Jewish people settled in its own land. The State of Israel is prepared to do its share in a common effort for the advancement of the entire Middle East.

We appeal to the Jewish people throughout the diaspora to rally round the Jews of Eretz-Israel in the tasks of immigration and upbuilding and to stand by them in the great struggle for the realization of the age-old dream—the redemption of Israel.

Placing our trust in the Almighty, we affix our signatures to this proclamation at this

session of the provisional council of state, on the soil of the homeland, in the city of Tel Aviv, on this Sabbath eve, the 5th day of Iyar, 5708 (14th May, 1948):

Daniel Auster, Mordekhai Bentov, Yitzchak Ben Zvi, Eliyahu Berligne, Fritz Bernstein, Rabbi Wolf Gold, Meir Grabovsky, Yitzchak Gruenbaum.

Dr. Abraham Granovsky, Eliyahu Dobkin, Meir Wilner-Kovner, Zerach Wahrhaftig, Herzl Vardi, David Ben-Gurion, Rachel Cohen, Rabbi Kalman Kahana.

Saadia Kobashi, Rabbi Yitzchak Meir Levin, Meir David Loewenstein, Zvi Luria, Golda Myerson, Nachum Nir, Zvi Segal, Rabbi Yehuda Leib.

Hacohen Fishman, David Zvi Pinkas, Aharon Zisling, Moshe Kolodny, Eliezer Kaplan, Abraham Katznelson, Felix Rosenblueth, David Remez.

Berl Repetur, Mordekhai Shattner, Ben Zion Sternberg, Bekhor Shitreet, Moshe Shapira, Moshe Shertok.

Mr. Speaker, I am delighted to join my colleagues in congratulating the people of Israel on the occasion of this 29th anniversary of the birth of their nation. I wish peace and prosperity to the people of Israel, and I extend my greetings to all people of Jewish descent, throughout the world, as well as those Americans of Jewish descent in my own city of Chicago and all over this country who are joining in this celebration.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky (Mr. MAZZOLI) is recognized for 5 minutes.

Mr. MAZZOLI. Mr. Speaker, because of previous commitments in my district I was unable to be present for rollcall No. 229 on Thursday, May 12, 1977. Had I been present I would have voted "yes" to adopt House Resolution 560 to provide for consideration of H.R. 6810, Countercyclical Revenue Sharing Act.

INTRODUCTION OF CONCURRENT RESOLUTION TO ELIMINATE ELEVATOR OPERATORS IN CONGRESSIONAL BUILDINGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. GLICKMAN) is recognized for 5 minutes.

Mr. GLICKMAN. Mr. Speaker, last Thursday I introduced House Concurrent Resolution 220, to eliminate through attrition all operators of automatic elevators in congressional buildings. I hope that any of my colleagues who are interested in eliminating government waste will join me in doing away with this blatant example of unnecessary Government spending.

In the past few years the Government, and Congress in particular, has been subjected to ridicule for antiquated, wasteful, and unnecessarily complicated procedures. Frankly, I feel that a good deal of the criticism is justified. If you think about it, it really is ridiculous to spend $800,000 per year for chauffeurs for our automated elevators.

Last year, as a candidate for Congress, I spoke of these automated-elevator operators as a prime example of silly Government waste. This year, as a Member of Congress, I find them embarrassing.

Mr. Speaker, I recognize that you have directed the elimination of many of these positions in the House office buildings. I am afraid, however, that I cannot see any good reason to keep even one operator of elevators that anyone can operate.

I know that in the past these jobs have been defended on the grounds that the operators serve a "vital information function"; that is, they direct visitors around the congressional building complex. If that is indeed their true purpose, and if it really cannot be handled by our 1,100 Capitol policemen, then let us eliminate the elevator operators and appropriate funds for personnel to direct visitors around the Capitol. I doubt, however, that this will be necessary.

Another reason given for keeping the elevator operators is that they facilitate Members' quick movement to the floor during rollcall votes. Granted, I have not been here very long, but it seems to me that the automatic reservation of one-half of the elevators "For Members Only" during rollcalls should be quite sufficient.

Mr. Speaker, I realize that this will not be the major Government waste issue of the 95th Congress. At least I hope it will not. But it is one kind of Government waste that is easy to eliminate, clearly should be eliminated, and whose elimination is solely our responsibility. If we cannot take care of the small problems, how can we hope to solve the big ones?

THE VALUE OF COMMUNITY AND HOME GARDENING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BURKE) is recognized for 5 minutes.

Mr. BURKE of Massachusetts. Mr. Speaker, last week the Agriculture Subcommittee on Domestic Marketing, under the able leadership of Chairman FRED RICHMOND, held hearings on two bills to encourage community and home gardening in America. H.R. 3476, the Community Gardening Act introduced by Congressman GEORGE BROWN, and H.R. 2776, my seed distribution bill, are important pieces of legislation which deserve serious consideration by this body. I thank Chairman RICHMOND and the subcommittee for discussing these measures so promptly this 95th Congress.

The Ways and Means Committee today began consideration of the President's energy package. If the energy crisis has taught us one thing, it has taught us that we must begin to reexamine our life styles and strive for a new level of self-sufficiency in all things. As with limited energy sources, we cannot take food for granted. Soaring inflation, worldwide food shortages, and adverse weather conditions require the fullest possible production of high-quality, vitamin-rich food here at home.

As Members of Congress, we must encourage Americans to grow what they can. The Community Gardening Act in combination with the seed distribution bill will turn barren plots of land and backyards into beautiful thriving vegetable gardens. A 600-square-foot plot of land yields 500 pounds of produce worth $300.

A Gallup survey taken last year found that 51 percent of all American households have a vegetable garden. There are yet millions of Americans who, despite their eagerness to become involved, are shut off from any chance to raise their own food. Youth, the elderly, and low-income citizens are not asking for a major bureaucratic effort, but simply for a chance to provide in part for their own needs. My seed bill and the Gardening Act will together offer the needed incentive to these Americans.

Mr. Speaker, I would like to share with my colleagues an article from the Quincy (Mass.) Patriot Ledger, relating some of the values of community and home gardening:

COMMUNITY GARDENS FLOURISHING

Community gardens continue to flourish in the most remarkable places in England. They have their roots in old European traditions.

Community or allotment gardens began in England during the Middle Ages for the relief of local poverty. They're still growing strong and helping families fight inflation today, along with providing tastier food. Allotment gardens trace their ancestry to the Industrial Revolution as one of the earliest "fringe" benefits for factory employes and they remain part of the growing scene even today.

Although you can find empty city lots, more often available growing room is being cultivated. Hundreds of thousands of families raise vegetables and flowers along roads, near factories, in special plots set aside by firms for their employes or towns for citizens. The British even have a National Allotments and Gardens Society. More than 57,000 acres are cultivated by more than half a million families.

Efforts and resources are pooled. Union garden groups buy fertilizer and equipment together. That cuts costs. Some firms fertilize, till and prepare the areas, even provide water for modest fees.

The allotment system is common in other European countries—notably Germany, Holland and France. In Hamburg and Amsterdam, for example, the idea is well advanced. Families grow flower beds, vegetable plots, create living sculptures from espalier trees to formal garden designs.

Their good growing ideas can be transplanted to America quite easily. We too have empty land available, as any drive through any city reveals. Too often these vacant lots are refuse dumps. That can be changed. We can make empty land bloom and bear.

Unions have been instrumental in obtaining growing ground for members; committees work with management to have areas near factory parking lots tilled and marked out for individual employes and their families. Citizens groups convinced town and city officials to set aside family garden plots on unused city-owned land.

The idea for community gardens is being planted in America already. Gardens For All of Charlotte, Vt., is a non-profit foundation. Its purpose is to help transplant and cultivate the allotment idea of Europe here. They have been instrumental in convincing city officials, company executives, and private landowners to donate or lease land for small

plot gardening. In Burlington, Vt., alone, more than 2,000 plots are under cultivation.

The idea is taking root elsewhere. In Pennsylvania, tens of thousands of community gardens have been planted. Firms such as RCA in New Jersey, Dow Chemical in Michigan and Hercules in Delaware provide company land for employes.

More can and should be done. If you want to recycle empty city lots, get a group together. Visit city hall. If you would like to spend part of a lunch hour gardening, see your shop steward or company employe relations person. There's a groundswell of enthusiasm growing across America already.

Even apartment complex owners, retirement village developers and others have become more agreeable to ideas for improving the environment. Detailed free information about community gardening is available from Gardens For All Foundation, Charlotte, Vt.

With their help, you too can transplant some great growing ideas of Europe into your home town and watch things come alive. Working with friends and neighbors, you can help America get things growing better with community gardens.

AMERICAN CITIZENS ABROAD NEED HEALTH CARE, TOO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 10 minutes.

Mr. KOCH. Mr. Speaker, many Americans, covered by medicare in this country, lose their medical protection when they leave our shores and travel abroad. Similarly, Americans living abroad who receive social security benefits and would otherwise be eligible for medicare, are not allowed to enroll in the program. This is because the United States lacks a mechanism to contract for medical services for its citizens abroad.

On Friday, I introduced legislation to extend medicare coverage to U.S. citizens abroad by authorizing the President of the United States to negotiate reciprocal agreements between the medicare program and the health program of any foreign country that provides medical and health assistance to its citizens. These agreements would entitle U.S. citizens abroad to coverage under the program of a foreign country, while allowing foreign nationals in the United States to receive services from providers of medicare programs here. In addition, the bill stipulates that the benefits received abroad through this agreement cannot exceed the benefits provided to medicare patients in this country.

At present, medicare payments are made to Mexican and Canadian hospitals for medicare recipients in the United States who live closer to a Mexican or Canadian border hospital than to one located in the United States. American medicare patients who require emergency care while traveling through Canada to Alaska are provided with coverage as well. It has been suggested that constitutional questions might be raised over the failure of the United States to provide medicare coverage of its overseas recipients, in light of the fact that other benefits such as social security are administered abroad, and given the constitutional right of American citizens to travel freely without losing any benefits of citizenship.

My bill is like the one introduced by our colleague, Congressman DAN ROSTENKOWSKI, the distinguished chairman of the Subcommittee on Health of the House Ways and Means Committee which has jurisdiction over the legislation. I am appending to this statement a letter from Mr. John Martin, Chief Counsel of the House Ways and Means Committee, which indicates that this legislation could benefit as many as 150,000 American citizens at an insignificant cost. It is my understanding that consideration of this issue will soon be forthcoming in Mr. ROSTENKOWSKI's subcommittee, and I look forward to the opportunity to express my views on the need to provide Americans abroad with the health care they need.

The letter follows:

COMMITTEE ON WAYS AND MEANS,
U.S. House of Representatives,
Washington, D.C., January 31, 1977.

Hon. EDWARD I. KOCH,
26 Federal Plaza, Room 3139,
New York, N.Y. 10007

DEAR MR. KOCH: This is in response to your letter of January 14, 1977, in which you inquire about the general limitation of medicare coverage to services provided in the United States.

Under present law, medicare coverage is provided, with certain exceptions, only for hospital and medical services rendered within the United States. The exceptions involve only cases in which the beneficiary needs emergency services while traveling in Canada between the 48 states and Alaska, or needs hospital services because of a medical problem that arose while traveling or residing within the United States near the border, and a Canadian or Mexican hospital is more accessible than the nearest U.S. hospital. This general limitation of medicare coverage to services furnished within the U.S. was included in the law because of the substantial problems that would be involved in attempting to assure the compliance of institutions and practitioners in other countries with medicare standards for participation, and in determining the appropriate amount of reimbursement for services furnished in foreign countries.

It is currently estimated that approximately 150,000 individuals who are otherwise entitled to medicare benefits are affected by this limitation by virtue of residence or long stays outside the United States. Precise cost estimates for a change in the present limitation are not available, although it is generally assumed that the cost would not be significant.

You will be interested to know that Congressman Rostenkowski, Chairman of the Committee's Subcommittee on Health, did introduce a bill in the closing days of the 94th Congress to extend medicare coverage to services furnished outside the United States. The Chairman's bill provided authority for the President to enter into bilateral reciprocal agreements with any willing foreign country for the purpose of making payment on behalf of entitled medicare beneficiaries for covered hospital, medical and other health services. In his floor statement, Chairman Rostenkowski indicated that he believed his approach provided the necessary flexibility to deal with the unique circumstances likely to be encountered in each foreign country.

In introducing his bill, Chairman Rostenkowski sought public analysis and comment on his approach. It is my understanding that response to the bill has been favorable and that the Chairman plans to reintroduce his bill and to conduct public hearings on it and other proposed medicare amendments in the near future.

Sincerely yours,
JOHN M. MARTIN, Jr.,
Chief Counsel.

THE U.N. TODAY

(Mr. WOLFF asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WOLFF. Mr. Speaker, I would like to share with my colleagues a five-part series of articles published in the New York Daily News, on May 2–6 entitled, "The UN Today."

These articles, written by a Pulitzer Prize-winning reporter of the News, reflect the misuse of an organization that was originally established to foster a world of peace and a better life for all nations.

I am today, for the record, asking that a copy of this series be printed in the CONGESSIONAL RECORD, in hopes of gaining a more accurate overview of the present situation in the U.N.

The text is as follows:

[From the Daily News, May 2, 1977]

THE UN TODAY, HOW THE DREAM WENT SOUR

(By William Sherman)

The 52 dwarf fruit trees and the 2,000 prize-winning rosebushes are blooming in the gardens of United Nations headquarters this week, the 32d anniversary of the international organization.

In front of the 39-story Secretariat building that overlooks the East River, water gushes from a $50,000 fountain, the floor of which is formed by alternating bands of crushed white marble and black pebbles from the beaches of Rhodes.

Inside the $67 million Secretariat, the elevators run smoothly, maintained by a permanent team of five, and there are 115 other maintenance people—carpenters, plumbers, electricians, cleaning men—who prune and polish this 16-acre complex of ilex, aluminum and glass.

But behind the Secretariat's facade, the smooth granite plinths, and the 2,000 tons of Vermont marble, there is rot. It is the decay of an organization whose goals have been twisted, whose policy-making organs have been rendered impotent and whose $2.3 billion annual budget has been spent in part on obvious boondoggles.

Born out of the failure of the League of Nations and the bloodshed of World War II, the UN today bears little resemblance to the international organization its founders meant it to be—fostering a world of peace, an end to discrimination and a better life for all mankind. The machinery is there: all thhe egalitarian rules, the committees, the funding and the humanist ideology. But this machinery has been used to create wasteful projects and political ploys such as the 1975 General Assembly vote condemning Zionism as a form of racism.

Now the dream is a nightmare, an expensive nightmare of conferences soured by cheap, opportunistic rhetoric and aid projects that fail under the weight of a lazy self-perpetuating UN bureaucracy.

Nearly half of every UN dollar spent, $2.3 billion—money originally programed to educate the illiterate and wipe out disease—is flushed out in high salaries, new buildings, office furniture and travel, all under the heading "administrative overhead."

A staff member wants to get out of town; he takes his secretaries and some aides to a disarmament conference that has nothing to do with his regular job, and it costs the UN $179,000 in expenses. The International Labor Organization was located in a beautiful palais on Lake Geneva, but somebody decides a new building is needed and it is built at a cost of $60 million. Then demands are made that, in addition to air conditioning, the place requires a $250,000 Honeywell climate control system.

The finance committee orders a freeze on hiring and the secretary general promptly asks for 147 new employes. A $100 million campaign to wipe out world illiteracy flops and is abandoned because bureaucrats can't agree on teaching approaches. Now there is a move on to create a "third UN city" in Vienna, a project that will cost several hundred million dollars. All this while fevers continue to plague West Africa and 100,000 die in an Ethiopian drought.

And there are the parties—four and five a night during the General Assembly session—where mohair-suited diplomats dive for prized pearl-gray caviar, elbowing and bumping each other with moves that would dazzle O. J. Simpson.

One diplomat confides, "The most critical day in a diplomats life is January 26, when Australia and India both celebrate their independence. The question is do you go to the Indian reception first, where they don't serve booze and look forward to the Australian, or do you get totally tanked at the Australian to carry you through the Indian."

At the top of this heap is Kurt Waldheim, the secretary general, who walks a tightrope trying to stay impartial in the struggles between East and West and ends up doing very little administering at all. He tries, he tries manfully sometimes, say representatives of various countries, but he is ignored—except by photographers—to whom he offers his right profile, his favorite, at every available turn.

And while Waldheim and his predecessors traveled the globe, each logging several hundred thousand first-class miles a year, the UN system grew and grew—"like Topsy" says one State Department official—into a mishmash of cushy, high-paying jobs in 48 separate agencies, many of which are duplicative.

The budget and employee rolls have grown proportionately. Secretariat building manager Henry S. Jaran says, "Basically, I have to prepare for 100 new people a year." But the UN work force totaled 40,707 by last count in June 1976, double the figure 10 years ago, averaging 2,000 more a year.

UN spending for all agencies and committees in the system jumped from $1.573 billion in 1974 to $2.274 billion in 1976, a 45% increase that is double the average growth rates for the national budgets of the United States, France, Canada and Japan.

As a result, Waldheim last fall quietly declared the UN to be in a "state of financial emergency." The UN Education, Scientific and Cultural Organization was close to bankruptcy. The previous year, officials of the UN Development Program suddenly discovered they were $10 million short and had to borrow from the Food and Agriculture Organization and then obtain financing from a third agency, the World Bank, to pay off the loan.

And in a situation reminiscent of the accounting practices that brought New York City to its knees, the UN International Labor Organization in 1975 had to borrow from the next year's budget to pay for that year's expenditures.

State Department officials maintain the "emergency" could have been prevented. The UN system is supported by dues, both assessed and voluntary, based on each nation's wealth. The U.S. annually pays about 25 percent of the bill, a total of nearly $7 billion since the UN was founded.

At the same time, the U.S. has only one vote among the 147-member nations in the General Assembly, essentially the legislature of the UN system.

United States attempts to keep spending down, supported by the Soviet Union, have been effectively countered by Third World nations, which have formed an impenetrable 114-nation voting bloc that now dominates UN politics and spending.

Opponents of the UN in this country rail against this erosion of American influence. They charge that aside from assessed dues of 12 percent of some regularly budgeted agencies, the Soviet Union contributes very little or nothing to agencies and undertakings supported by voluntary payments, which the U.S. regularly underwrites at 25 percent or more.

Indeed, the Soviet Union and its allies have refused to pay even their assessed share of past peacekeeping forces in the Congo, the Middle East and Cyprus, a debt of more than $100 million. There is no UN bill collection agency and the Soviet bloc has not been penalized.

And when they do contribute voluntarily, as they have to the UN Development Program, the Soviets generally contribute in rubles, which no other country will accept or convert. "They do this so the money must be spent to hire Russian technicians and buy Russian products, but they don't have enough of either to export," one State Department official explained.

Brad Morse, a former Republican Congressman who now heads the UN Development Program, commented dolefully, "The result is that I'm sitting on a surplus of 36 million rubles and I can't do anything with it. I'm looking for a way to spend it, but I haven't come up with anything."

For New Yorkers, the complaints about the UN are compounded because it is here, smack along the East River on land donated by the Rockefeller family. It is *here* in the form of 242,000 unpaid parking tickets issued to cars with DPL plates last year, tickets worth $4.1 million.

A city Parking Violations Bureau spokesman said, "Not only does that represent 6 percent of the total tickets handed out that year, but it cost us $250,000 in administration, to pay meter maids and processing to hand out tickets which aren't even collectible."

And the UN is *here* in terms of police protection. Eighteen UN missions are guarded by city cops 24 hours a day: costing the city $1.971 million a year in salaries alone. For permanent protection of the UN itself in 1975, city police protection cost an additional $3.723 million.

Special visits in 1975, such as Egyptian President Answer Sadat's October sojourn, cost the department additional sums, rounding off the 1975 department total to $4,590,-982. Palestinian refugee leader Yassir Arafat's one-night stand here cost the city a whopping $953,733. "Not," specified a department spokesman, "including gasoline and equipment."

What do New Yorkers get in return?

"Well," said one city official, "the diplomats spend a lot of money here, apartments, taxis, restaurants, all the tourists."

In addition, the UN employs many American doctors and technicians, and purchases much American equipment, but the U.S. draws lightly, if at all, on UN services.

Many nations truly need the services of UN agencies, however. More than 150,000 people died of drought and famine in six West African countries in the early 70s; cholera outbreaks are commonplace in Asia, and there is no peace in the Middle East or Africa.

The question then is not whether the United States is getting a bang for its buck, but whether the world is being effectively served and whether the price tag is too high.

Uniformly, many State Department officials and congressional leaders answer that anything is better than war. The General Assembly, which has no power except to recommend resolutions and pass on the budget, costs $7 million a year, but it serves as a forum for exchange, a place to air international grievances.

A two-week conference on population in Bucharest cost the UN $4 million, not including travel and lodging. Asked about it, Robert Kitchen, the U.S. Mission's permanent representative on the Economic and Social Council, shot back, "Maybe a billion mouths won't be around to feed 20 years from now because the UN helped make the point on population control in Africa, India and in Catholic countries."

But Kitchen, an astute observer who spent 13 years as a foreign service officer in Africa, hesitated when asked about the $20 million two-week conference on Habitat held last May in Vancouver, Canada. This meeting, attended by hundreds of representatives, featured individual television screens showing films of African huts and slums in Calcutta. At the end of the conference, little more than a spate of anti-Israeli resolutions was passed, and it was generally agreed that housing around the world should be improved.

Some delegates didn't even bother showing up for many of the sessions, and many spent their time wandering around Vancouver's beautiful Stanley Park of sampling some of that city's renowned Chinese restaurants, according to several U.S. representatives who attended. "It was a disaster," said James Baker, deputy assistant Secretary of State.

Defenders of the UN system consider the Habitat conference as an example of one of the few UN failures. To be sure, the system can point to many accomplishments: the eradication of smallpox around the world, countless children saved from starvation, roads built, wells dug, occasional periods of peace in the Middle East and Africa and Korea.

At the same time, the UN is an organization hopelessly mired in bureaucratic detail. A U.S. General Accounting Office survey disclosed that development and assistance activities are carried out by 30 separate agencies, a system so complicated that there are two lengthy and costly administrative meetings in Paris every year in hopes of cutting down duplication of effort. Kurt Waldheim was at one such meeting last month. But that same week, yet another agency, the International Fund for Agricultural Development, was created. This despite the existence of the Food and Agriculture Organization, World Food Program, the UN Development Program and on and on ad infinitum.

Adding to the confusion is the overabundance of poorly targeted projects, such as a recent UNICEF undertaking in Bangkok entitled "The Development of Models for the Delivery of Educational Services in the Area of Responsible Parenthood Among Out-of-School Adolescents." Or a $24 million East African Training Project to start a jet pilots school for youths from Kenya, Uganda, and Tanzania, where the illiteracy rate is 90%. Or another program to train meteorologists for Somalia and Rwanda, where the per capita annual income is less than $50.

There is very little qualitative auditing of UN projects and it seems an almost impossible undertaking because of the numbers; 2,200 projects undertaken by the World Health Organization and 7,946 projects by the UN Development Program in 1975 alone.

And each of the UN agencies is an independent body with its own director, budget, and auditing system. It is an accountant's nightmare. For example, the United Nations Development Program depends on 17 other UN agencies "each using different accounting and program procedures, which makes it difficult for UNDP to compile up-to-the-minute information on expenditures," according to the State Department.

Add to that the confusion of languages and the endless parade of unread documents, in a babel of tongues. On the third floor of the Secretariat, in the press office, there are 62 racks for the 1 billion printed pages that emanate from 3,000 yearly meetings. The cost of conference servicing—including printing and translation—in New York and Geneva alone cost $96 million, according to UN figures.

"It's because everyone has to have himself transcribed verbatim to impress the folks back home," one U.S. State Department official wryly observed.

What can be said for the UN then? Well it's a place where you can have a lunch of excellent lamb curry with two vegetables and bread and butter for $1.90 in the fourth-floor cafeteria—if you're qualified to eat there.

It is also a place where, on the second floor, you can view the first human rights document, a bronze tablet authored by Cyrus the Great of Babylon. And you can catch a mistake in the translation, for when Cyrus promised in Babylonian cuneiform that he would not harass his people, the translator misspelled it "harrass."

It is also a place where some of the top Soviet KGB, CIA, British, French and Iranian spies, among intelligence operatives from assorted other countries, have found a haven. Free from national scrutiny except from each other, these operatives, many of whom hold key jobs in the UN system, funnel information back to their home missions under diplomatic cover.

Whether they be idle gamesmen or cold warriors, these intelligence operatives certainly are well rewarded, for UN employes are the best-paid civil servants in the world, earning up to $180,000 a year including special allowances with pensions equivalent to 60% annually of the last year's pay.

Above all, for its employes, the UN is the good life.

[From the Daily News, May 3, 1977]

BOONDOGGLING—GLOBAL STYLE

(By William Sherman)

It was 3 P.M. one recent afternoon, and two tall men were standing at the bar in the North Delegates Lounge, sipping dry martinis and chatting about their new offices in the Secretariat. The first fellow was a mohair-suited Frenchman with a sallow complexion and a mustache. The second was a tanned American. They were speaking in English.

"So," the Frenchman was saying pleasantly, "How many windows do you have?"

"Three."

"Three windows!" the Frenchman's eyebrows danced. "How is that possible? I am a D-1 and I only have two windows. You are a P-5."

The American shrugged, ordered another drink and looked at a tug moving up the East River.

"What about carpet?" asked the Frenchman, tugging at the American.

"Wall to wall."

"Wall to wall! It cannot be. P-5s are not supposed to have carpets. Even mine is not wall to wall. Now you will tell me you have wood furniture as well."

"I have," the American said flatly.

"I must talk to someone about this. D-1s are supposed to have wood, not P-5s." With that, he gulped down the last of his martini and scurried out.

The encounter was not untypical. Space and furniture are hotly contested in the Secretariat and the French D-1 has a higher UN civil-service grade than the American P-5. Each category has its privileges and benefits. A P-5, an upper level administrator, is given 144 square feet of office space, and a D-1, the next level up and equivalent to a federal Civil Service GS-16 is allotted 252 square feet of space at the Secretariat. Windows are coveted.

But these office rules are only one minor facet of the good life for UN workers, for the 40,704 employes of this international system are the highest-paid civil servants in the world, from the lowliest paid messenger, who earns $10,180 annually exclusive of allowances and benefits, to Secretary General Kurt Waldheim, who earns more than $120,000 a year.

The impact of these salaries and the accompanying benefits, including travel, pensions, discount liquor and overstaffing, is that nearly one-half of all UN spending, $2.3 billion this year, goes to administrative overhead as opposed to direct aid.

This is according to the U.S. State Department and several members of the UN's finance committee. And the employe roll in the UN system of 48 agencies, ranging from the World Health Program to the World Intellectual Property Organization, has doubled in the last 10 years.

Not that there haven't been complaints about this pattern of spending. A few days after Edouard Saouma was named director general of the Food and Agriculture Organization in 1976, he complained, "Eighty per cent of FAO's regular budget is destined to pay for a gigantic centralized bureaucracy in Rome, 11% to put out publications that no one reads and the remaining 9% for holding meetings and for travel expenses that are largely unnecessary." The FAO is supposed to provide technical assistance and aid to help improve agriculture in poor countries.

Russell Heater, the State Department's permanent representative to the United Nations Educational Scientific and Cultural Organization said, "Several years ago, I found that more than 70% of UNESCO's money was being spent in French francs. Headquarters is in Paris, so you can draw your own conclusions."

Despite these complaints and warnings from the finance committee to keep salaries, promotions, and hiring down, Waldheim has done just the opposite. The result is a top heavy bureaucracy.

For example, the U.S. federal government, with a 1976 budget of $365.6 billion has only 12 officials, all cabinet chiefs, earning $60,000 annually or more. The U.N. with an annual budget less than 1% that size has 73 employes earning that sum or more, according to a report recently submitted by the U.S. General Accounting Office to the Senate Permanent Committee on Government Operations.

For those fortunate enough to be hired by the UN, the job is a boon, a godsend. The State Department International Organizations Bureau estimates that the basic salaries of UN professionals are 38% to 57% higher than the salaries of people with comparable jobs in civil service. This despite the original UN employment plan, based on the Noblemaire principle, which states that UN employes should be paid salaries similar to the highest paying civil service in the world that is, the U.S.

But the benefits do not stop there. In addition, UN employes pay no income tax to any country, but rather have a portion of their salaries taken out as a "staff assessment" which is plowed back into the UN budget. UN Treasurer Wynant Rivington said this "staff assessment" is roughly equivalent to U.S. income taxes.

But a look at federal tax tables shows that the UN "assessment" is far below U.S. taxes. For example, a U.S. citizen is taxed at the rate of 40% at the $25,000 annual level, while UN employes are not "assessed" 40% until they reach the $60,000 level.

As for fringe benefits, a 1976 State Department comparison between U.S. and the UN reveals: UN employer contributions to health and retirement benefits exceed the U.S. by 45% to 73%; UN pensions exceed U.S. pensions by 23% to 55%; UN annual vacation exceeds the U.S. by 1,400% to 1,900%.

A specific comparison of a UN D-1 and a U.S. GS-16, both upper level administrators with equivalent responsibilities, according to the State Department, shows: a D-1 earns $52,450 a year while a GS-16 earns $39,629; a D-1 gets 30 days vacation his first year while a GS-16 gets 13 days; UN health plans include psychiatric and dental care while the U.S. provides none; and the D-1 retires after 30 years employment with an annual pension of 60% of his last year's pay, while the maximum for a GS-16 is 46.25%.

The UN pension system, figured at a rate of 2% a year for each year of service is nonpareil. The most beneficent of U.S. corporations operate on a per-year pension factor of 1.5%.

But the advantages of the UN employe do not stop there. All workers at the D-1 level and above (there are four higher categories) can buy diplomatic liquor at a price one-fifth the regular cost. For instance, the Sussex Liquor Store at 41st St. and Second Ave. charges $116.39 for a case of Cutty Sark quarts. Those subsidized by the UN pay $24 for that same case.

In addition, all UN employes can park at the UN garage for $15 a month while most midtown garages charge $100 a month. And all employes D-2 and above are entitled to DPL plates which allow them to park with abandon even though technically they don't represent any particular country.

All UN employes who are working outside their home country are also entitled to an extra allowance called a "post adjustment." It differs from country to country, but in Geneva, where the cost of living is higher than New York, it reaches $19,000 extra a year at the D-2 level. In New York, a married undersecretary general, equivalent to an assistant U.S. cabinet chief, will receive $9,055 a year in addition to his $76,030 base salary. These post adjustments are not taxed or "assessed."

Other benefits to all U.N. professionals not available to U.S. Civil service employes include:

$1,500 annual education grant for each child attending school outside home country, plus travel costs to and from school until he or she is 21.

$400 a year for a dependent wife or husband plus $450 a year for each dependent child. If an employe has no children, he or she is entitled to $200 extra a year for each dependent brother, sister, or parent.

Maternity leave up to 14 weeks at full pay.

Special assignment allowance in addition to post adjustment in Europe and the U.S. this amounts to $2,400 a year for a married employe with children; $1,400 annually for singles.

Rental subsidies in high cost of living areas based on formula and clothing allowances for tropical and frigid locations.

A repatriation grant equal to 28 weeks at full pay in addition to pension when an employe returns to his home country.

The list goes on and on, and the patriarch of the goodies is Waldheim. He lives a life of special luxury, to say the least.

The tall, stoop-shouldered Austrian lives in a four-story town house at 57th St. and Sutton Place donated to the U.N. in 1972 by

Arthur A. Houghton Jr., president of Steuben Glass. The house and garden, with 40-foot frontage and a beautiful view of the East River, is valued at more than $1 million, and Waldheim lives there rent free. No taxes are paid on the dwelling.

Designed 50 years ago for Anne Morgan, daughter of financier J. Pierpont Morgan, the home's bedrooms each have woodburning fireplaces, and there is an antique English paneled library, drawing rooms, marble floors and elevator.

When he is not on the road, Waldheim, according to one of his aides, rises at about seven and walks to work with his bodyguard, saving his free-chauffeur-driven Lincoln Continental for other occasions.

His offices on the 38th floor of the Secretariat include a 484-square-foot conference room, an office, and a living room, bedroom, dining room and bathroom suite filled with extensive art.

In addition to his office staff of 53, Waldheim is given $37,000 annually for personal home service, such as maids, $8,000 for car replacement, $25,000 for "maintenance of residence," and $45,000 for air fares.

In addition to his salary of $120,394 and his post adjustment of $9,742, Waldheim has several annual expense accounts which he is not obliged to report: $17,000 to provide hospitality for visiting heads of state, $22,500 to provide hospitality for others who are not heads of state, $38,000 for conference servicing (interpreters), $5,000 for reproduction of documents, and $2,000 to travel home to Vienna every other year.

Like Waldheim, all UN employes are entitled to home leave every two years, paid in full for their families and several hundred pounds of luggage.

Working hours are casual, especially among the higher ranks and there are scores of conferences, in Geneva, Paris, Rome and other attractive cities that an employee can attend at will, all expenses paid, regardless of whether attendance is relevant to duty.

Gabriel Van Laethem, the French undersecretary general for the Department of Economic and Social Affairs, has an office in the Secretariat where his department is located. But he spends at least half of his time, according to UN officials interviewed, abroad, much of it in Paris, "talking to world economic leaders."

Van Laetham is not alone. A UN Joint Inspection Unit report charged that dozens of conferences and meetings are overstaffed with secretaries and aides—Waldheim takes a personal photographer with him on the road—and urged that baggage allowances and first-class accommodations be cut.

"The higher the official's rank the more he travels," said the report, which specified "During the period January to December one director was absent: February 7 days; March 13 days; April through May 35 days; June 13 days, mid-July thru mid-September 60 days; mid-September through mid-October 28 days."

Another director was absent from his Secretariat office seven out of 22 months surveyed, and the authors of the report commented in polite, diplomatic acid. "One may ask how, under the circumstances, the divisions could be run successfully."

Examples of unnecessary travel cited included: "five persons were sent from New York to accompany the secretary general to one U.S. city; two staff members traveled from New York to Casablanca, Rabat, Dakar, Nouakchott, Freetown, Lagos, Nairobi, and Addis Ababa on the question of promotion of space technology and to visit the International Telecommunications Union in Geneva. Wasn't it enough, if necessary at all, to send only one staff member."

Incidentally, they all flew first-class, with per-diem allowances of up to $85 a day. The report also pointed out that since the UN has offices in so many principal cities around the world, a good deal of the travel can be cut.

Business can be conducted by telephone or by cable, the report chided, and cited one occasion where the secretary general was too ill to go to Geneva and deliver his message to a conference. Another high official was sent in his place to make the speech "while at the same time there was already in Geneva another high UN official of the same rank who could well have read the message from the rostrum."

Along with travel goes food and even while they are in New York, UN employes eat well and inexpensively. On a recent Wednedsay, a meal of rare roast beef (generous slices) with gravy, two vegetables, bread and butter and a large bottle of Coca Cola cost $2.40. Stuffed shrimp with side dishes was $2.10, boiled beef with cabbage—$2.05, and baked cod filet almondine—$1.35. A delicious scrambled eggs with veal kidney came in at $1.60.

Comparative meals at coffee shops and restaurants in the midtown area charge at least twice as much for the same items and the UN cafeteria is probably the only eatery in town where you can get a chilled bottle of wine for under a dollar.

Because of their UN status, workers at headquarters here can shop without paying city sales tax. Defenders of the UN quickly point out that because the complex is here, the city benefits through tourism (about 3,000 visitors a day), and the U.S. State Department has estimated that the nation benefits to the tune of $200 million a year.

Not so freely advertised is a small desk outside the cafeteria where employes can sift through an index of about 200 "recommended" stores, approximately 100 of which offer extra discounts to UN personnel. These range from 5% to 30% and include: Monsieur Lucien Inc., hairdresser of 585 Fifth Ave., 10% off; David A. Baruch, jewelry, of 36 W. 47th St., 30% off; Richard Burnside, interior decorators of 210 E. 38th St., 30%-40% off; and Brodwin Chemists Ltd., a drugstore at First Ave. and 72d St. which gives a 15% discount on merchandise, including prescription drugs.

For the athletically inclined, there are softball teams, a table tennis club on the 39th floor, and a soccer league. Bridge players are never scarce and there are classes in Yoga, languages, guitar, and a UN school for children of employes.

By all accounts, the UN is a pleasant place to work: air conditioned, with lace-wood paneling from Australia in the reception room on the second floor, rugs from Ecuador outside the basement conference rooms, an ivory inlaid table from Liberia in the public library; and from Poland, three picture cutouts of ornamental birds in the Delegates Dining Room.

Consequently, employe turnover is low. A 1975 UN Joint Inspection Unit Study of Personnel showed that 37% of the staff was older than 50, and only 4% was younger than 30.

According to the survey, which sampled two thousand professional (white collar) employes, a full one third of the staff did not complete college and more than 25% never attended any institute of higher learning.

And a recent report on international organizations by the U.S. Senate Permanent Committee on Government Operations pointed out that the UN does not make an effort to hire the best qualified recruits. At the State Department, members of the bureau of International Organization Affairs explain that the UN charter insists that hiring be based on equal geographical distribution as well as ability. Consequently, Americans make up about 15% of the employe rolls in the 48 agencies of the UN system, and the State Department is quick to point out that many nations do not have our educational advantages.

"I remember when there were only three people in the Congo who graduated from high school," said Robert Kitchen, the U.S. Mission to the UN's permanent representative to the Economic and Social Council. "And that wasn't so long ago," he added.

Whatever the respective merits of UN employes, there is more than enough room aboard for a number of spy nests. What better cover than a diplomat's passport and a UN identification card.

[From the Daily News, May 4, 1977]

SPIES WHO COME IN FOR THE GOLD

(By William Sherman)

In 1948 when the world's great leaders were debating the selection of a site for UN headquarters, several of Soviet Premier Josef Stalin's aides questioned the American proposal of New York City.

They suggested to Stalin that it would give the U.S. too much power in the new international organization, too many employes. Perhaps, they politely told their stocky, enigmatic boss, if it's not located in Moscow, it should be set in a neutral country like Switzerland or Sweden.

Stalin glowered for a moment, and then, according to accounts later obtained by the CIA, his face broke into a crafty smile. "Not only will I give into the Americans," he said, "But I will heartily approve of New York City."

The aides looked at each other in bewilderment. But then Stalin made his reasons clear. Espionage, he said. "I don't want the UN here. It will serve us better in New York."

The aides grinned and nodded. Suddenly it was obvious. Employment at the UN would provide perfect cover: diplomatic immunity, free access to the United States and natural occasions for contact with other foreigners. New York, they knew was the major financial, scientific, and information center in the U.S.

The meeting was over.

And Stalin's expectations were quickly realized. In the years that followed, membership in the UN expanded from 51 nations, to 100, to 147, and UN operations were set up in other principal cities around the world—Geneva, Paris, Vienna, Nairobi, and Beirut. A Soviet spy's handbook acquired when he defected said in translation, "In the U.S. in addition to ordinary cover, we use various international organizations. The most important of these is the UN and its branch institutions."

Today, the UN system is one of the most active and fertile espionage installations in the world, not only for the Russians, but for Iranians, the Chinese, French, English, and a host of others including Americans. The hub of UN operations is the Secretariat, here in New York, where most major UN decisions are made and this city has become the capitol for numerous far-flung intelligence networks.

Intelligence agents use the UN as a base for three types of operations: First, to penetrate U.S. domestic affairs, including the Cabinet, the National Security Council, and the Defense Dept: Secondly, to keep track of each other's work. And thirdly, to monitor the UN itself.

And behind the walls of the Secretariat on 43rd St., agents, including department heads earning more than $70,000 a year, ply their trade. It is a game as serious as the more classical theft of defense secrets. For in this political organization, the manipulation of documents, of information, committee assignments and projects to a particular nation's advantage is a deadly affair.

Alliances are broken, delegates are wooed and bought, and influence is expanded with a delicate twist of a UN memo on disarmament or an aid appropriation slyly diverted from an enemy to a friendly country.

The joke is that because the U.S. pays

25% of the UN's annual $2.3 billion operating budget, U.S. taxpayers are actually paying one-quarter of each agent's salary.

As an example of how successfully agents have penetrated the UN system, Soviet KGB man Victor Lessiovsky was for years former Secretary General U Thant's top personal advisor. After Lessiovsky left the UN and returned to Moscow, his other occupation was publicly disclosed by FBI counterintelligence. A distraught Thant countered that Lessiovsky had not affected any of his decision and asserted that he did not know of the KGB man's affiliation despite their friendship of many years.

Lessiovsky was not operating alone. Several American intelligence officials interviewed say that today, one-third of the 401 Soviet nationals employed at the Secretariat in various translating and executive positions have affiliations with the KGB, the Komitet Gosudarstvennoy Bezopasnosti, or Russian CIA. This is not to say that the U.S. and China are not well represented at the UN, both at missions to the organization and inside UN agencies as well. Most large missions to the UN have their "security counsellor" or "military advisor" and this tipoff is plainly indicated in public directories.

Indeed, the current UN system actually subsidizes intelligence operations, for over the years, successive secretaries general yielded to national pressures for specific pieces of the UN pie. The principal organs of the Secretariat and many of the satellite agencies are now run and dominated as independent national satrapies, this despite the charter which prohibits employe allegiance to any organization save the UN itself. The charter added that all agencies should be internationally integrated by geographic distribution and jobs should be handed out on merit.

But the casual perversion of the UN machinery has produced a Secretariat divided up into commonly known "units"; one for the Russians, another for the Chinese, a third for the French, another for the Japanese and so on.

And when political questions arise, such as resolutions in favor of decolonizing African states, or branding Zionism as a form of racism, these units scramble to control meetings and documentation so as to dominate the UN's "official" position. In this way, various powers advance their interests and expand their influence.

The prize in the current cold war in the UN, for instance, is influence over developing African nations and their delegates. It is a reflection of what's happening outside the UN: Russia has a naval base in Somalia, the Chinese have a strong political and economic foothold in Tanzania, and the U.S. is trying to keep both Communist giants out of Angola, Zaire, wherever. Outside the UN the battle is fought in terms of aid, the U.S. pumps in millions to African nations and the Soviets and Chinese do likewise.

Inside the UN, the battle between Secretariat units is less obvious but no less real. Here is an example of how it works.

The "Russian unit" is the Department of Political Affairs, headed by Arkady Shevchenko, a widely respected Soviet diplomat. His 124-man department prepares key UN position papers on apartheid and decolonization, both key concerns of black African leaders.

Several of Shevchenko's top aides are also Russian, and according to American operatives, when these fellows are not working at their regular jobs, they are known to be extremely keen on intelligence. These aides include Viacheslav Kuzmin and Georgiy Kalinken, chief of the committee services division.

The Chinese "unit," the Secretariat's Department of Political Affairs, Trusteeship and Decolonization is headed by Tang-ming Chao, Shevchenko's arch rival. It is smaller and less established than the Russian unit, since Red China was admitted to the UN only six years ago, ousting Nationalist China.

But the Red Chinese, according to American operatives, quickly made up for lost time. Within days of taking their seat, they asked all Nationalist Chinese employes at the UN to swear allegiance to the Red cause. Some quit, but many stayed on, including Mrs. Patricia K. Tsien, daughter of a former Nationalist ambassador to the U.S.

Curiously, Mrs. Tsien takes her vacations on mainland China, and she is the head of the Chinese unit's Africa division.

Both the Russian and Chinese units deal with African questions and last fall the rivalry came out in one of the more subtle incidents in espionage history.

It occurred during a meeting on decolonization and UN aid to the African countries. A report on the conference would be submitted the next day to the entire General Assembly, including the black African delegates.

According to American operatives, the Russians, who control the interpreting and translating divisions in the Secretariat, quietly appointed one of their own men to transcribe remarks made at the conference and prepare the final report.

The next day, when the conference report was handed out to the General Assembly, the UN legislature, Chinese statements in support of a resolution against racism were nowhere to be found. The African delegates began to wonder why they weren't supported by the Chinese, and the Chinese had a lot of explaining to do.

Tang, Schevchenko, and Mrs. Tsien repeatedly declined to be interviewed but American operatives say the Russians considered the incident an intelligence coup—one more needle stuck in Tang's side.

The Russians attribute their success to their placement of highly skilled men in key jobs; including: Bohdan Lewandowski, a Pole who is undersecretary general in charge of Conference Servicing at the Secretariat; Evgueni Toumantsev, director of the Interpretation and Meetings Division; and Victor Kroupnov, head terminologist in the Translation Division.

"They are also very good at their regular jobs," one American operative commented wryly.

The United States has a "unit" in the Secretariat as well, the Division of Political and General Assembly Affairs, headed by William Buffum, an undersecretary general and former high-ranking State Department official.

But Buffum, according to an international cross section of representatives interviewed, is in no way interested in spy work, subtle or otherwise. An open man, Buffum is in charge of coordinating and organizing the General Assembly and arranging disaster relief projects.

"I don't consider it part of my job," said Buffum, whose office is on the same floor as Shevchenko's "I leave the politics to the people at the U.S. Mission. I work for the UN now."

"Buffum isn't into intelligence, but don't worry, we've got our people inside," another American explained.

An American mission officer commented, "Look, it's going on but what disturbs me is how it's wrecking the UN. You know Shevchenko's predecessor was a Russian, and his predecessor was a Russian. It's like the titles and jobs are inherited instead of distributed according to the charter."

Who then is minding the store at the UN, monitoring the office of Public Information, headed by Ganechi Akatani, a Japanese, or watching Nikolai Fochine, the Soviet principal officer in the Office for Special Political Affairs, an agency that helps supervise peacekeeping forces?

It is not the UN Security and Safety Service where chief Huck Trimble, a Canadian, said his department is responsible only for the safety of the building, personal property and the personal security of diplomats and employes.

The answer is: Nobody except UN officials themselves, and one former UN employe, a Swede named Bang Jensen, who took matters into his own hands when things got too rough.

In 1956, Jensen along with a mixed group of UN officials, was sent to Austria to interview Hungarian refugees who were talking about Soviet terror and oppression. Jensen had the list of refugees interviewed and when he returned to New York, he refused to part with it, according to one UN official, "He thought it would fall into KGB hands and the refugees' families back in Hungary would be killed or imprisoned," said the official.

"Dag Hammarskjold himself (then Secretary General) asked Jensen for the list, but he still refused. Hammarskjold said he needed it for a report. Jensen said 'too bad' and got so scared, he walked up to the Secretariat roof and burned it," the official recalled. "There was no one he could trust."

Although nobody is tracking internal UN affairs, the FBI's counterintelligence unit is specifically assigned to take action against direct spying against the United States. This unit has caught more than 20 UN-affiliated KGB men in the act, and works closely with other Western powers in fighting espionage. However, many of those caught are not imprisoned because of their diplomatic immunity. Here are a few examples:

KGB agent Vladimir Rybatchenko, an attache in the scientific section of the UN Educational, Scientific and Cultural Organization in Paris. He was nabbed by the French secret police last March as the boss of a spy cell stealing NATO Secrets. The French sent him back to Moscow after the ring was broken up.

Eduord B. Charchyan and Abdulkhalik M. Gadzhiyev, both third secretaries at the Soviet Mission to the UN, and Petros Petrosyan, a participant in a UN Human Rights conference. These three KGB spies ran an intelligence network that netted the Russians a top secret, "Vulnerability Analysis: U.S. Reinforcement of NATO," and other items. The network was smashed in 1975 by the F.B.I., two naturalized Americans were imprisoned and the UN officials were sent home to Moscow.

Valery Markelov, a 32-year-old Russian translator at the UN who was turned into the F.B.I. within hours of trying to recruit an engineer for Grumman Aerospace Co. on Long Island. A novice, Markelov was blatant in his approaches and was quickly arrested and put on the first plane back home.

An FBI counterintelligence spokesman said his agency is "pretty successful," so far as he knows, but he complained that his budget is too small to provide for adequate surveillance of known operatives here. A former CIA executive commented, "Everybody knows the F.B.I. doesn't pay overtime and is badly staffed on holidays. The result is that all the big KGB contacts with American recruits come on New Year's, Thanksgiving, Easter, Christmas, or on weekends. They know the FBI men don't like to work weekends."

"Of course," the CIA man continued, "the KGB always works weekends." He grinned. "They've got the ideological commitment. They don't care about overtime."

THE HI-FI SPY

The spy game isn't always that serious. One American intelligence agent recalled how he was totally mystified after tailing a middle-aged KGB man who spent an hour at the Secretariat, left work and proceeded by bus to a hi fi store on Third Ave. in the E. 80's. The KGB man saw a salesman inside,

then went downtown into another hi-fi shop in the E. 40's and from there to an appliance outlet on Canal St. The second day, the KGB man repeated his routine, ducking into various stores and the third day it was the same.

"I was beginning to think he had a network in some of the stores and was visiting the others to make it look like he was shopping around," said the American agent. "After all, he had worked Paris and Vienna recruiting, trying to get some of our people in NATO, so I wondered what was happening.

More American agents were put on the KGB man's tail. One afternoon during the following week, he was strolling down 45th St. between Lexington and Third with two Americans behind, one in front and two across the way, all switching places every so often to avoid discovery, all ostensibly shopping.

Still there was no hints of skull duggery. The game continued. Finally, at the end of the third week, the American agent got a break. "One of our men inside the UN picked up some information. The KGB man was only shopping. It was legit. "But," the American agent chuckled, "Not just for himself. He was shopping for the whole Soviet mission and all the Russians inside the UN. That is his assignment in New York. To find bargains. Nothing else. It was a joke."

But it was the exception. —W.S.

[From the Daily News, May 5, 1977]

A $26-MILLION DEMOLITION JOB

(By William Sherman)

It was a beautiful concept. Nearly all the UN delegates were enthralled when Habitat, an international conference on housing and the environment, was proposed in 1972. After all, housing is among the most pressing of the world's problems, from Harlem to Hyderabad in Pakistan.

And the beauty of such a conference, they said, was that the problems are apolitical: Filth and poverty and pollution knew no ideology. If international guidelines could be designed on how to develop human settlements without destroying the environment, if the wealthier and more knowledgeable nations could help the less privileged, then the conference would be a rousing success.

Four years later, the majority of those representatives had flushed the concept down the drain—and with it went $26 million. The hoped-for guidelines were lost in cheap rhetoric and the conference was turned into a shambles of political harangue. But it didn't start out that way when they first conceived the idea in 1972. Not then.

Habitat sounded better and better the more they talked about it. One hundred and thirty-two countries quickly agreed to participate and a special undersecretary general was appointed with a large staff and a budget of $2 million to coordinate planning efforts. Canada quickly volunteered to serve as the host country and pay for all the representatives' transportation and accommodations—and for the four meeting halls in Vancouver.

Over the next year, housing and environment experts from all over the world were invited to attend, including Buckminster Fuller and Margaret Mead. The ambitious planners decided to include an audio-visual program and each country and many international organizations would produce at least one 20-minute color film about its particular "habitat" problem, films ranging from waste proposal to slums. The UN contributed $3.5 million to help fund film production costs.

So that each delegation would have its own closed circuit television another $500,000 was spent; and there were advertisements, public address systems, and special preparatory visits to 96 countries for smaller conferences. Another $1 million was earmarked for interpreting and for transcribing the 115 reports to be submitted by member nations.

Finally, after four years of preparation 5,000 representatives from various countries and organizations poured into Vancouver, and on May 31, 1976, the first session of Habitat was convened. Secretary General Kurt Waldheim himself was there to give his blessing.

Then the trouble started. First the electronic system failed. When that was repaired, the Palestine Liberation Organization demanded more than "observer" status.

The chairman, Barnett Dansin, then Canada's esteemed minister of housing, said he was sorry, but the PLO was not a UN member. There was nothing he could do.

That afternoon, the PLO and other Arab delegates spread the word that Dansin was Jewish. How could the UN dare appoint a Jewish chairman? Western delegates protested. Dansin had visited all the Arab countries before the conference; everybody knew he was Jewish. What was the big deal?

The Arabs agreed and pressured the PLO to settle down, watch the films and talk. But at the end of the week, the conference was again in a shambles.

Instead of setting up guidelines for housing and environmental protection, the discussion sessions almost uniformly deteriorated into loud political brawls over Israel. A meeting on land use crumbled into accusations that Israel wasn't treating Palestinian refugees well; a session on environment settled into a discussion over whether Israel's occupied territories weren't badly run.

When it came time to vote, there was precious little housing involved and no talk of cooperation. Almost without exception, the resolutions were a barrage of condemnations of Israel: "Zionism is racism," "Israel is an illegitimate state," and so on. The resolutions passed 77–8 with 20 abstentions, 69–8 with 26 abstentions, 73–3 with 42 abstentions. Each time, the U.S. delegate protested the politicization of the conference, along with Canada, Israel, West Germany and other powers. Each time, they were voted down.

Many representatives didn't even bother showing up for the votes, as reflected in the different number of votes cast. Instead, they spent their afternoons wandering around Vancouver's beautiful Stanley Park. The conference ended on June 13 as a "disaster," according to Deputy Assistant U.S. Secretary of State James Baker and Geoffrey Bruce, Canada's Minister to the UN.

When they added up the tab, they were sorrier still. It totaled more than $26 million: $18 million of Canadian taxpayers' money, and another $8 million contributed by UN member nations, not to mention the 249 films and the 115 housing reports that were translated into six languages. All down the drain.

The great program for an exchange of ideas on Habitat had dissolved under the weight of irrelevant rhetoric. When the General Assembly met a few months later to discuss the results of the conference however, it was called a success and a similar conference was suggested for the future.

Habitat was not an isolated incident, though, and its failure is only one symptom of the disease that is destroying UN technical aid programs.

In the last decade, dozens of technical meetings on health, labor standards and science have been perverted and politicized to the detriment of people in need. Not to mention costs that exceeded $100 million.

When asked why, State Department and UN officials quickly point to the voting arithmetic in the UN General Assembly. The Arabs and their Third World allies have 114 out of 147 votes. That political arithmetic, they say, is the political reality.

But it's not that simple. UN leaders may not have sanctioned the collapse of these technical projects, but they at least allowed them to fail. And when the voting arithmetic began to take its toll in the late 60's, the U.S. ignored the problem and walked away from the fight.

Up until that time, technical conferences and agencies such as the World Health Organization, were free from politics, for the most part. Debate and rhetoric were confined to the General Assembly and the Security Council.

Even the Soviet Union sought to keep technical projects free of politics, but all these efforts failed.

The 1974 International Women's Year Conference in Mexico City was turned into an anti-Israeli forum, as were earlier conferences held by the International Labor Organization, the UN Educational Scientific and Cultural Organization and the World Health Organization.

And the cold war waged by the Third World-Arab alliance was not directed at Israel alone. The machinery of the UN has been twisted to affect everything from information satellites to pensions. A few examples:

The Panama Canal was hotly debated during last year's meeting of the UN Universal Postal Union, an organization designed to improve postal service around the world and at the International Tele-communication Union.

UNESCO was created to promote friendly cultural exchanges between nations. This year's budget includes $1.5 million for direct aid to refugees and national liberation movements.

Last fall, a resolution was introduced in the General Assembly demanding that the UN employes' $1.3 billion pension fund liquidate $600 million in investments in highly rated western bloc corporate stocks and bonds and invest the proceeds in developing nations. The resolution passed in watered down form after the employes, many from the Third World itself, decided that investments in developing nations were too risky.

The controversy over apartheid raged in a 1975 conference of the World Meteorological Association, an agency supposedly devoted to the exchange of information of the weather between countries.

A $100 million UNESCO plan to end world illiteracy flopped and was abandoned after a few years because UN officials and bureaucrats disagreed over whether traditional Western educational methods should be used.

And in a move that hobbled the already overburdened UN development bureaucracy, where 29 agencies were devoted to aiding lesser developed nations, the Third World bloc pushed through a 30th agency, UNIDO, the UN Industrial Development Organization.

This meant another $60,000-a-year director, and administrative assistants, public relations officers and more paper, office space, travel and meetings, costing in excess of $5 million a year.

Robert Kitchen, an official at the U.S. mission to the UN contends, "You can't blame the Third World countries. They've been deprived for so long, they want every nickel they can get."

But the UN economy was already overburdened with projects and agencies and overhead. Politics and cash are inexorably tied together at the UN. And the U.S. protested the creation of UNIDO, just as it rallied against the U.N. Commission on Human Rights' political refusal to investigate alleged discrimination in the Soviet Union and wholesale massacres of tribes in Africa. Last year U.S. delegates walked out of a commission meeting in Geneva and then U.S. Ambassador to the UN William Scranton called the commission, "a monument to hypocrisy."

This lament is a far cry from the UN's early days when the U.S. and the West held

sway over the system and its agencies; when the voting arithmetic was in the West's favor. Even in the late 50's, when UN membership numbered 80 and no group had a clear majority, the U.S. was able to exercise its influence on then Secretary General Dag Hammarskjold.

"That was when the phrase, 'Give it to Dag' originated," said Joseph Sisco, former assistant secretary of state for international organizations.

"When there was an impasse, they'd give it to Dag and he would solve it," Sisco continued. And Hammarskjold, whose 1961 settlement of the Congo conflicts effectively kept the Soviet Union out of Africa for seven years, was the last pro-Western UN leader.

Hammarskjold's successors, U Thant and Kurt Waldheim did little to stop the slide of the UN into what Sen. Daniel Patrick Moynihan would later call, in his term as ambassador to the U.N. a "theater of the absurd." When UNESCO members passed a resolution demanding that news stories critical of member nations be censored, U Thant uttered not one word of protest. When mainland Chinese asked all Taiwanese UN employes to swear allegiance to the Communist cause in direct violation of the UN charter, Waldheim was silent.

High-paying UN agency jobs were assigned in response to pressure from voting blocs rather than merit as Waldheim and Thant hustled to curry favor with the new majority, says the U.S. Senate Government Operations Committee, U.S. influence on key budget committees and organization councils waned.

Former Secretary of State Henry Kissinger "didn't believe in multinational organizations like the UN," says W. Tapley Bennett, first deputy U.S. Ambassador to the UN. "He believed you could accomplish more through bilateral negotiations and aid."

Other state department officials interviewed added that U.S. involvement with Vietnam, the opening of relations with mainland China and various Mideast concerns caused the U.S. to put "the UN on the back burner."

"We call it damage limitation," said one state department UN expert. "Instead of getting in there to fight, you pay your dues, keep your mouth shut and try to limit the damage by staying as friendly as possible."

However, by the early 70's it became apparent that the "U.S. was facing a resurgence of the Soviet Union in Africa," as Sisco puts it. Since there are 51 African members in the UN, it became necessary for the U.S. to jump back into the fray.

In 1974, alarmed at UNESCO's refusal during a conference to grant Israel a seat on a regional council, the U.S. Congress voted to stop paying its assessed dues to that organization. That year, Kissinger notified the ILO that the U.S. would withdraw from that organization for similar reasons.

In 1975, Pat Moynihan stood up on the Assembly floor and launched tirade after tirade against the perversion of conferences and projects at the UN.

But it was too late. Six months later came Habitat.

[From the Daily News, May 6, 1977]

AS FUNCTIONARIES FIDDLED, THE FAMINE RAGED

(By William Sherman)

A severe drought struck the African nations south of the Sahara beginning in the fall of 1968. By the time normal rains fell again six years later, 150,000 people had starved to death in the desert or in filthy makeshift camps.

For the first four years of the drought, the United Nations disaster relief system took almost no initiative to rescue the population in these countries—Mali, Mauritania, Niger, Senegal, Chad and the Upper Volta—an area known as the Sahel, the poorest countries in the world.

The United Nations blundered and fell, buried under bureaucracy and interagency covenants that paralyzed it.

It wasn't as though the drought was a secret. Reports on the situation, the crop failures, the famine and the death of entire livestock herds, floated in and out of agencies and individual nations' embassies throughout this period. More than 100 UN Food and Agriculture Organization field service officers were stationed throughout the Sahel.

Several UN officials, interviewed recently, stated that their agencies were unable to start rescue operations because the Sahelian governments did not ask for their help. "The charter prohibits interference in the internal affairs of sovereign countries," said George Dorsey, a spokesman for the UN Food and Agriculture Organization in Rome. "If they don't ask, we can't push it on them."

But a study of UN documents and other accounts of the drought shows that even after urgent requests for help were made by the Sahelian governments, it took the UN more than 18 months to mobilize a relief effort. During this time, UN officials shuttled between Rome, Geneva, New York, and West Africa, playing diplomat, passing resolutions and holding conferences.

The excuse that the Sahelian governments didn't ask for help seems to pale under the weight of the evidence of the drought. The United States, Canada, and the Soviet Union had been sending aid unilaterally from the beginning, as soon as the rains stopped and the desert began to creep south.

There is no evidence that UN officials, aware of the tragedy, rang an international alarm that could have pressured Sahelian leaders to acknowledge their nation's plight.

And when UN coordinated aid began to pour in, late in 1973, much of it rotted on the docks and in warehouses, or arrived infested with maggots for want of transportation inland to the plains. The UN relief operation failed to take account of transportation problems despite the obvious: three of the Sahelian nations are landlocked. Tons of aid were lost; sold under the eyes of government officials, instead of going free to people in need.

It could have been avoided, for eventually, after the rains came again, the UN set to work on a massive and by all accounts successful effort to build the damaged economies of the Sahel.

But in 1968, when the drought began, nobody seemed to pay any attention to the nomads who roam the 2,600 mile wide steppe of the Sahel, searching for grass and water.

Until 1972, no UN office was designated specifically to handle emergency relief operations. Instead, these tasks were fulfilled by a hodgepodge of UN agencies; the World Food Program, the Food and Agriculture Organization, the Development Program, the Children's Emergency Fund and the World Health Organization.

And the UN Food and Agriculture Organization, with a specific charter mandate to "predict food shortages as well as to assist in planning food requirements," did not respond to the famine in the Sahel, according to UN documents.

Asked why not, Dorsey replied, "I don't know, there aren't any records."

However, reports on the Sahel from the State Department, the General Accounting Office and the Carnegie Endowment for International Peace do provide a record: a "diary" of inertia, inaction and sloppiness. It begins in February, 1972, four years after the drought began: An official from Chad went to an FAO annual Council meeting in Rome and declared that half his country's arable land was barren and that Chad and neighboring countries needed help badly.

The members of the Council listened, but it was two more months before any action was taken. Then, FAO's Director General Addeke Boerma told an intergovernmental committee of the UN's World Food Program, an organization created to distribute emergency food supplies, that the drought had become "endemic."

The "diary of disaster," put together from official records, continues:

July 1972: The UN "doctors" don't show up. In the Sahel, cattle drop on the plains. By the end of the year, 3.5 million cattle, one quarter of the total herd population for the six afflicted countries, die.

September 1972: The fall rains total only two inches in some parts of the Sahel. No rain in much of Mali. The Food and Agriculture Organization in Rome says it has reports signaling "an early warning" of disaster; an early warning for a disaster which by that time was four years old.

February 1973: The Food and Agriculture Organization establishes a "working group" to study further the situation in the Sahel. Joint UN missions are sent to the Sahel to "assess" water and livestock problems. After a month, the working group complains it is having a hard time getting data on needs. Then the World Food Program agrees to serve as the coordinating agency.

April 1973: The World Food Program appeals to various donor countries on possible shipping schedules for aid, together with port and evacuation facilities. However, according to the U.S. General Accounting Office, the World Food Program does not establish a separate group to deal with the drought. Instead, it assigns Rome headquarters staff members those responsibilities in addition to their regular duties.

On April 7th, Raymond Scheyven, a Belgian diplomat, is sent by the FAO to the Sahel to further "assess" the situation. Accompanying him are representatives of the European Development Fund, the International Bank for Reconstruction and Development, and the World Food Program.

May 18, 1973: Raymond Scheyven, finished with his tour of the Sahel, arrives in New York to consult with Secretary General Kurt Waldheim and the UN Economic and Social Council. That afternoon, the council adopts resolution 1759 which called on UN member states to contribute emergency assistance and called upon Waldheim "to organize as soon as possible."

May 20, 1973: Responding to the resolution, Waldheim consults with Food and Agriculture Director General Boerma and they decide that FAO should serve as the focal point for a Sahelian relief operation.

June 1973: The FAO turns around and establishes another agency, OSRO, the Office of Sahel Relief Operations, as its "operating arm." OSRO in its turn sets up a trust fund to receive contributions for relief activities. On June 28, Waldheim convenes a meeting at the Palais des Nations in Geneva attended by numerous agency heads to appoint another group, "the Special Sahelian Office," which will serve as "a focal point for mid and long-term assistance to the Sahel."

July 1973: Shipments of emergency food aid are on the high seas heading toward the Sahel. The U.S. asks the UN coordinating groups for reports on how much food, seed and medicines are needed. OSRO, WFP, and FAO haven't finished their studies. The Sahelian governments argue with various UN officials over who should have authority over the aid to be distributed. The argument ends in a draw. Effectively, nobody is in charge.

August 1973: UN coordinating groups discover problems in getting the aid to the plains. Three of the Sahelian countries are landlocked. Chad has no railroad. The major port for all six Sahelian nations is Dakar in Senegal. The food is pouring onto the docks.

Meanwhile, on the plains, cholera is reported in Niger, Mauritania and Upper Volta. Transport estimates are fouled up. Trucks carrying aid inland run out of gasoline and can't refuel. Refugees hearing about the aid trek hundreds of miles to "reception areas," which surround the stranded trucks.

September 1973: UN coordinating agencies finally estimate that, because of transportation problems, it will take three months to transfer food stocks to Mali from the port of Dakar.

About 54,000 metric tons of food are found stockpiled at Sahel ports. The port of Novakchott in Mauritania is too small for large vessels. UN officials forgot to tell donor countries and cargo ships anchored offshore. Aid is unloaded onto tugs and lighters which ferry the food to the docks. It spills. "We are told this procedure results in food losses up to to 40%," says the U.S. General Accounting Office.

December 1973: The U.S. Department of Health, Education, and Welfare estimates that 100,000 Sahelians have starved to death in the famine. Where is the aid? 1,400 sacks of corn soy milk for infants and pregnant mothers lie spoiling on the docks.

U.S. auditors trying to keep track of U.S. donated aid through the UN visit a refugee camp for 100 people near Agadez, Niger. They find that the total of aid distributed the previous month was one 100 pound bag of sorghum. They visit other centers in Niger and find that sorghum is being sold, not given away free. U.S. officials complain. They visit Mauritania and estimate that 60% of U.S. donated emergency food supplies are being sold.

February 1974: Waldheim visits the Sahel, and according to UN documents "personally had discussions with high-level government officials" concerning the needs of their countries and the role which the UN system can play in meeting them. On Feb. 21, Waldheim appeals for further aid to the distressed countries.

May 1974: Transportation problems still haven't been solved. Stockpiling in improper facilities causes spoilage. U.S. auditors report that wet grain is stored with dry grain; newly arrived grain is dumped on top of infested grain and complete shipments are ruined by insects. A later study will show that of 64,000 metric tons of food stocks in Mali, 15,000 tons are unfit for human consumption and 34,000 tons require "immediate fumigation."

September 1974: UN relief coordinating agencies declare that the rescue operation is well under way. Tons of emergency aid are in transit, in ports and at railheads. But, they add, "Transportation problems have not been solved."

At the end of September the rains came and for the first time in six years, the Sahel enjoyed a normal rainfall. The drought was finally over, but because of soil erosion no crops were planted. More people died and by the end of the year, the Food and Agriculture Organization estimated that 150,000 people had died because of the six-year famine.

Today, the various UN coordinating agencies are involved in a massive $500 million effort to rebuild the six damaged nations. UN officials point with pride to the rebuilding effort.

"The effort today is to avert another such tragedy," says Brad Morse, director of the UN Development Program.

But where were they all then, in 1968, '69, '70, '71, '72 and '73?

INSTANT, ONSITE, VOTER REGISTRATION INVITES FRAUD

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, although Chicago or Cook County elections in the past have not been known for virtue or integrity, I was encouraged by an editorial response aired on Chicago's station WGN on April 26, 1977.

As we face an important vote on this issue in the near future, I wish to share this editorial with our colleagues:

WGN EDITORIAL

APRIL 26, 1977.

(WGN Continental Broadcasting Company recently commented editorially on voter registration reform. The following is a reply by James Flournoy, from Hoffman Estates, Illinois.)

In a recent editorial WGN failed to bring out the real significance of the President's proposal for registering and voting on election day.

If the President were as concerned for the strength of our democracy as he is for partisan political considerations, he would have realized his proposal would undermine democratic processes.

The opportunity to exercise one's right to vote should be a simple process and made equal to all citizens. This can be accomplished by a program of computerized mail registration and verification to be conducted by the States. There are Democratic and Republican members of Congress aware of the program and what it would do to enhance the faith in our elections.

Almost anyone who has given serious study as to how our democracy has functioned for the last two hundred years, has concluded that its strength is not reflected in the percentage of people voting, but in the integrity of the elections providing the foundation for our democracy to function according to the Constitution.

The President has a moral obligation to do everything he can for the Welfare of the country. It is immoral for any politician to knowingly promote a program which would mean that our elections would be subject to manipulation threatening the fidelity of our democratic processes.

PERSONAL EXPLANATION

Mr. MIKVA. Mr. Speaker, I was off of Capitol Hill during a vote to approve the Journal of Tuesday, May 10. Had I been present, I would have voted "yes" on rollcall No. 220.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. STEERS (at the request of Mr. RHODES), for today and the balance of the week, on account of illness.

Mr. FISH (at the request of Mr. RHODES), on account of illness in family.

Mr. RAILSBACK (at the request of Mr. RHODES), for the week of May 16, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. TRIBLE) to revise and extend their remarks and include extraneous material:)

Mr. DERWINSKI, for 60 minutes, May 18.

Mr. WHALEN, for 5 minutes, today.

(The following Members (at the request of Mr. BARNARD) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. MAZZOLI, for 5 minutes, today.

Mr. GLICKMAN, for 5 minutes, today.

Mr. BURKE of Massachusetts, for 5 minutes today.

Mr. KOCH, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. WOLFF, and to include extraneous matter notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,851.50.

Mr. DORNAN, and to include extraneous material on H.R. 3477.

(The following Members (at the request of Mr. TRIBLE) and to include extraneous matter:)

Mr. KEMP in two instances.

Mr. CARTER.

Mr. DEL CLAWSON.

Mr. SARASIN.

Mr. ARMSTRONG.

Mr. COLLINS of Texas in three instances.

Mr. HAGEDORN.

Mr. SYMMS.

Mr. TREEN.

Mr. EVANS of Delaware.

(The following Members (at the request of Mr. BARNARD) and to include extraneous material:)

Mr. PATTISON of New York.

Mr. SISK.

Mr. BENJAMIN.

Mr. ANNUNZIO in six instances.

Mr. ANDERSON of California in three instances.

Mr. GONZALEZ in three instances.

Mr. BROWN of California in 10 instances.

Mr. TEAGUE.

Mr. FORD of Michigan in two instances.

Mr. WAXMAN.

Mrs. SCHROEDER.

Mr. EILBERG.

Mr. MIKVA.

Mr. TSONGAS.

Mr. BINGHAM.

Mr. BLOUIN.

Mr. EDGAR in two instances.

Mr. PATTEN.

Mr. FARY.

Mr. LONG of Maryland.

Mr. FLORIO.

Mr. ROGERS.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 425. An act to authorize the President of the United States to present on behalf of the Congress a specially struck gold medal to Lt. Gen. Ira C. Eaker, U.S. Air Force (retired); to the Committee on Banking, Finance and Urban Affairs; and

S. 810. An act granting an extension of patent to the United Daughters of the Con-

federacy; to the Committee on the Judiciary.

ADJOURNMENT

Mr. BARNARD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 56 minutes p.m.), the House adjourned until tomorrow, Tuesday, May 17, 1977, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1494. A letter from the President of the United States, transmitting amendments to the request for fiscal year 1978 appropriations for the Energy Research and Development Administration, the Board for International Broadcasting, and the U.S. Information Agency (H. Doc. No. 95–156); to the Committee on Appropriations and ordered to be printed.

1495. A letter from the Secretary of Housing and Urban Development, transmitting a draft of proposed legislation to provide authorizations for HUD housing and related authorities for fiscal year 1979, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

1496. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting notice of a proposed new records system for the Department of the Army, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1497. A letter from the Secretary, Smithsonian Institution, transmitting the annual report of the Smithsonian Institution for fiscal year 1976, pursuant to section 3 of the act of August 10, 1846 [20 U.S.C. 57]; to the Committee on House Administration.

1498. A letter from the Assistant Secretary of State for Congressional Relations, transmitting notice of the proposed issuance of a license for the export of defense articles sold commercially to Saudi Arabia (Transmittal No. MC–44–77), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on International Relations.

1499. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on excess defense articles delivered to foreign governments during the first quarter of fiscal year 1977, pursuant to section 8(d) of the Foreign Military Sales Act Amendments of 1971, as amended; to the Committee on International Relations.

1500. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on political contributions made by Ambassador-designate Richard K. Fox, Jr., and his family, pursuant to section 6 of Public Law 93–126; to the Committee on International Relations.

1501. A letter from the Secretary, Interstate Commerce Commission, transmitting, a report on the Commission's determination to extend the time period for acting on the appeal pending in docket No. 35914, *H & R Scrap Iron and Metal Co.*, v. *Chicago & North Western Transportation Co.*, pursuant to section 17(9)(f) of the Interstate Commerce Act, as amended (90 Stat. 49); to the Committee on Interstate and Foreign Commerce.

1502. A letter from the director, National Legislative Commission, The American Legion, transmitting statements of the organization's financial condition as of December 31, 1976, pursuant to section 3 of Public Law 88–504; to the Committee on the Judiciary.

1503. A letter from the Acting Assistant Secretary of the Army (Civil Works), transmitting a Corps of Engineers report on the Blanco River and the San Marcos River and its tributaries, Texas, in response to a resolution of the House Committee on Public Works adopted August 15, 1961; to the Committee on Public Works and Transportation.

1504. A letter from the Chairman, U.S. International Trade Commission, transmitting a report on the implications for U.S. trade of granting most-favored-nation treatment to the People's Republic of China, pursuant to section 410 of the Trade Act of 1974; to the Committee on Ways and Means.

1505. A letter from the Comptroller General of the United States, transmittintg a report on the effectiveness of the Defense Department's program planning with private industry to satisfy mobilization production requirements (PSAD–77–108, May 13, 1977); jointly to the Committees on Government Operations, and Armed Services.

1506. A letter from the Comptroller General of the United States, transmitting a report on the activities of the National Institute on Alcohol Abuse and Alcoholism to treat the Nation's alcohol abusers (HRD–76–163, April 28, 1977); jointly, to the Committees on Government Operations, and Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TEAGUE: Committee on Science and Technology. H.R. 6566. A bill to authorize appropriations for the use of the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, and for other purposes; with amendment (Rept. No. 95–272, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SCHROEDER: Committee on Post Office and Civil Service. H.R. 2387. A bill to amend chapter 53 of title 5, United States Code, to increase the salaries of the Chairman and members of the Federal Reserve Board and of the Director and Deputy Director of the Office of Management and Budget; with amendment (Rept. No. 95–320). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SCHROEDER: Committee on Post Office and Civil Service. H.R. 6975. A bill to amend title 5, United States Code, to increase the number of hearing examiner positions which the Civil Service Commission may establish and place at GS–16 of the General Schedule (Rept. No. 95–321). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SCHROEDER: Committee on Post Office and Civil Service. H.R. 6974. A bill to amend title 5, United States Code, to provide for an increase in the number of positions which may be placed in grades 16, 17, and 18 of the General Schedule by the Director of the Administrative Office of the United States Courts (Rept. No. 95–322). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 6794. A bill to amend the Federal Energy Administration Act of 1974 to extend the duration of authorities under such act, to authorize appropriations for the Federal Energy Administration for the 1978 fiscal year, and for other purposes (Rept. No. 95–323). Referred to the Committee of the Whole House on the State of the Union.

Mr. EDWARDS of California: Committee on the Judiciary. H.R. 5645. A bill to raise the limitation on appropriations for the U.S. Commission on Civil Rights (Rept. No. 95–324). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURPHY of New York: Committee on Merchant Marine and Fisheries. H.R. 4963. A bill to authorize appropriations for the fiscal year 1978 for certain maritime programs of the Department of Commerce, and for other purposes; with amendment (Rept. No. 95–332). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURPHY of New York: Committee on Merchant Marine and Fisheries. H.R. 6405. A bill to amend the Endangered Species Act of 1973 regarding the requirements for State cooperative programs thereunder and to authorize appropriations through fiscal year 1981 to carry out such programs (Rept. No. 95–333). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 5798. A bill to amend the Interstate Commerce Act to authorize appropriations for the Office of Rail Public Counsel for fiscal year 1978 (Rept. No. 95–334). Referred to the Committee of the Whole House on the State of the Union.

Mr. DIGGS: Committee on the District of Columbia. H.R. 6536. A bill to establish an actuarially sound basis for financing retirement benefits for policemen, firemen, teachers, and judges of the District of Columbia and to make certain changes in such benefits (Rept. No. 95–335). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURPHY of New York: Committee on Merchant Marine and Fisheries. A bill to increase the appropriations authorization for fiscal year 1978 and authorize appropriations for fiscal year 1978 to carry out the Marine Mammal Protection Act of 1972; with amendment (Rept. No. 95–336). Referred to the Committee of the Whole House on the State of the Union.

Mr. MANN: Committee on the Judiciary. H.R. 7010. A bill to provide for grants to States for the payment of compensation to persons injured by certain criminal acts and omissions, and for other purposes; with amendment (Rept. No. 95–337). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 6827. A bill to amend the Public Health Service Act to extend certain authorities and authorize appropriations for certain fiscal years for purposes of providing assistance to the States with respect to safe drinking water, and for other purposes; with amendment (Rept. No. 95–338). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 3816. A bill to amend the Federal Trade Commission Act to expedite the enforcement of Federal Trade Commission cease and desist orders and compulsory process orders; to increase the independence of the Federal Trade Commission in legislative, budgetary, and personnel matters; and for other purposes; with amendment (Rept. No. 95–339). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURPHY of New York: Committee on Merchant Marine and Fisheries. H.R. 6803. A bill to provide a comprehensive system of liability and compensation for oilspill damage and removal costs, and for other purposes; with amendment (Rept. No. 95–340, Pt. I). Ordered to be printed.

Mr. BROOKS: Committee on Government Operations. H.R. 6257. A bill to provide for the efficient and regular distribution of current information on Federal domestic assistance programs; with amendment (Rept. No. 95–341). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government

Operations. H.R. 6258. A bill to amend the Privacy Act of 1974 to extend the life of the Privacy Protection Study Commission to September 30, 1977 (Rept. No. 95-342). Referred to the Committee of the Whole House on the State of the Union.

Mr. FOLEY: Committee on Agriculture. H.R. 7073. A bill to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended; with amendment (Rept. 95-343). Referred to the Committee of the Whole House on the State of the Union.

Mr. FOLEY: Committee on Agriculture. H.R. 75. A bill to provide for furthering the conservation, protection, and enhancement of the Nation's land, water, and related resources for sustained use, and for other purposes; with amendment (Rept. No. 95-344). Referred to the Committee of the Whole House on the State of the Union.

Mr. FOLEY: Committee on Agriculture. H.R. 6135. A bill to amend the U.S. Grain Standards Act with respect to recordkeeping requirements and supervision fees, and for other purposes; with amendment (Rept. No. 95-345). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SAWYER: Committee on the Judiciary. H.R. 1392. A bill for the relief of Maria Miraflor Carabbacan (Rept. No. 95-326). Referred to the Committee of the Whole House.

Mr. EVANS of Georgia: Committee on the Judiciary. H.R. 1440. A bill for the relief of Eun Kyung Park and Sang Hyuk Park (Rept. No. 95-327). Referred to the Committee of the Whole House.

Mr. EILBERG: Committee on the Judiciary. H.R. 1552. A bill for the relief of Oh Soon Hee; with amendment (Rept. No. 95-328). Referred to the Committee of the Whole House.

Mr. EILBERG: Committee on the Judiciary. H.R. 1777. A bill for the relief of Cathy Gee Yuen; with amendment (Rept. No. 95-329). Referred to the Committee of the Whole House.

Mr. EVANS of Georgia: Committee on the Judiciary. H.R. 1767. A bill for the relief of Paz A. Norona; with amendment (Rept. No. 95-330). Referred to the Committee of the Whole House.

Mr. SAWYER: Committee on the Judiciary. H.R. 2944. A bill for the relief of Ricky Lee Trautvetter (Rept. No. 95-331). Referred to the Committee of the Whole House.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. MURPHY of New York: Committee on Merchant Marine and Fisheries. H.R. 4297. A bill to amend the Marine Protection, Research, and Sanctuaries Act of 1972 to authorize appropriations to carry out the provisions of such Act for fiscal year 1978; with amendment (Rept. No. 95-325, Pt. I). Referred to the Committee on Science and Technology for a period ending not later than May 20, 1977, for consideration of such portions of section 2 of the bill as fall within that committee's jurisdiction under rule X, clause 1(r), and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DEVINE (for himself, Mr. LATTA, and Mr. GRASSLEY):

H.R. 7199. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. CORMAN (for himself and Mr. VANDER JAGT):

H.R. 7200. A bill to amend the Social Security Act to make needed improvements in the programs of supplemental security income benefits, aid to families with dependent children, child welfare services, and social services, and for other purposes; to the Committee on Ways and Means.

By Mr. DANIELSON:

H.R. 7201. A bill to amend subsection (a) of section 2737 of title 10, United States Code, and for other purposes; to the Committee on Armed Services.

H.R. 7202. A bill to amend the act of August 24, 1935 (commonly referred to as the "Miller Act") to provide for additional protection to persons supplying labor and material in the prosecution of work provided for in contracts for the construction, alteration, or repair of any public building or public work of the United States, and for other purposes; to the Committee on the Judiciary.

H.R. 7203. A bill to transfer responsibility for furnishing certified copies of Miller Act payment bonds from the Comptroller General to the officer that awarded the contract for which the bond was given; to the Committee on the Judiciary.

H.R. 7204. A bill to amend chapter 5, subchapter II, of title 5, United States Code, to provide for improved administrative procedures; to the Committee on the Judiciary.

By Mr. DRINAN:

H.R. 7205. A bill to amend the Immigration and Nationality Act to establish a uniform procedure for the admission of refugees as immigrants, and for other purposes; to the Committee on the Judiciary.

By Mr. EILBERG (for himself, Mr. NIX, Mr. MICHAEL O. MYERS, Mr. LEDERER, Mr. DODD, Mr. SCHULZE, Mr. GILMAN, Mr. MAZZOLI, and Mr. TREEN):

H.R. 7206. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to authorize group life insurance programs for public safety officers and to assist State and local governments to provide such insurance, and for other purposes; to the Committee on the Judiciary.

By Mr. FRENZEL (for himself, Mr. STEIGER, Mr. QUIE, Mr. FRASER, Mr. GOODLING and Mr. VENTO):

H.R. 7207. A bill to amend the Internal Revenue Code of 1954 to provide that certain organizations furnishing computer and fiscal management services to social organizations shall be exempt from income tax; to the Committee on Ways and Means.

By Mr. GAYDOS:

H.R. 7208. A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer to deduct, or to claim a credit for, amounts paid as tuition to provide an education for himself, for his spouse, or for his dependents; to the Committee on Ways and Means.

By Mr. HAMMERSCHMIDT (for himself and Mr. KELLY):

H.R. 7209. A bill to amend the Communications Act of 1934 in order to prohibit the television broadcasting of programs portraying nudity, obscenity, or explicit sexual activity which is offensive to the public taste and morals; to the Committee on Interstate and Foreign Commerce.

By Mr. HEFNER:

H.R. 7210. A bill to amend title II of the Social Security Act to eliminate the 5-month waiting period which is presently required in order for an individual to be eligible for disability insurance benefits or the disability freeze (or for widow's or widower's benefits on the basis of disability); to the Committee on Ways and Means.

H.R. 7211. A bill to amend title II of the Social Security Act to increase to $4,800 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted an individual each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. KINDNESS (for himself, Mr. BAUCUS, Mr. CORCORAN of Illinois, Mr. FENWICK, Mr. FRENZEL, Mr. GRASSLEY, Mr. HAGEDORN, Mr. LOTT, Mr. MANN, Mrs. SPELLMAN, Mr. SYMMS, Mr. TRIBLE, and Mr. WINN):

H.R. 7212. A bill to provide for the resolution of claims and disputes relating to the Government contracts awarded by executive agencies; to the Committee on the Judiciary.

By Mr. LUJAN:

H.R. 7213. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. MATHIS:

H.R. 7214. A bill to extend the food stamp program for 2 years, to provide payments in lieu of coupons under such program during fiscal year 1979, and for other purposes; to the Committee on Agriculture.

By Mr. MURTHA:

H.R. 7215. A bill to authorize the Administrator of the National Fire Prevention and Control Administration to make grants to volunteer fire departments which are unable to purchase necessary firefighting equipment because of the increased cost of such equipment as the result of inflation; to the Committee on Banking, Finance and Urban Affairs.

H.R. 7216. A bill to amend the Internal Revenue Code of 1954 to provide a deduction for clothing purchased and used by taxpayers serving in volunteer firefighting organizations; to the Committee on Ways and Means.

H.R. 7217. A bill to amend the Internal Revenue Code of 1954 to exempt nonprofit volunteer firefighting or rescue organizations from the Federal excise taxes on gasoline, diesel fuel, and certain other articles and services; to the Committee on Ways and Means.

By Mr. MONTGOMERY:

H.R. 7218. A bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for certain services performed by chiropractors; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. OBEY (for himself, Mrs. BURKE of California, Mr. JOHN L. BURTON, Mr. GINN, Mr. LUKEN, Mr. PICKLE, Mr. SISK, and Mr. CHARLES WILSON of Texas):

H.R. 7219. A bill to amend titles II and XVIII of the Social Security Act to include eligible drugs, requiring a physician's prescription or certification and approved by a formulary committee, among the items and services covered under the hospital insurance program; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. SISK (for himself and Mr. MCCORMACK):

H.R. 7220. A bill to amend title II of the Social Security Act to provide that when an adverse decision is made on a claim for benefits thereunder, the claimant shall have the right to reconsideration, including an informal conference and a statement of the case, prior to hearing; to impose time limits and make other improvements in the procedures for determining such claims; to the Committee on Ways and Means.

By Mr. STARK (for himself and Mr. OBERSTAR):

H.R. 7221. A bill to amend the Indochina Migration and Refugee Assistance Act of 1975 to extend the period during which refugee assistance may be provided; to the Committee on the Judiciary.

By Mr. TSONGAS:

H.R. 7222. A bill to reorganize the executive branch of the Government by consolidation of functions and to increase efficiency and coordination in the area of disaster assistance, emergency preparedness, mobilization readiness, and for other purposes; to the Committee on Government Operations.

By Mr. DODD:

H.J. Res. 465. Joint resolution authorizing the President to proclaim the third week in June of each year as National Veterans' Hospital Week; to the Committee on Post Office and Civil Service.

By Mr. MURTHA:

H.J. Res. 466. Joint resolution to designate the week commencing with the second Monday in October of each year as National Fire Prevention Week; to the Committee on Post Office and Civil Service.

By Mr. PATTEN (for himself, Mr. ADDABBO, Mrs. FENWICK, Mr. PEPPER, Mr. HOWARD, Mr. HUGHES, Mr. MURPHY of Pennsylvania, Mr. BADILLO, Mr. FORD of Michigan, Mr. THOMPSON, Mr. FORSYTHE, Mr. FLORIO, Mr. MINISH, Mr. RODINO, Mr. RINALDO, Mr. EILBERG, Mr. CHARLES WILSON of Texas, Mr. LE FANTE, Mr. HOLLENBECK, Mrs. SPELLMAN, Mrs. MEYNER, and Mr. MAGUIRE):

H.J. Res. 467. Joint resolution to designate the year 1979 as the Thomas A. Edison Centennial Year and to establish the Thomas A. Edison Centennial Commission; to the Committee on Post Office and Civil Service.

By Mr. DELANEY:

H. Con. Res. 224. Concurrent resolution requesting release of Ukrainian patriots Valentyn Moroz, Mykola Rudenko, Yuriy Shukhevych, and Oleksa Tykhy; to the Committee on International Relations.

By Mr. McDONALD (for himself, Mr. ALEXANDER, Mr. ARMSTRONG, Mr. BOWEN, Mr. BREAUX, Mr. BURLESON of Texas, Mr. BUTLER, Mr. CEDERBERG, Mr. CLEVELAND, Mr. DENT, Mr. DERRICK, Mr. DUNCAN of Tennessee, Mr. ENGLISH, Mr. GOLDWATER, Mr. GOODLING, Mr. HARSHA, Mr. HEFNER, Mr. HIGHTOWER, Mr. HOLLAND, Mr. HUCKABY, Mr. IRELAND, Mr. WON PAT, Mr. JENKINS, Mr. NEAL, and Mr. FORD of Tennessee):

H. Res. 572. Resolution to amend the Rules of the House of Representatives to establish the Committee on Internal Security, and for other purposes; to the Committee on Rules.

By Mr. WHITEHURST:

H. Res. 573. Resolution that Congress move expeditiously to resolve pending issues regarding national telecommunications policy, and for other purposes; to the Committee on Interstate and Foreign Commerce.

MEMORIALS

Under clause 4 of rule XXII,

145. The SPEAKER presented a memorial of the Legislature of the State of Arkansas, requesting that Congress call a convention for the purpose of proposing an amendment to the Constitution of the United States with respect to the right to life; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. HANNAFORD introduced a bill (H.R. 7223) for the relief of Fara A. York; which was referred to the Committee on the Judiciary.

SENATE—*Monday, May 16, 1977*

The Senate met at 12 noon and was called to order by Hon. ERNEST F. HOLLINGS, a Senator from the State of South Carolina.

PRAYER

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

O God, whose splendor fills the world, quicken all the senses with which Thou hast endowed us, that each may be an opening into the presence of the Eternal. With eyes to see and ears to hear, may the whole world be a sanctuary where we worship Thee in spirit and in truth. Open our minds to learn; open our hearts to love; open our hands to give. And grant us grace to walk in paths of service for Thy name's sake. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., May 16, 1977.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. ERNEST F. HOLLINGS, a Senator from the State of South Carolina, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

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

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, May 13, 1977, be dispensed with.

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

COMMITTEE MEETINGS

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

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

Mr. ROBERT C. BYRD. I yield to the distinguished Senator from Washington.

PRIVILEGE OF THE FLOOR—H.R. 5970

Mr. JACKSON. Mr. President, I ask unanimous consent that Richard Casad of my staff be granted the privilege of the floor in connection with the military procurement bill, H.R. 5970.

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

Mr. ROBERT C. BYRD. Mr. President, I have no further use for my time. I yield it back.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

Mr. BAKER. Mr. President, I first yield to the distinguished Senator from North Carolina (Mr. HELMS) for a unanimous-consent request.

PRIVILEGE OF THE FLOOR

Mr. HELMS. Mr. President, I ask unanimous consent that Dick Bryan of my staff be accorded the privilege of the floor during the discussion of H.R. 5970 and any votes thereon.

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

LIMITING CONGRESS

Mr. BAKER. Mr. President, I was pleased to note in the Sunday edition of the Washington Post an article entitled "Save Congress by Limiting It," by Gerald W. Siegel. Mr. Siegel articulates well a concept to which I am firmly devoted. I would note particularly for the benefit of my colleagues on the other side of the aisle that Mr. Siegel was once the chief counsel of the Senate Democratic Policy Committee.

I commend the article to the attention of all my colleagues and ask unanimous consent that it be printed in the RECORD.

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

SAVE CONGRESS BY LIMITING IT

(By Gerald W. Siegel)

The Founding Fathers never intended Congress to be the fulltime institution of professional lawmakers that it has become. Rather, they foresaw a legislative branch that would meet for a few months to set national policies and enact the few laws necessary to implement them. It was to be a citizen body which, ideally, would always reflect the broadest composition of our people: farmers, merchants, workers, lawyers, doctors and so forth.

Of course, the Founding Fathers never anticipated the complexity which has overtaken us. But their conception of the role of Congress remains valid. To return to such a limited legislative role would be a major reform. Yet it could be done without any fundamental change in our federal system and without any reduction in the importance of Congress.

We have focused too long on methods of reorganizing Congress which would enable it merely to do better the job it is doing. This year's reorganization of Senate committees was merely the latest example. What we need instead is a redefinition of the kind of legislative body Congress should be. If we really want to improve the operation of Congress, we must challenge deeply embedded patterns and traditions.

As I see it, Congress should confine itself to making only major, broad national policies and laws. The fleshing out of such laws, the endless process of developing the intricate mechanisms for their implementation, should be the responsibility of executive departments and independent administrative agencies.

The bills to amend the Environmental Protection Act are an example of how Congress becomes smothered in detail. So much attention has been given to comprehensive statutory provisions that Congress has lost sight of its principal responsibility: the establishment of overall, balanced basic environmental policies which are consistent with other essential policies in the nation, i.e., energy, employment and growth.

Just look at the vital statistics of the last Congress: 21,096 bills introduced; 588 public laws, enacted; with brief recesses in each year, the two houses met from Jan. 14 to Dec. 19, 1975, for a total of 1,177 Senate and 941 House session hours, and from Jan. 19 to Oct. 1, 1976, for a total of 1,033 Senate and 846 House session hours. There is probably no tabulation of the hours spent by committees in hearings and executive sessions.

How much better if fewer bills were introduced, fewer considered in committee and simpler, more basic policy type bills passed. And how much better if the time saved were spent by the legislators at their own occupations, with their own people, in their own states.

To effect such change will require strong congressional determination. Subject to waiver in emergencies, there should be in each session an early mandatory adjournment date; a limit on the number of bills each member may introduce and on the number each committee could consider and report; and a ban or limit on nonlegislative functions (such as assassination investigations). But consider the benefits.

The time required for the members in Washington could be shortened drastically. There would be no need for, and it would in fact be recognized as undesirable for, members to give up their normal occupations to become professional lawmakers. The members could remain closer to their states, districts and constituents. No detailed code of conduct would be necessary. A system of full disclosure is all that would be needed to reduce the likelihood of corruption and the improper consequences of unavoidable conflicts of interest. There would be no need for public funding of elections.

And, finally, Congress could reduce the volume and complexity of federal law for which it is primarily and directly responsible. Subordinate policies and principles, not merely details, would be delegated to the departments and agencies, where they can be more calmly, expertly and professionally developed by fulltime experts.

Would we all become the victims of a faceless and inaccessible bureaucracy? Not necessarily. Preventive measures could be established by Congress and the executive departments. And access to Congress for equitable relief from administrative decisions beyond the corrective action of the courts would be more efficient and effective because Congress would have more time for such functions and could better organize to carry them out.

A determination to legislate only to the extent absolutely necessary should also permeate throughout the administrative bureaucracy. "Sunset" legislative policy, applied to Congress and the executive departments, coupled with a new philosophy of Congress as described here, could sweep away much of the statutory and regulatory debris which has accumulated over the years and release much human talent, time and energy to tackle new basic problems.

A major shift of this kind in legislative responsibility will require reexamination and changes in our independent agencies and departmental administrative processes—especially where lines of rule-making, administration, regulation and adjudication run parallel or cross. But these are not insuperable obstacles. The knowledge exists to structure this part of the executive branch of government so that it can faithfully and effectively perform all of its duties, under the direction and surveillance of Congress.

Relieved of the necessity of legislating in each field with such comprehensiveness and specificity, Congress could better deal with the task of determining balanced policies which properly equate the competing and conflicting demands of separate but interrelated areas. The newly established congressional budget procedure could be enlarged and perfected, and the trade-off balancing so necessary there could become the pattern for policy making in each substantive area of legislative concern. For example, Congress might well develop a full employment policy which would not unduly restrict individual and group freedoms in the private sector and would not impact harmfully on a national policy of stable prices.

A new role for members of Congress, with less tedious duties but more fundamental responsibility; with few restrictions on the opportunity to continue their normal private lives and with a more clear-cut image of citizen part-time lawmakers, could induce some to seek office who now turn away from it. Longevity of service would be less essential. Indeed, more rapid turnover in membership could be a desirable result. A new delineation of the functions of Congress could breathe new life into our federal system and encourage the states to take on more of the responsibilities of governing their citizens.

The changes proposed here would not weaken Congress or the federal government. Members of such a Congress would truly be the most important and powerful deicsionmakers in the nation. No one is diminished by delegating less important duties.

Too long have we struggled at the edges of the problems which beset Congress. Codes of conduct, election financing reforms and committee reorganizations will not do the job. If Congress is to achieve maximum effectiveness, a real effort to rediscover its proper role must be made.

LESSONS FROM THE SHAPP CAMPAIGN

Mr. BAKER. Mr. President, this morning's edition of the Washington Post contains an editorial entitled "Lessons from the Shapp Campaign." The editorial indicates that there are three lessons to be learned from the problems Governor Shapp has encountered with public financing; briefly they are the accountability of the candidate, the importance of full disclosure, and the inability of the FEC to perform thoroughly its presently-assigned tasks, much less the additional burdens that would be imposed by public financing of congressional campaigns and same day registration.

Obviously, the points raised by the Post are valid; but I believe that there are additional issues involved in the public financing of campaigns that should be raised. I wonder, for instance, whether the accountability of the successful candidate would extend beyond merely returning the taxpayers' funds to relinquishing the office to which he was elected. I believe we need to ask the extent of the obligation of the candidate to his unwitting contributors, the taxpayers, who, aside from the coerced contribution, may not have supported the candidate at all.

As the Post correctly noted, the problems associated with public financing would only be compounded should it be extended to include the 535 congressional offices. There were only a small number of Presidential candidates; how much greater a bureaucracy will we have to create to regulate a minimum of a thousand campaigns every 2 years. How much more of a drain will that bureaucracy make on the Federal Treasury, not to mention the drain attributable to campaign financing itself. How much will it cost the taxpayers for this bureaucracy to do a job that it will never be able to do effectively, and should not be doing at all.

We are intruding the Federal Government into the most intimate process of free men practicing self-government, and that very intrusion betrays the concept. On a subject the premise of which is so fundamentally wrong, we should not be asking how much it will cost or how much bureaucracy will it take, but whether we should do it at all. I believe the answer to that question is no; I believed it was no when we voted on public campaign financing for Presidential elections, and that no vote is beginning to look better all the time.

I ask my colleagues to consider the problems we have created, and the additional problems we may yet create in the name of this flawed concept, and I ask unanimous consent that the editorial in the Washington Post be printed in the RECORD.

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

LESSONS FROM THE SHAPP CAMPAIGN

Pennsylvania Governor Milton J. Shapp has done the right thing by promptly agreeing to repay $299,066 in federal subsidies that were obtained illegally by his short-lived 1976 presidential campaign. The governor says that he knew nothing about the bogus contributions and faked reports which, according to the Federal Election Commission, involved more than 40 of his fund-raisers and contributors. Even so, Mr. Shapp has decided not to exercise his right to contest the FEC's decision. "I believe it is right that the full amount should be paid back to the United States treasury," he said Friday.

Though the Shapp case is far from closed, it has already underscored three points about enforcement of the public-financing law. The first has to do with accountability; too often candidates confronted with evidence of shady fund-raising have washed their hands of it by claiming, however improbably, that they had no idea what was going on. As Mr. Shapp has learned the hard way, any candidate who gets public subsidies is financially liable in any case. If his supporters launder money, whether or not he knows about it, he's the one who may get taken to the cleaners by the FEC. That ought to be a powerful incentive for future candidates to keep much closer watch over their campaign financing.

The second point has to do with detailed disclosure; because donors' occupations and business affiliations had to be reported, the FEC's auditors were able to spot substantial contributions from people in modest jobs and clumps of gifts from employees in a few companies. Investigation showed that many of those donations had been faked. If only home addresses had been required, as in the past, the alleged frauds might not have been found out.

The probe of the Shapp case has so far en-

gaged 10 FEC employees for about six months. That's a major commitment to a relatively minor campaign, considering that the agency has only about 65 lawyers, auditors and investigators—and is simultaneously trying to review all the other presidential campaigns and last year's Senate and House races as well. Speed has already been sacrificed. A more serious casualty is thoroughness; FEC officials freely acknowledge that some reports are getting just a cursory review.

And that's the final point: The FEC has more business than its present staff and organization can handle very well. There is an obvious message here for the supporters of universal voter registration and public financing of congressional campaigns. Aside from their other problems, those proposals, especially the congressional campaign subsidies, would put very heavy new burdens on the FEC. One thing Congress should think hard about is how much manpower, reorganization and lead time the FEC would really need before there is ever a chance that those programs could be soundly administered and policed.

THE GAP IN THE ENERGY PLAN

Mr. BAKER. Mr. President, I draw the attention of my colleagues to an editorial entitled "The Gap in the Energy Plan" and a column written by economist Hans H. Landsberg in today's Washington Post.

The Landsberg column provides a general analysis of the President's energy plan which I find quite disturbing. He points out that the estimates for increased utilization of coal and nuclear power are unrealistically high.

It follows that the President's energy plan is not complete. Either that plan must be augmented or oil imports will be well above 7 million barrels a day by 1985.

Mr. President, it is the job of the Congress to take the good ideas that appear in the President's plan, combine them with other good ideas, including those contained in the Republican Energy Initiative which was released last week and forge a comprehensive national energy plan that will provide for economic growth and really reduce our dependence on foreign supplies of oil.

Mr. President, I feel that the analysis of the President's energy program and the Washington Post editorial are most worth while; and I ask unanimous consent that they be printed in the RECORD.

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

THE GAP IN THE ENERGY PLAN

When President Carter first began to bring out his energy policy last month, some of the key numbers were left until later. They turned up a couple of weeks ago in the back of the little book entitled "The National Energy Plan" that the White House has been distributing. An illuminating table there shows how much energy the country would be using in 1985 under this plan, and which fuels. Those numbers imply a gap in the plan. The country can't get there from here. Either the plan must be augmented or oil imports will be well above 7 million barrels a day by the mid-1980s.

That gap is not small. Hans Landsberg, an economist with long experience in this field, offers an estimate in the analysis that we print today on the opposite page. As he points out, coal is crucial to the whole system, and the estimates for coal production and use are unrealistically high. The projection for nuclear power also seems too high, in view of the extremely long lead times that reactors require. But it's slow work to develop any major source of energy, and there won't be any new ones available in 1985 that are not visible today. A spectacular new oil strike, for example, is always a possibility. But it was nine years ago that oil was discovered on the North Slope of Alaska, and that oil won't begin to reach consumers until this winter.

Closing the gap means either reducing the demand for energy or increasing oil imports beyond the plan's target. The administration has taken an extremely cautious approach to conservation because it fears doing damage to the economy. It is trying to stay far away from anything that might threaten to depress automobile sales, or disrupt the housing industry, or curtail industrial expansion. It's correct to say that conservation can be accomplished without destroying jobs—if it's done carefully, at a certain pace. But if the pace is forced beyond limits that are not yet entirely clear, unemployment rises.

The alternative is, unfortunately, more foreign oil. That's the choice that Dr. Landsberg recomends. But there are large risks in that one as well—even with the strategic oil storage that, incidentally, the country has not yet begun to accumulate. Even if that oil keeps pouring in without interruption, rising American demand would keep the world oil market tight enough to encourage further OPEC price increases. Over the next decade, OPEC is likely to do more than Congress to restrain American energy imports.

The President's plan is valuable, but incomplete. It has given direction to the formless debate over energy that has been going languidly along ever since the embargo three years ago. It has put the country on a fairly well-marked track of modest conservation and substantial increases in energy supplies. But for all of the President's speeches on the subject, the country still hasn't seen the full strategy. It looks as though the President set his goals and then drew back from some of the implications, papering them over with excessively optimistic forecasts for coal and nuclear power. As the country goes through the next several years, experience will no doubt show the need for further restraints. The present energy plan is not a completed blueprint. It merely indicates a course to be followed—with further implementation to come over the years.

BALANCING THE 1985 ENERGY ACCOUNTS

(By Hans H. Landsberg)

Only now that the government has released its pamphlet entitled "The National Energy Plan" is it possible to learn how the energy accounts are to come into balance by 1985. While it is a highly readable booklet, those in a hurry can go to the 96th of its 103 pages and find it all spelled out in a handy little statistical table. What they will discover is not quite what the government presentations, beginning with the President's April 18 television address, had led them to expect.

Three noteworthy findings emerge. First, while widely proclaimed as relying mainly on conservation, the plan is not all that conserving. Without it, energy consumption by 1985 would rise by 31 per cent; with it, by 25 per cent. The difference could be made good by importing an extra 2 million barrels of oil per day.

Second, the soul of the plan is not so much to shift from using more to using less energy, as from burning oil and gas to burning coal.

Third, while one would expect it to stress measures to boost coal production, the plan contents itself with the statement that coal production is principally demand-limited and directs most of its effort at reducing oil and gas use.

Now let us dig a little deeper. The administration's statistics show energy demand to rise from 74 quadrillion Btu's, or "Quads," to 98 Quads in 1985—an average annual rate of growth of just over 2.5 per cent. That's not an implausable figure, given long-term historic growth rates around 3.5 per cent, though in exponential growth, given enough time, even fractions of 1 per cent have quite a kick. Thus small differences in assumptions can have large consequences, especially when so much turns on hitting the plan's 1985 bull's eye: oil imports held down to 7, or hopefully 6, million barrels per day.

On the supply side, the plan's center ring is occupied by coal. Between 1976 and 1985 production is expected to increase to about 1,225 million tons, up from 655 million tons in 1976; probably by more, if, as is likely, the share of low-Btu Western coal increases substantially. Raising coal output in the next nine years by 560 million tons will require more than ordering utilities and industry generally to burn coal or making it costly for them not to do so.

Similar past efforts have come to naught in the face of the companies' resistance, based on environmental, technological, and economic grounds. The plan hopes to cope with this by reversing the burden of proof; that is, the utilities must show cause why they cannot shift to coal. It is easy to foresee that enough of them will engage in prolonged and quite possible successful efforts to show such cause as to frustrate the objective.

It is worth noting that in its long history the bituminous coal industry has never produced more than it did in 1976. Its previous peak output year was 1947 when it mined 631 million tons of coal. Now every added ton produced sets a new record. Consequently, not only must mining companies grow, but all facilities associated with coal, including, prominently, transportation and manpower, must grow apace. State/federal conflicts must be resolved, the aspirations of the Indian tribes controlling large amounts of Western coal have to be reconciled, land-use and restoration practices must be established, and so on.

That in this context the coal industry can raise output by an annual average of 60 million tons is highly unlikely, if not outright impossible. That the energy plan fails to even address these issues is a major flaw. That its success sides on achieving something close to the announced goal is certain.

Three more domestic supply items are specified to help meet 1985 demand. Domestic oil production, in decline since reaching a peak in 1970, must rise by 12 per cent; natural gas production, in decline since 1974, must not dip by more than 7.5 per cent; and nuclear energy must nearly quadruple. What are the chances of all this coming true?

For oil, the hopes are pinned on output from Alaska, from the Outer Continental Shelf, and from so-called enhanced recovery, that is, squeezing out oil from oil reservoirs. The top Alaskan oil supply cannot be more than the pipeline can carry, that is, 2 million barrels per day. Net additions from Outer Continental Shelf reservoirs will depend on the pace and volume of leasing in the next two or three years. Leasing beyond that time will not produce much by 1985. Expectations from enhanced recovery have traditionally been high and achievements low. There are some 300 billion barrels of oil left over in old reservoirs, but technology has for decades failed to come to their rescue.

For natural gas, the principal source to supplement depleting gas reservoirs is the Outer Contintal Shelf. Therefore, the postulated decline of less than 8 per cent appears optimistic. We will do well to slip no faster.

The plan's nuclear objective is not within reach. It takes 10 years or more to get a

nuclear power plant on the line. Thus, no plant not now at least on the order books of the equipment manufacturer can be counted into the 1985 capacity. At most 130,000 megawatts (up from 42,000 at the end of 1976) is a reasonable guess. The plan figure is high by 20 to 25 per cent, or about 1.5 Quads.

In summary, the chances of achieving domestic targets so that the accounts can be balanced by oil importation of no more than 14 Quads—7 or, if demand can be further compressed, 6 million barrels per day—are about nil. Coal and nuclear are bound to fall short of their targets perhaps by as much as a combined 6 Quads, and lagging oil production is almost sure to raise that figure by another Quad or two. Thus, the plan will easily need an extra 7 to 8 Quads. Barring much more drastic conservation measures, such as import quotas and/or rationing, they can come only from additional oil imports; 3.5 to 4 million barrels per day of oil above and beyond the target, or total 1985 oil import volume of 10.5 to 11 million barrels—if we are lucky, that is.

Once the proposed 1 billion barrels of oil have been placed into strategic storage, this is not a "wrong" outcome. Rather, what is wrong is not to face the near certainly that the target cannot be reached within the plan's time frame and with the measures proposed.

If Congress can stop staring at the gasoline tax, it might usefully focus on the demand/supply balance sheet of 1985. If the process it might decide that 7 million barrels a day is not an immutable objective and, equally important, that 1985 is awfully close especially since much of 1977 will be consumed in writing legislation. Though curbing demand might get tougher after the mid-80s when the short-term conservation measures have been put in place, supply expansion calls for a longer time perspective.

The 1985 time frame coupled to the 7 million barrel import target is a self-imposed straitjacket. Loosening it could lead to a more realistic assessment.

President Carter's energy plan in numbers

	1976 Quads*	1985 Quads*
Demand	74.0	92.8
Supply		
Domestic:		
Oil, including NGL	19.4	21.2
Natural gas	19.0	17.6
Coal	15.8	29.0
Nuclear	2.0	7.6
Hydro, refinery gain, etc.	3.8	4.6
Total	60.0	80.0
Imports (net):		
Oil	14.6	14.0
Natural gas	1.0	1.2
Coal	−1.6	−2.4
Total	14.0	12.8

*1 Quad=1 quadrillion British Thermal Units. Converted from million barrels of oil per day as in "The National Energy Plan," p. 96.

Mr. BAKER. Mr. President, I have no further requirement for my time under the standing order, and yield it back.

UNANIMOUS CONSENT CALENDAR

Mr. ROBERT C. BYRD. Mr. President, there are three measures on the calendar that have been cleared by unanimous consent. They were cleared last Friday and moved to the Consent Calendar. I ask unanimous consent that the Senate proceed to the consideration of Calendar Order Nos. 112, 113, and 117.

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

MISSISSIPPI-LOUISIANA BRIDGE CONSTRUCTION COMPACT

The bill (S. 837) granting the consent of Congress to the Mississippi-Louisiana bridge construction compact, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is given to the Mississippi-Louisiana Bridge Construction Compact entered into between the States of Mississippi and Louisiana, which compact reads as follows:

"MISSISSIPPI-LOUISIANA BRIDGE CONSTRUCTION COMPACT

"ARTICLE I. The purpose of this compact is to promote the construction of a bridge connecting the States of Mississippi and Louisiana at or near Natchez, Mississippi, and Vidalia, Louisiana, and to establish a joint interstate authority to assist in these efforts.

"ARTICLE II. This compact shall become effective immediately as to the States ratifying it whenever the States of Louisiana and Mississippi have ratified it and Congress has given consent thereto. Any State not mentioned in this article which is contiguous with any member State may become a party to this compact, subject to approval by the Legislature of each of the member States.

"ARTICLE III. The States which are parties to this compact (hereinafter referred to as "party States") do hereby establish and create a joint agency which shall be known as the Mississippi-Louisiana Bridge Authority (hereinafter referred to as the "authority"). The membership of such authority shall consist of the Governor of each party State, one (1) representative each from the Mississippi State Highway Department and the Louisiana Department of Highways, five (5) other citizens of each party State, to be appointed by the Governor thereof. The appointive members of the authority shall serve for terms of four (4) years each. Vacancies on the authority shall be filled by appointment by the Governor for the unexpired portion of the term. The members of the authority shall not be compensated for service on the authority, but each of the appointed members shall be entitled to actual and reasonable expenses incurred in attending meetings, or incurred otherwise in the performance of his duties as a member of the authority. The members of the authority shall hold regular quarterly meetings and such special meetings as its business may require. They shall choose annually a chairman and vice-chairman from among their members, and the chairmanship shall rotate each year among the party States in order of their acceptance of this compact. The secretary of the authority (hereinafter provided for) shall notify each member in writing of all meetings of the authority in such a manner and under such rules and regulations as the authority may prescribe. The authority shall adopt rules and regulations for the transaction of its business; and the secretary shall keep a record of all its business and shall furnish a copy thereof to each member of the authority. It shall be the duty of the authority, in general, to promote, encourage, and coordinate the efforts of the party States to secure the development of the Mississippi-Louisiana Bridge at or near Natchez, Mississippi, and Vidalia, Louisiana. Toward this end, the authority shall have power to hold hearings; to conduct studies and surveys of all problems, benefits, and other matters associated with the construction of the Mississippi-Louisiana Bridge, and to make reports thereon; to acquire, by gift, grant, or otherwise, from local, State, Federal, or private sources such money or property as may be provided for the proper performance of their function, and to hold and dispose of same; to cooperate with other public or private groups, whether local, State, regional, or national, having an interest in the bridge construction; to formulate and execute plans and policies for emphasizing the purpose of this compact before the Congress of the United States and other appropriate officers and agencies of the United States; and to exercise such other powers as may be appropriate to enable it to accomplish its functions and duties in connection with the construction of the Mississippi-Louisiana Bridge and to carry out the purposes of this compact.

"ARTICLE IV. The authority shall appoint a secretary, who shall be a person familiar with the nature, procedures, and significance of the bridge construction and the informational, educational, and publicity methods of stimulating general interest in such developments, and who shall be the compact administrator. The term of office of the secretary shall be at the pleasure of the authority and such officer shall receive such compensation as the authority shall prescribe. The secretary shall maintain custody of the authority's books, records, and papers, which shall be kept by the secretary at the office of the authority, and shall perform all functions and duties and exercise all powers and authorities which may be delegated to the secretary by the authority.

"ARTICLE V. Each party State agrees that its Legislature may, in its discretion, from time to time make available and pay over to the authority funds for the establishment and operation of the authority. The contribution of each party State will bo in equal amounts.

"ARTICLE VI. Nothing in this compact shall be construed so as to conflict with any existing statute, or to limit the powers of any party State, or to repeal or prevent legislation, or to authorize or permit curtailment or diminution of any other bridge project, or to affect any existing or future cooperative arrangement or relationship between any Federal agency and a party State.

"ARTICLE VII. This compact shall continue in force and remain binding upon each party State until the Legislature or Governor of each or either State takes action to withdraw therefrom; provided that such withdrawal shall not become effective until six (6) months after the date of the action taken by the Legislature or Governor. Notice of such action shall be given to the other party State or States by the Secretary of State of the party State which takes such action.".

SEC. 2. The right to alter, amend, or repeal this Act is expressly reserved.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–136), explaining the purposes of the measure.

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

PURPOSE

The purpose of the bill is to grant the consent of Congress to a compact between the States of Mississippi and Louisiana promoting construction of a bridge connecting the two States at or near Natchez, Miss., and Vidalia, La., and to establish a joint interstate authority to assist in these efforts. Copies of the enabling acts of the States are contained in the files of the committee.

STATEMENT

This compact is a voluntary agreement on behalf of the States of Mississippi and Louisiana to cooperate with each other in promoting the construction of a bridge at or near Natchez, Miss., and Vidalia, La. connecting the two States. A bridge presently exists at this site, but it is only two lanes wide and is fed by four-lane highways at each end. It operates near capacity every day and traffic tieups are frequent.

The compact will establish a joint interstate authority, which will be known as the Mississippi-Louisiana Bridge Authority, (herein the authority), as the vehicle to promote the construction of this bridge. The authority shall consist of the Governor of each State, one representative from the Mississippi and Louisiana Highway Departments and five citizens from each State, to be appointed by the representative Governors.

The members of the authority will not receive compensation for their service, but the authority will employ a director to be compact administrator, who will receive such compensation as the authority shall prescribe.

The proposed legislation will give the authority the power to hold hearings, conduct studies and surveys, receive grants and donations, and in general, formulate plans and policies for the bridge construction. The authority will cooperate with other public, private, or governmental groups or agencies, whether local, State or National, which have an interest in construction of this bridge.

The committee believes that the proposed legislation is meritorious and recommends it favorably.

NATIONAL GRANDPARENTS DAY

The joint resolution (S.J. Res. 24) to authorize and request the President to issue annually a proclamation designating the first Sunday of September after Labor Day of each year as "National Grandparents Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue annually a proclamation designating the first Sunday of September after Labor Day of each year as "National Grandparents Day", and calling upon the people of the United States and interested groups and organizations to observe such day with appropriate ceremonies and activities.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (NO. 95-137), explaining the purposes of the measure.

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

PURPOSE

The purpose of the joint resolution is to authorize the President to designate the first Sunday in September of each year as "Grandparents Day."

STATEMENT

By designating the Sunday following Labor Day as Grandparents Day, more people will be able to visit and honor their grandparents.

The committee believes it appropriate that the President proclaim the first Sunday in September of each year as "Grandparents Day."

COST

The enactment of this legislation involves no direct additional expenditure to the Government.

Accordingly, the committee recommends favorable consideration of Senate Joint Resolution 24 without amendment.

VOCATIONAL EDUCATION TECHNICAL AMENDMENTS

The Senate proceeded to consider the bill (H.R. 3437) to make certain technical and miscellaneous amendments to provisions relating to vocational education contained in the Education Amendments of 1976, which had been reported from the Committee on Human Resources with amendments as follows:

On page 6, line 24, following "section," insert the following:
or (ii) 50 percentum of such costs if the non-Federal share of such costs is paid by the State from appropriations for such purpose

On page 7, beginning with line 10, insert the following:

(B) Section 108(b)(1)(B)(i) of such Act is amended by inserting after the word "uses" the second time it appears in such section the following: "for State administration and".

(C) Section 108(b)(B) of such Act is amended by inserting after the word "funds" the second time it appears in such section the following: "for State administration and".

(D) Section 111(a) of such Act is amended by adding at the end thereof the following:

"(3) In addition, the Commissioner shall pay, from the amount available to each State from the amount appropriated under section 102(d), an amount not to exceed 100 per centum of the cost of carrying out the purposes described in such section 102(d).".

On page 12, beginning with line 9, insert the following:

(B) Section 195(20) of such Act is amended by striking out "For the purposes of this Act, the" and inserting in lieu thereof "The".

(C) Section 195 of such Act is amended by adding at the end thereof the following:

"(21) The term 'private vocational training institution' means a business or trade school, or technical institution or other technical or vocational school, in any State, which (A) admits as regular students only persons who have completed or left elementary or secondary school and who have the ability to benefit from the training offered by such institution; (B) is legally authorized to provide, and provides within that State, a program of postsecondary vocational or technical education designed to fit individuals for useful employment in recognized occupations; (C) has been in existence for two years or has been specially accredited by the Commissioner as an institution meeting the other requirements of this subsection; and (D) is accredited (i) by a nationally recognized accrediting agency or association listed by the Commissioner pursuant to this clause, or (ii) if the Commissioner determines that there is no nationally recognized accrediting agency or association qualified to accredit schools of a particular category, by a State agency listed by the Commissioner pursuant to this clause or (iii) if the Commissioner determines that there is no nationally recognized or State agency or association qualified to accredit schools of a particular category, by an advisory committee appointed by him and composed of persons specially qualified to evaluate training provided by schools of that category, which committee shall prescribe the standards of content, scope, and quality which must be met by those schools and shall also determine whether particular schools meet those standards. For the purpose of this paragraph, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations and State agencies which he determines to be reliable authority as to the quality of education or training afforded.".

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-142), explaining the purposes of the measure.

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

SUMMARY OF H.R. 3437

H.R. 3437, as reported by the committee, makes a number of technical corrections to title II of the Education Amendments of 1976, Public Law 94-482. Title II of that law rewrote the Vocational Education Act of 1963, effective in fiscal year 1978. These corrections deal with printing errors, clerical errors, and changing the dates for submission of reports to the Congress. A few minor substantive amendments are also made to that public law by the bill. All of these amendments are described in the section-by-section analysis contained in this report.

The one major substantive area with which H.R. 3437 deals involves the issue of the proper role of Federal funds in the support of State and local administration of vocational education programs. Title II of Public Law 94-482 limits State administration to $25 million per year, which amount must also be used for planning and evaluation. No mention is made of the availability of Federal funds for local administrative purposes.

This bill modifies those provisions in the following two ways: First, the limit of $25 million a year for State administrative expenses is removed, and funds are authorized to be used under the basic State grant for paying for State administration. However, any Federal funds used for this purpose must be matched by State-level appropriations. In addition, under the amendment adopted by the committee, a State must set forth specifically in its State plan the amount of Federal funds it plans to retain at the State level for administration, so that this becomes part of the planning process established in Public Law 94-482.

Second, the authorization for local administrative funds is made explicit. Each local recipient of Federal funds is given two options concerning local administration. Either the recipient may use that amount that it would have been alowed under the House-passed bill—the same percentage that Federal funds constitute of all funds supporting the recipient's vocational education program—or it may utilize any amount of its Federal program funds, so long as those funds are matched equally by State-appropriated moneys for local administration of vocational eduaction programs.

NEED FOR THE LEGISLATION

Public Law 94-482 established a separate authorization for State program administration, in response to testimony before the Subcommittee on Education and a report on vocational education conducted by the General Accounting Office. However, a survey by the State directors of vocational education, conducted after the legislation was signed into law, revealed that the $25 million authorization might result in serious cutbacks in every State, potentially damaging ongoing vocational education programs.

In fiscal year 1976, a total of more than $51 million in Federal funds was used by the States to support State administration. Most States use a greater percentage of their total Federal vocational expenditures than of their total State/local vocational expenditures for

the purpose of State administration. While there is a wide range among States of administrative expenses paid from Federal funds, these expenses constitute an average of 9.5 percent of total vocational education expenditures. Forty-three States use more than 5 percent of their total Federal vocational education expenditures for State administration. Half of the States use over 10 percent, and these include large and small, urban and rural, Eastern and Western States. Four States use more than 20 percent.

This is in sharp contrast to the one to three percent usually authorized for State administration in other Federal education programs.

The State directors of vocational education believe that they would be hard pressed to replace the loss of Federal funds that would result from the limits set by Public Law 94-482 with State or local funds for administration. The data from the State directors' survey bear this out. Forty-six States use a higher percentage of their total Federal vocational education funds than of their total State/local funds for State administration. Thirty-six States use more Federal funds for State administration than State/local funds in absolute dollar terms.

By limiting State administration to $25 million, nearly every State will experience a reduction in funds for this purpose. Public Law 94-482 imposes a number of new planning requirements, the funds for which must come out of this same authorization. State directors estimate that it will cost more han $10 million to implement these new requirements. When it is considered that States must also carry out new provisions regarding data collection and evaluation with this same authorization, $25 million appears to the committee to be insufficient for all these purposes.

H.R. 3437 makes State administration an allowable use of funds under the basic State grant for vocational education. Because this is a block grant, States would have the flexibility to use whatever amount of Federal funds is necessary for proper State administration of vocational programs, so long as this is accomplished in accordance with the State plan and does not infringe upon the other restrictions and set-asides governing use of block grant funds. The $25 million separate authorization is retained for purposes of State planning, evaluation, and data collection.

Public Law 94-482 included this separate authorization of funds in response to testimony from State and Local educators that Federal law imposes additional data and evaluation requirements without providing additional funds to meet the costs of collection and evaluation. The committee hopes that funds will be appropriated under this authorization to help meet these costs. However, the committee wishes to stress that the planning, evaluation, and data requirements contained in Public Law 94-482 are not dependent upon the appropriation of moneys under section 102(d). They must be carried out whether or not separate funds are appropriated for that purpcse.

The matching provisions of Public Law 94-482 for State administrative expenses are not affected by H.R. 3437. Thus, States which take inordinately high percentages—or all—of their administrative expenses from Federal funds will still no longer be able to do so beginning in fiscal year 1978, regardless of passage of H.R. 3437.

The amendment made by the Committee on Human Resources provides that each State's annual program plan shall set out explicitly the amount proposed to be used for State-level administration of vocational education, as well as the proposed distribution of funds among the other eligible recipients. In addition, the State's annual program plan must set forth the way the funds for State administration, as well as those used for vocational education programs, were used in the preceding fiscal year.

A major hallmark of the Education Amendments of 1976 was the expansion of the planning process for vocational education to all elements within a State concerned with vocational education and manpower training. Section 107 of the new law sets forth in detail the State agencies and interested parties which must be involved in planning sessions leading to the development of a State's plan for vocational education. The committee's amendment will assure that the question of how much—if any—Federal money should be retained at the State level for administrative purposes will be subject to this planning and decisionmaking process.

A State deciding to use Federal funds for administration, rather than programs, will have to justify such use through the planning process, and account for the funds in its accountability report.

The issue of permissible use of Federal funds to defray the costs of local administration was also strongly argued by State directors and local vocational educators.

There is a wide variation among State and local recipients in the percentage of total Federal expenditures going toward local administration. Twelve States use no Federal funds for local administration, while 15 States use more than 5 percent of their total Federal vocational expenditures and 7 States use more than 10 percent.

Nearly all States (44) use more State/local dollars than Federal dollars for local administration. Eight times as many State/local funds go toward local administration as do Federal funds. Local recipients are presently using a total of $21 million in Federal funds for local administration, and these funds would not be able to be used for that purpose beginning in fiscal year 1978 under Public Law 94-482.

H.R. 3437, as passed by the House of Representatives, permits local administrative and supervisory costs to be paid for out of the basic vocational education grant, but in no greater percentage than the percentage of Federal funds used to support the total vocational program carried out by the local school district or postsecondary institution.

Thus, if the vocational education program of an eligible recipient is 30 percent federally funded, then it could pay up to 30 percent of its administrative costs with Federal funds. With this amendment, financially poorer districts, or those with greater need for vocational programs, could use proportionately more than other districts for local administration.

The amendment adopted by the Committee on Human Resources offers a second option for payment of local administrative costs. An eligible recipient would be able to pay 50 percent of its administrative costs, provided that that amount was matched on a dollar-for-dollar basis with State funds appropriated for the purpose of supporting local administration. The committee expects that, in most instances, this would be accomplished by a separate line item for local administration in the State appropriation. In any event, it must be clear that the State funds were specifically made available for the purpose of local administration.

Nationally, 10.8 percent of local administrative costs are paid for out of Federal funds. Only three States take 50 percent or more from Federal funds; 10 States take 25 percent or more. Therefore, the amendment adopted by the House would act as a limiting factor for local administration; the additional option proposed by the committee would similarly serve to limit such use of Federal funds, in the absence of a commitment by the State to the concept of support of local administration, through appropriation of its own funds to match Federal dollars.

H.R. 3437 requires States to take no more than 80 percent of administrative expenditures from the program support part of the block grant (subpart 2) and no more than 20 percent from the program improvement part of the block grant (subpart 3). This would prevent administrative expenses from being disproportionately charged against a single program activity. This provision does not require that administrative personnel be distributed in an 80-20 ratio between the two activities. Rather, the State or local recipient may distribute its administrative personnel in whatever proportion best meets its needs.

H.R. 3437 requires that research coordinating units make all contracts within a State for research, exemplary programs, and curriculum development. This provision, which was contained in the original House-passed version of the 1976 legislation, is designed to maximize coordination among the three activities within a State, so that the most effective and efficient use of Federal funds may be achieved. Separate program administration could lead to fragmentation of effort.

The committee wishes to emphasize that this change does not affect the relationship of these programs of research, exemplary programs, and curriculum development. All three will continue to be subject to the provisions of the State plan for vocational education.

The Committee on Human Resources made two other technical amendments to the House-passed version of H.R. 3437. First, the Commissioner's authority to make payments of sums appropriated pursuant to section 102(d) is made explicit. Public Law 94-482 was silent on this authority, although it was clear that the conferees intended the Commissioner to be able to pay out moneys appropriated for planning and evaluation. The Committee amendment should clear up any confusion or challenge to this authority.

The House-passed bill included authority for States to provide vocational training through arrangements with private vocational training institutions. However, the term was not defined. The Committee amendment restores the definition of "private vocational training institution" which is contained in existing law.

COST ESTIMATE ON H.R. 3437

Submitted to the Committee on Human Resources by the Congressional Budget Office.

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, D.C., April 12, 1977.

Hon. HARRISON A. WILLIAMS,
Chairman, Committee on Human Resources, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has reviewed H.R. 3437, a bill to make certain technical and miscellaneous amendments to provisions relating to vocational education contained in the Education Amendments of 1976.

Based on this review, it appears that no additional costs to the government would be incurred as a result of the enactment of this bill.

Sincerely,

ALICE M. RIVLIN, *Director.*

REGULATORY IMPACT

In accordance with paragraph V of rule XXIX of the Standing Rules of the Senate, the following statement of the regulatory impact of the bill is made.

The basic purpose of the bill is to make technical amendments to title II of Public Law 94-482, relating to vocational education. It does not increase the number of vocational education students in schools and colleges which would be affected by the legislation which was enacted in 1976. However, it will assure that the salaries of State and

local administrators of vocational education programs may continue to be supported, in part, with Federal funds.

No additional businesses will be regulated as a result of the amendments, and there should be no economic impact as a result of the enactment of H.R. 3437.

No personal privacy of any individuals will be affected by enactment of H.R. 3437.

Paperwork will not be substantially increased. The only additional reporting requirement under H.R. 3437, as reported by the Committee on Human Resources, is the inclusion in a State's plan for expenditure of Federal vocational education funds of information concerning the amount of funds which the State plans to use for State administration of the program.

Mr. ROBERT C. BYRD. Mr. President, I move, en bloc, to reconsider the votes by which the various measures were passed.

The ACTING PRESIDENT pro tempore. Without objection, the motion will be considered in order. The question is on agreeing to the motion of the Senator from West Virginia.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TRANSFER OF CERTAIN MEASURES TO UNANIMOUS-CONSENT CALENDAR

Mr. ROBERT C. BYRD. Mr. President, there are six measures on the General Orders Calendar that have been cleared for passage by unanimous consent. Rather than pass them today by unanimous consent, I ask that the clerk transfer them to the Unanimous-Consent Calendar. They are as follows: Calendar Order No. 111 (S. 904), Calendar Order No. 120 (S. 891), Calendar Order No. 121 (H.R. 6205), Calendar Order No. 122 (H.R. 6206), Calendar Order No. 124 (S. 1170), and Calendar Order No. 125 (S. 1321).

The ACTING PRESIDENT pro tempore. They will be so transferred.

MILITARY PROCUREMENT AUTHORIZATIONS, 1978

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of H.R. 5970, which the clerk will state.

The legislative clerk read as follows:

A bill (H.R. 5970) to authorize appropriations during the fiscal year 1978, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strengthen for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services with an amendment to strike out all after the enacting clause and insert the following:

TITLE I—PROCUREMENT

SEC. 101. Funds are hereby authorized to be appropriated during the fiscal year 1978 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, as authorized by law, in amounts as follows:

Aircraft

For aircraft: for the Army, $550,500,000; for the Navy and the Marine Corps, $3,422,800,000; for the Air Force, $7,532,500,000, of which $6,000,000 may be obligated and expended only for engineering studies and development of a two-seat trainer conversion of the A-7D aircraft.

Missiles

For missiles: for the Army, $562,700,000; for the Navy, $1,865,500,000; for the Marine Corps, $110,600,000; for the Air Force, $1,826,700,000.

Naval Vessels

For Naval vessels: for the Navy, $6,674,200,000.

Tracked Combat Vehicles

For tracked combat vehicles: for the Army, $1,273,900,000; for the Marine Corps, $74,800,000.

Torpedoes

For torpedoes and related support equipment: for the Navy, $326,700,000.

Other Weapons

For other weapons: for the Army $112,000,000; for the Navy, $78,800,000; for the Marine Corps, $2,400,000.

SEC. 102. (a)(1) There is hereby established a commission to be known as the Naval Shipbuilding Commission (hereinafter in this title referred to as the "Commission").

(2) The Commission shall be composed of five members appointed by the President, by and with the advice and consent of the Senate.

(3) Persons shall be appointed to the Commission who are qualified to carry out the duties of the Commission by virtue of their background, education, training, and experience in business and management.

(4) No person may be appointed to the Commission who is an active or retired member of the Armed Forces of the United States or who is an officer, employee, or director of any company which is a prime contractor for the construction of United States Navy ships.

(5) The President shall designate one of the members to serve as Chairman of the Commission.

(6) Three members of the Commission shall constitute a quorum. Any vacancy in the Commission shall not affect its powers but shall be filled in the same manner in which the original appointment was made.

(b)(1) It shall be the duty of the Commission to conduct a comprehensive study and review of the current policies and procedures utilized by the Navy in the procurement of naval vessels, to consider how such policies and procedures can be modified to bring about more efficient and cost-effective means of providing the Navy with the ships necessary to fulfill its mission, and to report its findings and recommendations to the President and the Congress. In carrying out its study and review under this section, the Commission shall devote special attention to—

(A) the procedures followed by the Navy in the design and funding of ships after the general mission and overall requirements for such ships have been decided upon by the Navy;

(B) the contracting procedures followed by the Navy and consideration of alternative ways of structuring shipbuilding procurement contracts;

(C) the program management process of the Navy for ship procurement;

(D) the present capabilities and future potential of public and private shipyards in the United States;

(E) the general shipbuilding techniques followed by foreign shipbuilders and the advisability of adapting any such procedures to shipbuilding in this country; and

(F) the need or desirability for special incentives to insure the growth and vitality of the private shipbuilding industry in the United States.

(2) The Commission shall not study or review matters relating to the Navy force structure or long-range naval needs, but shall direct its full attention to matters directly related to the Navy process of ship design and production, specifically including the matters described in paragraph (1) of this subsection.

(c)(1) The Commission or, on the authorizaion of the Commission, any subcommittee or member thereof may, for the purpose of carrying out the provisions of this section, hold such hearings and sit and act at such times and places as the Commission or such subcommittee or member may deem advisable.

(2) The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purposes of this section. Each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

(3) The Commission shall establish appropriate measures to insure the safeguarding of all classified information submitted to or inspected by it in carrying out its duties under this section.

(d) Each member of the Commission shall receive an amount equal to the daily rate paid a GS-18 under the General Schedule contained in section 5332 of title 5, United States Code (including traveltime), during which such member is engaged in the actual performance of his duties as a member of the Commission. Members of the Commission shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

(e)(1) The Commission shall appoint an executive director and such other personnel as it deems advisable without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall fix the compensation of such personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates; but personnel so appointed may not receive compensation in excess of the rate authorized for GS-18 by section 5332 of such title 5.

(2) The Commission is authorized to procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, but at rates not to exceed the daily rate paid a person occupying a position at GS-18.

(3) The Commission is authorized to enter into contracts with public agencies, private firms, institutions, and individuals for the conduct of research and surveys, the preparation of reports, and other activities necessary to the discharge of its duties.

(f) The Administrator of the General Services Administration shall provide administrative services for the Commission on a reimbursable basis.

(g) The Commission shall submit to the Congress and to the President, not later than February 1, 1979, a final report containing the results of its study and review under this section together with such recommendations as it deems appropriate.

(h) The Commission shall cease to exist sixty days after the submission of its final report.

(i) There are authorized to be appropriated to the Commission such sums as may be necessary to carry out the provisions of this title.

SEC. 103. Title VIII of the Department of Defense Appropriation Authorization Act, 1975, is hereby repealed.

TITLE II—RESEARCH, DEVELOPMENT, TEST AND EVALUATION

SEC. 201. Funds are hereby authorized to be appropriated during the fiscal year 1978 for the use of the Armed Forces of the United States for research, development, test and evaluation, as authorized by law, in amounts as follows:

For the Army, $2,541,992,000;

For the Navy (including the Marine Corps), $4,061,665,000.

For the Air Force, $4,061,900,000, of which $15,700,000 may be obligated and expended only for the North Atlantic Treaty Organization AWACS program; and

For the Defense Agencies, $796,900,000, of which $25,000,000 is authorized for the activities of the Director of Test and Evaluation, Defense.

SEC. 202. The Secretary of Defense shall supply the Committee on Armed Services of the Senate and House of Representatives, not later than October 1 of each year, a full accounting of all experiments and studies conducted by the Department of Defense in the preceding twelve-month period, whether directly or under contract, which involved the use of human subjects for the testing of chemical or biological agents. In addition, not later than thirty days after final approval in the Department of Defense of plans for any experiment or study to be conducted by the Department of Defense, whether directly or under contract, involving the use of human subjects for the testing of chemical or biological agents, and not less than thirty days before the initiation of such experiment or study, the Secretary of Defense shall supply the Committees on Armed Services of the Senate and House of Representatives a full accounting of such plans for such experiment or study.

SEC. 203. No funds shall be obligated or expended after fiscal year 1980 for the development or procurement of any main battle tank, mechanized infantry combat vehicle, armored personnel carrier, armored self-propelled artillery vehicle, or armored self-propelled air defense artillery vehicle which does not possess collective protection for all occupants against chemical and radiological agents. Any such collective protection system shall not be substituted for the individual protective devices now in standard use, but shall supplement the capabilities of those devices. Compliance with this section shall be accomplished without delaying the introduction of the XM-1 main battle tank, the mechanized infantry combat vehicle, or any other armored fighting vehicle now in development.

TITLE VIII—ACTIVE FORCES

SEC. 301. For the fiscal year beginning October 1, 1977, and ending September 30, 1978, each component of the Armed Forces is authorized an end strength for active duty personnel as follows:

(1) The Army, 777,100;

(2) The Navy, 535,100;

(3) The Marine Corps, 190,100;

(4) The Air Force, 569,600.

SEC. 302. (a)(1) Chapter 39 of title 10, United States Code, is amended by adding at the end thereof a new section as follows:

"§ 688. Limitation on number of general and flag officers

"Notwithstanding any other provision of law, the number of commissioned officers serving on active duty in grades above colonel and captain (Navy) may not exceed 1,118 in the fiscal year beginning October 1, 1978, or 1,071 in any fiscal year thereafter. The President shall apportion among the Armed Forces the total number of such officer grades authorized for any fiscal year.".

(2) The table of sections at the beginning of chapter 39 of such title is amended by adding at the end thereof a new item as follows:

"688. Limitation on number of general and flag officers.".

(b) Section 123(a) of title 10, United States Code, is amended by inserting "688," immediately after "892,".

(c) Section 5231 of title 10, United States Code, is amended by—

(1) striking out "eight" in the second sentence of subsection (b) and inserting in lieu thereof "25 percent";

(2) striking out subsection (c); and

(3) striking out "subsections (b) and (c)" in subsections (d) and (e) and inserting in lieu thereof "subsection (b)".

(d) Section 5232 of title 10, United States Code, is amended by—

(1) amending subsection (b) to read as follows:

"(b) The total number of officers serving on active duty in the Marine Corps in the grades of general and lieutenant general may not, at any time, exceed 15 percent of the total number of officers serving on active duty in the Marine Corps above the grade of colonel."; and

(2) striking out the period at the end of subsection (c) and inserting in lieu thereof a comma and the following: "and while so serving in that grade, he is in addition to the maximum limit prescribed by subsection (b) of this section.".

SEC. 303. (a) Chapter 3 of title 37, United States Code, is amended by—

(1) repealing section 201(c).

(2) amending section 203 by adding the following new subsection:

"(c) A cadet at the United States Military Academy, the United States Air Force Academy, or the Coast Guard Academy, or midshipman at the United States Naval Academy, is entitled to monthly cadet pay, or midshipman pay, at the rate of $313.20. The rate of monthly cadet pay, or midshipman pay, under this subsection shall be adjusted in the manner and at the same time the monthly basic pay of members of the uniformed services is adjusted under section 1009 of this title.".

(3) amending section 209(c) to read as follows:

"(c) The following persons are entitled to pay at the rate prescribed for cadets and midshipmen at the United States Military Naval, and Air Force Academies under section 203(c) of this title:

"(1) A cadet or midshipman in the Senior Reserve Officers' Training Corps while he is attending field training or practice cruises under section 2109 of title 10.

"(2) An applicant for membership in the Senior Reserve Officers' Training Corps while he is attending field training or practice cruises to satisfy the requirement of section 2104(b)(6)(B) of title 10 for admission to advanced training.".

(4) amending the catchline of section 209 to read as follows:

"§ 209. Members of precommissioning programs".

(5) striking out the item relating to section 209 in the table of sections at the beginning of such chapter and inserting in lieu thereof the following:

"209. Members of precommissioning programs.".

(b) Any cadet or midshipman who, on the date of enactment of this Act, or on any date thereafter, is enrolled—

(1) in an academy named in section 201(c) of title 37, United States Code, as such section was in effect on the date before the date of enactment of this Act, or

(2) in the Senior Reserve Officer's Training Corps described in section 209(c) of title 37, United States Code, as such section was in effect on the day before the date of enactment of this Act,

shall, if otherwise entitled, receive the rate of pay prescribed by section 201(c) of title 37, United States Code, as in effect on the day before the effective date of this Act, until the rate of pay authorized by section 203(c) of that title, as added by this Act, is equal to or greater than the rate prescribed by section 201(c) of that title, as in effect on the day before the effective date of this Act. Thereafter, the entitlement of such person shall be as prescribed by section 203(c) of title 37, United States Code, as added by this Act, or section 209(c) of that title, as amended by this Act, as appropriate.

(c) A person who, on the date of enactment of this Act, is an applicant for membership in the Senior Reserve Officers' Training Corps described in section 209(c) of title 37, United States Code, as in effect on the day before the date of enactment of this Act, and who is attending or will attend one of the field training encampments or practice cruises in a field training or practice cruise period in process on the date of enactment of this Act, is entitled to continue to receive the rate of pay prescribed by such section as in effect on the day before the date of enactment of this Act while such person is attending the field training or practice cruise period in progress on the date of enactment of this Act. Thereafter, the entitlement of such person shall be prescribed in subsection (b) of this section.

TITLE IV—RESERVE FORCES

SEC. 401. (a) For the fiscal year beginning October 1, 1977, and ending September 30, 1978, the Selected Reserve of each Reserve component of the Armed Forces shall be programed to attain an average strength of not less than the following:

(1) The Army National Guard of the United States, 382,000;

(2) The Army Reserve, 211,300;

(3) The Naval Reserve, 76,400;

(4) The Marine Corps Reserve, 32,400;

(5) The Air Natonal Guard of the United States, 92,500;

(6) The Air Force Reserve, 51,100; and

(7) The Coast Guard Reserve, 11,700.

(b) The average strength prescribed by subsection (a) of this section for the Selected Reserve of any Reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the fiscal year; and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the fiscal year. Whenever such units or such individual members are released from active duty during any fiscal year, the average strength prescribed for such fiscal year for the Selected Reserve of such Reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

SEC. 402. (a) Section 101 of title 10, United States Code, is amended by adding at the end thereof a new paragraph as follows:

"(37) 'Active duty for training' means temporary service performed by a member of a reserve component in a program of on-the-job instruction of not more than 30 days' duration or in a regular program of classroom instruction.".

(b) The amendment made by subsection (a) of this section shall become effective October 1, 1978.

TITLE V—CIVILIAN PERSONNEL

SEC. 501. (a) For the fiscal year beginning October 1, 1977, and ending September 30, 1978, the Department of Defense is authorized an end strength for civilian personnel as follows:

(1) The Department of the Army, 370,800;

(2) The Department of the Navy, including the Marine Corps, 311,700;

(3) The Department of the Air Force, 251,400; and

(4) Activities and agencies of the Department of Defense (other than the military departments), 77,000.

(b) In computing the authorized end strength for civilian personnel there shall be included all direct-hire and indirect-hire civilian personnel employed to perform military functions administered by the Department of Defense (other than those performed by the National Security Agency) whether employed on a full-time, part-time, or intermittent basis, but excluding special employment categories for students and disadvantaged youth such as the stay-in-school campaign, the temporary summer aid program, and the Federal junior fellowship program and personnel participating in the worker-trainee opportunity program. Whenever a function, power, duty, or activity is transferred or assigned to a department or agency of the Department of Defense from a department or agency outside of the Department of Defense, or from another department or agency within the Department of Defense, the civilian personnel end strength authorized for such departments or agencies of the Department of Defense affected shall be adjusted to reflect any increases or decreases in civilian personnel required as a result of such transfer or assignment.

(c) When the Secretary of Defense determines that such action is necessary in the national interest, he may authorize the employment of civilian personnel in excess of the number authorized by subsection (a) of this section but such additional number may not exceed one-half of 1 percent of the total number of civilian personnel authorized for the Department of Defense by subsection (a) of this section. The Secretary of Defense shall promptly notify the Congress of any authorization to increase civilian personnel strength under the authority of this subsection.

SEC. 502. (a)(1) Chapter 891 of title 10, United States Code, is amended by adding at the end thereof a new section as follows:

"§ 1587. Limitation on the number of certain Department of Defense employees

"(a) Notwithstanding any other provision of law, beginning with the fiscal year beginning October 1, 1977, and in the succeeding fiscal years the Secretary of Defense shall make reductions in the total number of persons employed in the Department of Defense on the date of enactment of this section (1) in the grades GS–12, GS–13, GS–14, GS–15, GS–16, GS–17, and GS–18, and (2) positions provided for under section 1581 of title 10, United States Code, by 2 per centum during the fiscal year beginning October 1, 1977, and in the following fiscal year by a percentage equal to the same percentage by which the total number of officers serving on active duty in the Army, Navy, Air Force, and Marine Corps above the grades of colonel and captain (Navy) is reduced in such fiscal year pursuant to section 688 of title 10, United States Code. The Secretary of Defense shall apportion among the military departments and the Office of the Secretary of Defense the reductions required to be made in any fiscal year. On and after October 1, 1979, the total number of persons which may be employed by the military departments and the Office of the Secretary of Defense in the positions and grades described above may not exceed the number employed in such positions and grades on the date of enactment of this section reduced as provided in the first sentence of this subsection.

"(b) The computation of any decrease required by subsection (a) of this section shall be rounded off to the nearest whole number.".

(2) The table of sections at the beginning of chapter 81 of such title is amended by adding at the end thereof a new item as follows:

"1587. Limitation on the number of certain Department of Defense employees.".

(b) Section 123(a) of title 10, United States Code, is amended by inserting "1587" immediately after "1374,".

TITLE VI—MILITARY TRAINING STUDENT LOADS

SEC. 601. (a) For the fiscal year beginning October 1, 1977, and ending September 30, 1978, each component of the Armed Forces is authorized an average military training student load as follows:

(1) The Army, 77,711;

(2) The Navy, 60,767

(3) The Marine Corps, 24,020;

(4) The Air Force, 50,356;

(5) The Army National Guard of the United States, 16,606;

(6) The Army Reserve, 11,136;

(7) The Naval Reserve, 1,065;

(8) The Marine Corps Reserve, 3,449;

(9) The Air National Guard of the United States, 2,598; and

(10) The Air Force Reserve, 1,186.

(b) The average military training student loads for the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components authorized in subsection (a) of this section for the fiscal year ending September 30, 1978, shall be adjusted consistent with the manpower strengths authorized in titles II, IV, and V of this Act. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components in such manner as the Secretary of Defense shall prescribe.

TITLE VII—CIVIL DEFENSE

SEC. 701. Funds are hereby authorized to be appropriated during fiscal year 1978 to carry out the provisions of the Federal Civil Defense Act of 1950, as amended, for programs of the Defense Civil Preparedness Agency, in the amount of $95,250,000.

TITLE VIII—GENERAL PROVISIONS

SEC. 801. The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than February 15, 1978, a report setting forth quantifiable and measurable materiel readiness requirements for the Armed Forces, including the Reserve components thereof, the monthly readiness status of the Armed Forces, including the reserve components thereof, during fiscal year 1977, and any changes in such requirements and status projected for fiscal years 1978 and 1979 and in the five-year defense program. The Secretary of Defense shall also inform such committees of any subsequent changes in the aforementioned materiel readiness requirements and the reasons for such changes. The budget for the Department of Defense submitted to the Congress for fiscal year 1979 and subsequent fiscal years shall include data projecting the effect of the appropriations requested for materiel readiness requirements.

SEC. 802. Section 813 of the Department of Defense Appropriation Authorization Act, 1976, is amended to read as follows:

"SEC. 813. In the case of any letter of offer to sell or any proposal to transfer defense articles which are valued at $25,000,000 or more from the United States active forces' inventories or from current production, the Secretary of Defense shall submit a report to the Congress setting forth—

"(1) the impact of such sales or transfers on the current readiness of United States forces;

"(2) the adequacy of reimbursements to cover, at the time of replenishment of United States inventories, the full replacement costs of those items sold or transferred; and

"(3) for each article to be sold (A) the initial issue quantity requirement for United States forces for that article, (B) the percentage of such requirement already delivered to such forces or contracted for at the time of the report, (C) the timetable for meeting such requirement absent the proposed sale, and (D) the timetable for meeting such requirement if the sale is approved.".

SEC. 803. This Act may be cited as the "Department of Defense Appropriation Authorization Act, 1978".

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

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

The second assistant legislative clerk proceeded to call the roll.

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

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

Mr. STENNIS. Mr. President, what is the pending business before the Senate?

The ACTING PRESIDENT pro tempore. H.R. 5970, the military procurement authorization.

Mr. STENNIS. Mr. President, do I have the floor?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. STENNIS. I thank the Chair.

Mr. President, I will now give a fairly brief summary of the overall provisions and figures in this bill. A great deal of the bill was handled by subcommittees, one on manpower, one on tactical air, one on research and development, and another with reference to the civil defense and related matters. These chairmen and the ranking minority members, especially, of these subcommittees, and all other Senators who wish to, will certainly make an input into the RECORD of debate on this bill. We will get to that as fast as we can.

Preliminarily, I call attention to the fact, Mr. President, that this bill was voted out of the committee—we have 18 members—and the vote was 18 for the bill and no one was against it.

We had a major vote in the committee on the ship building program, a major part of the bill, and that vote was 16 to 2.

Those two votes represent or prove the attitude in which the bill was put together.

It was taken apart first and then on a strictly nonpartisan basis—I say that without any reservation at all—it was put back together and represents the judgment and the cooperation of the membership of this committee.

The members gave first-rate attention to all of the major parts of the bill and to many of the so-called minor parts. We were assisted there by what I think is a very high quality professional staff. They are knowledgeable in the subject matter they have assigned to them and are very cooperative.

I am very glad to say this professional group takes care of all Members of the Senate, even though there are certain ones of the majority and certain ones of the minority who would have a preference, but these professional staff members serve the committee membership regardless of the political division of any kind with equal promptness, equal professional capacity, and with political indifference.

So in that way we do not, as a prac-

tical matter, even recognize the division in the staff according to the minority or the majority. These people are professional staff members.

That is one reason why we bring this bill to the floor with such confidence and can recommend it to the Senate as having been gone into on that basis.

This year we also had a change of administration, as is well-known. There was a difference in the recommendations of the outgoing President, Mr. Ford, and the incoming President, Mr. Carter. Sometimes the records show the references to the so-called Ford budget or the Carter budget.

This is only for identification and comparisons, and I do not think it was a consideration given to the passing of this bill in its final form. I know it does not represent any one segment of the measure, the army, or the rest. It is the judgment of the membership of this body, and I am very happy to be able to say that.

I have already referred to our subcommittees, and as a matter of information, we had 52 sessions of hearings in both the full committee and the subcommittees, and the committee met in 14 different sessions to mark up the bill.

The committee voted unanimously in favor of the bill, which I have already stated.

We will have these subcommittee chairmen here in time to get their remarks in fairly early in the consideration of this bill.

Mr. President, I shall make some remarks at this point, and I will not be brief. The magnitude of the bill is such, I think, that it should have an overall presentation, not only for the Members of the Senate, but for the press and the public at large and anyone that might be interested.

Mr. President, today as we begin debate on H.R. 5970, the fiscal year 1978 military authorization bill, I would like to make some remarks about the purpose and content of the bill. First, however, I emphasize that this is a massive bill and is the result of tremendous work by the entire committee. Five different subcommittees worked on parts of this bill and parts were taken up by the full committee as a whole.

All of the subcommittee chairmen will report in detail on the subject matter covered by their subcommittee, but I would like to recognize the fine efforts of Senator CANNON, chairman of the Tactical Air Subcommittee and his associate members; Senator MCINTYRE, chairman of the Research and Development Subcommittee and his associate members; Senator NUNN, chairman of the Manpower and Personnel Subcommittee and his associate members; and Senator CULVER, chairman of the General Legislation Subcommittee and his associates. I commend the numerous contributions of Senator TOWER, the able ranking minority member of the committee. I would also like to thank Senator HART for his special contribution on the Navy ship program.

SOVIET MILITARY TRENDS

The Senate begins debate on the military authorization bill at a time when the full meaning of trends in Soviet military strength is unclear. The United States still has the ability, in my opinion, to protect its vital interests by prevailing in the major areas that might test our military strength. However, the expansion of the Soviet defense establishment continues and it has a meaning, but no one can say for sure what that meaning is.

For example, in the last 5 years, the Soviets have increased their active military manpower about 10 percent, increased the number of tanks over 10 percent, increased their tactical combat aircraft by just under 10 percent. They have increased their ballistic missile submarines by 50 percent and their long-range bombers by one-third.

As I said, we are not saying just what their motives are, we cannot be sure, underlying this expansion. But we do know we must continue to maintain our military strength in response.

This bill is certainly, in a great part, a response to these very items that I have summed up as to the Soviets increased strength.

STRATEGIC BALANCE

The capability of the vast destruction by strategic forces of the United States and the Soviet Union has been an important factor in preventing the use of nuclear weapons in the postwar period. That balance of strategic capability, in which neither side may use its nuclear arsenal without devastating retaliation, is vital to world security. The U.S. policy has been based on the belief that strategic arms should be controlled and reduced by a fair mutual agreement, but that failing such agreement we must strive to develop such strategic weapons as will insure the balance. The committee endorses the efforts of the administration to achieve an equitable SALT II agreement, but recognizes that if such an agreement is not reached we must be ready to counter Soviet developments in order to maintain our security.

The committee concluded after careful study, that the United States has today sufficient strategic forces to maintain the vital deterrent balance. Its recommendations in this area for fiscal year 1978 continue to be aimed at the strategic Triad—submarine-based missiles, land-based ICBM's and manned bombers. The committee recommendations in this area are aimed at doing this, both now and in the future. When I say "in this area," I mean, of course, in the area of strategic forces.

NAVAL FORCES

Mr. President, a special word now as to the situation in the Navy. We can get a lot of recommendations about this, and our committee has been through this for several years.

The United States is one of the two nations which lead the rest of the world in almost all areas of economic, political and military strength. However, unlike the Soviet Union, the United States is separated by the oceans from the rest of the world. Thus, most of our vital economic, political and even cultural interests span the oceans. Many of our raw materials—and the energy crisis has brought this out—including oil come from overseas and 99 percent of U.S. overseas trade moves by ocean. Most of our allies are overseas, such as Japan, Korea, and Australia and our other Asian allies across the Pacific Ocean and Germany, England, and our other NATO allies across the Atlantic Ocean. Even our museums, theaters and libraries draw much on the culture of overseas countries.

To maintain our interests overseas and to assist our allies in their own defense, we station some 475,000 troops in various foreign countries, most of them in NATO Europe. However, these military forces must be supplied and supported from across the oceans.

If the U.S. Navy cannot insure free use of the high seas between the United States and its allies—in peacetime or semipeace, in wartime or during a time of threat of war—our national interests, objectives and military strategy are all in jeopardy. The United States today is the world's leading naval power.

I have been concerned about that. I have tried to avoid jumping to conclusions or going off halfcocked. I have been concerned about it. But I still have the assurance in my own mind that undoubtedly we are today the world's leading naval power. While the Soviet Union has been building steadily an oceangoing navy which is highly capable, the U.S. Navy is still superior. One of the main margins of difference of the U.S. Navy over the Soviet Navy is sea-based airpower, which, call it what you will, is mainly in our aircraft carriers at the present time.

I believe—in fact, I feel certain—that the United States must maintain its naval superiority. We and the Soviet Union have essential equivalence in strategic nuclear weapons. NATO and the Warsaw Pact have a rough parity in the overall numbers of conventional forces in Europe, although there are certain problems in NATO's posture. In this situation, we cannot afford to give up our lead at sea. The Soviet Union is a vast, landlocked country, which does not need the sea as much as the United States.

It is important to realize that navies cannot change overnight. It takes 5 to 7 years to build one new ship, and that ship can be expected to last 25 to 30 years or even more. Thus, the Navy ships that we fund today will be the ships our Navy will be operating and depending upon in the year 2000 and beyond.

We may have some debate as to the ships in this bill, but I should like to emphasize this. I value highly the expertise and the knowledge of the present occupant of the Chair, the Senator from South Carolina (Mr. HOLLINGS), and I want him to hear this and to give attention. He already knows this, but I want to emphasize it to him; and if I do not have the chance now, I will do so later.

The Navy ship program only can be reviewed in those long-range terms. It is our insurance for the future. We must not signal the world today that we are willing to give up on our future security by planning an inadequate Navy.

I say this parenthetically: It is true that during the high expenditures for the war in Vietnam, with the extraordi-

nary cost to us of that war, the Navy was left short with respect to new ships. As to some basic decisions as to the kinds of ships, the Navy kept postponing, and so did we. But that time has passed, and it is clearer all the more that we must make the basic decision now as to the types of ships and planes we need at sea, and we should lose no time in implementing those decisions.

There must be an input toward those decisions by the Navy professional man, the civilian secretariats, Congress, and the Chief Executive. The big point now is that those decisions must be made now, as for instance in the type of carriers and planes we need at sea, and then we must implement the decisions. Our committee has carefully drawn up this bill including alternatives so that decisions can be made and starts promptly can be made.

I want us to keep this bill in that shape, so that we can make our own decision now and force the uniform Navy, the Navy Secretaries, the Defense Secretary, and the President of the United States—not force them to our particular decision but to implement it and to get started on it. I think the best way to do it is to let these bills travel as far as they can, with the alternatives open, and try to get some decisions.

The bill also carries the estimated additional amounts needed to pay these so-called back claims of the shipbuilders. Many of them are valid claims. They are entitled to that money under the terms of the contract, and they have had a hard go in trying to settle on the figure. Congress has moved in and done its part, has done all it can. We have authorized it and we have appropriated half the money already, and this bill carries the authorization for the remaining half. I believe that the Appropriations Committee will recommend that it be funded.

KOREA AND THE PACIFIC

Now, Mr. President, to another phase of the bill, Korea and the Pacific. Today the United States has only 127,000 military personnel in the entire Western Pacific area. These men are scattered from Korea in the north to the Indian Ocean in the south—some 10,000 miles—and include the sailors aboard ships in that area. This is only 6 percent of our total military manpower and is only about half of the 250,000 the United States had in the Pacific area prior to the Vietnam war.

There have been proposals and discussions of withdrawing our ground forces from Korea. It may be that some reductions there are possible but I am concerend that we not jeopardize the U.S. posture and presence throughout Asia by considering our Korean forces in a vacuum.

I do not want us to go too far in pulling out of Asia. I certainly do not want to go any further in, though, and get entangled as we did in Vietnam. But there are many, many reasons why we cannot afford to let down the guard totally, and we cannot treat it as a casual thing to be withdrawing those ground forces in Korea, which cost us little—may be a little less than it would to have them at home anyway.

I respect those who see this matter differently, and I know that is an issue here within the Government. I felt compelled to tie in the proposition with this overall bill—and I will just sum up by saying moneywise this is a very low cost of doing business in the Pacific. A show of strength and a show of naval power, too, as well as strength on the ground, I think has a stabilizing influence, whether fully or not. I hope that we do not withdraw those forces.

There is nothing in this bill directly on it, but I believe we create far less problems than the keeping of them there reflect.

These troops in Korea represent 40 percent of our entire forward deployed forces in the Western Pacific area. If we withdraw our troops from Korea where will they go? Will we reduce our entire forward deployed forces below 100,000? How will that affect the stability of Northeast Asia? How will it affect our relationship with Japan and the Japanese view of their own defense situation? How will the reduced U.S. presence in Western Pacific affect our friends and allies throughout that area? I think it is essential that we answer these questions before we make reductions in our forces in Korea. I just think this whole matter must be reviewed carefully in light of our overall national interests and objectives.

NATO

Now, Mr. President, a few words about the overall situation with reference to NATO.

Another key pillar in our military posture is the readiness and strength of U.S. conventional forces that are both located in Europe or ready to go to the assistance of NATO. Most people do not realize that the vast majority of our Army and Air Force tactical forces have as a main mission support of our NATO commitment. In peacetime, five of our Army divisions, and seven of our Air Force tactical fighter wings are forward deployed in Europe. Most of the remaining 12 active Army divisions and 19 active tactical fighter wings could be sent to Europe in a full-scale conflict.

It happens that my experience here goes back to the formation of NATO. I was a new man, so to speak, and deeply concerned, and I was convinced by some witnesses who appeared before the Armed Services Committee, including the late President Eisenhower before he became President, and others here on the floor in debate and elsewhere, that as far as my one vote was concerned—and that was my only contribution—that we had better go the route of trying to form NATO. It was by far uncertain whether we could form it or not and make it a going concern. But I am very much pleased with the overall success, and I think it has been successful, and has been of tremendous value for over 25 years now in being the thing that brought the nations together in some strong sense and brought us into that same orbit of strength. It has been a tremendous factor for peace, trade, commerce, and stability throughout the world.

That treaty was adopted not merely because of a charitable attitude toward Europe but because the United States said that it was also in its vital interest to maintain freedom in the Western democracies. The Western countries are much stronger today both economically and militarily than they were at the time of the signing of the NATO Treaty. That means they should and must contribute more to their own defense. However, it does not mean that the U.S. interests have somehow changed or that the United States is still not the linchpin in the NATO military posture.

Now, I know it has cost us some money, but it is a key pillar in our military posture.

I have come through the time here when they did not bring up the fact that we have as a main mission support of our NATO commitment. This was not brought up too much unless somebody was trying to hang on an amendment to reduce the troops there. But this is one of the real strengths and shining implements for peace that I thought ought to be emphasized in debate every year—the fact that we are there, the way we are there, and the purposes for which we are there.

We may not have the carrying capacity as high as we should have of sending our Army divisions and tactical fighter wings, but that is a backup in a large way, and that is a part of the thinking among our adversaries over and beyond the Western European part of the world.

I know that our allies there have not contributed, as we see it, as much as we think they should. They have not paid as much of the bill, we might say, as many think they should. But everything considered—and many of these 25 years and more their economies has been very low—they have been willing with their manpower all this time, and they have done a good part in the money field and they have made sacrifices in a way larger, far larger than our own, and they should because that is their part. They are the first line of our defenses.

Again in Europe, the Soviet and Warsaw Pact forces have been gradually building up. The ability of NATO forces to protect Western Europe against this threat is a matter of increasing concern, and that is particularly true in light of modern weaponry. I am not referring to nuclear weaponry here. NATO, as a whole must make improvements to meet that challenge. These improvements lie in the areas of readiness, fire power, adequate stocks of weapons and ammunition, improved command, control and coordination, and better standardization and interoperability of the forces of the various NATO countries. The United States can and should do its share. This bill adds some $100 million to the requested $2 billion program for the Army alone to improve its NATO posture. Our tactical Air Forces and the Airlift Forces are also being improved.

Now, our committee has had some very valuable contacts there, I mean by members going over there in a studying mood, being prepared to ask the hard questions both of our group and our allies. They have come back with ideas that have been felt here in these bills and in the thinking of the committee, on the floor of the Senate and at the White House.

We have capable men who have done this, and I refer to the Senator from Georgia (Mr. NUNN) and the Senator from Oklahoma (Mr. BARTLETT) as two who have given it a great deal of time, as others have. I have not been there. I have talked to independent generals whom I consider of the very highest caliber, and who I call generals who have mud on their boots, meaning ones who have been out there in the field and who know the problem as it is.

I called on them, they did not call on me. I asked them to come and tell me what the facts were. They did not have anything to sell. I was tremendously impressed with our achievements, but the need, too, for more, and we are not meeting all of our own problems there.

I will tell you right now, it could not last long without our active support, and we would have far, far more trouble other places if we did not have this NATO force there in Western Europe. It is a powerful factor in world affairs.

ALL-VOLUNTEER FORCE

Mr. President, without a doubt the most important element of the U.S. military strength is the men and women who make up our Armed Forces. They are fine men and women and we, as a whole, can be proud of them.

However, it is growing more and more difficult to recruit the high-quality personnel our sophisticated forces demand. In the Army the percentage of new recruits who are high school graduates has decreased from 62 percent to 47 percent in the past year. And this is at a time when we have a great deal of unemployment and jobs are not in oversupply, at least, but those percentages have been going down. Our high school graduate diploma is not the ultimate test. It is a test, though. It is a test of a kind, and I consider it valuable. The Army is still some 14,000 men and women below the congressionally authorized strength for this year.

I am not here to belabor and be critical of their officers. In recruiting, they have done the best they could. They have given it some of their best talent, and we have supplied a whole lot of money for the Volunteer Forces in addition to the salaries. We have spent it in recruiting. I have no bill here, and I am not trying to get a bill passed. I am pointing out a growing difficulty and a mounting problem.

The difficulty in recruiting, plus the billions of additional dollars required to mobilize the All-Volunteer Force make it a costly policy. We must reexamine this All-Volunteer Force. It may be a luxury that risks our long run security by draining our national defense dollars of their buying power.

With 58 percent now of every military dollar having to go for personnel, it is clear that there may not always be dollars enough remaining for the ever-increasing high-priced modern weaponry that is so essential.

And that is a warning that we should make every year and take more seriously than we have.

It really frightens me to think that out of every military dollar we have to spend 58 cents of that dollar before we even buy one rifle for the man who carries the gun and before we buy even 5 gallons of airplane fuel for the fighter forces that defend us in the air. We have to spend 58 cents out of that dollar before any supplies, equipment, or hardware of any kind can be bought. That percentage is tending to go up and the overall cost of all the weaponry that we have to buy is going up, steadily and rapidly. I know there has to be something done. There will be a crash along the line somewhere.

Now back for a minute to further details of the committee's investigation of this bill.

The so-called Carter budget request for the national defense function for fiscal year 1978 was for $120.1 billion in budget authority. Of this $35.9 billion was requested in the authorization of funds for procurement, research and development, and civil defense. These are the funds directly authorized in this bill, H.R. 5970.

There is also reflected in the Budget Committee's estimates of our share of what is going to be charged to the military, also the cost of manpower. It is the manpower requirements, military and civilian, that run up the figure a great deal more than the figure of $35.9 billion for procurement and research and development.

There are certain items like the supplies, food for the men, and all that come through the Appropriations Committee without being expressly authorized because it is not felt that it is necessary for our committee to thumb through those items.

The bill, as reported by the committee, would reduce the overall budget request by $72 million. This net impact includes the funds recommended for procurement, research and development, and civil defense, which total some $36 billion, or an increase of $119 million over the President's request. This increase is offset by savings of $191 million which result from reduction in the manpower strengths, to which I have just referred, and other legislative items in the bill.

This year the committee bill was acted upon before the final passage of the budget resolution, but I now understand that the budget target of $118.5 billion for national defense can be met by financing arrangements such as changes in foreign military sales, changes in the inflation rate, or the use of unobligated balances from previous budgets. The committee bill is, therefore, in line with the budget level of $118.5 billion.

Mr. President, I believe, without a doubt, this is a prudent bill, one which provides the necessary growth to maintain a strong military force posture without adding excessive amounts of money for questionable programs.

I will now touch on some additional highlights of the bill, and then I will yield the floor for the time being.

Mr. President, if the Senator has a brief question or two he wishes to ask, let me say for the information of the Senate that we do not have a great number of amendments here and do not have information about any great number of amendments. Let me urge anyone who does have an amendment to send it on in and then we can pass on these matters of time and make some time agreements about disposition of amendments.

But until they are written out as to an important measure as this, we have to respectfully say we cannot agree to time reduction just yet.

I yield to the Senator from Nebraska, if I may, at this point.

Mr. CURTIS. Mr. President, I have no question to ask, but I rise for the purpose of having the record show what I have observed over the years concerning the devotion of the distinguished Senator from Mississippi for the defense of our country. A bill of this sort represents a good deal of work, with many details. Far and beyond that, it calls for a dedication and a belief in our country and the short-range and long-range necessity for the defense of our country.

There may have been times when it has taken a good while, at times many weeks, to pass this bill that comes up annually. I have never seen the distinguished Senator from Mississippi falter or fail in that task, and I commend him for his dedication to our Republic and the contribution he has made for the defense of our country. And I commend him, as well as I commend the distinguished Senator from South Carolina, who is present in the Chamber, who likewise has rendered outstanding service not only now but for over a period of several decades in maintaining the defense of our country during times when it was not always proper to do that, and I commend them both.

Mr. STENNIS. Mr. President, I certainly thank the Senator from Nebraska. I appreciate his remarks in behalf of all the members of our committee.

He refers to battles we have had here on the Senate floor in previous years, when we would take weeks and weeks to pass the bill. We have had some close ones—close votes, I mean. I could always tell how the Senator from Nebraska would look at a matter, and I relied on him. When I called on him to help out, in debate and otherwise, he always responded with spirit and effectiveness. I thank him very much.

Mr. President, turning now to Navy shipbuilding——

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

Mr. STENNIS. Yes, I am happy to yield to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I, too, wish to express my appreciation to the able Senator from Nebraska for his remarks about the Senator from Mississippi and myself. I do not know of any man with whom I have served in the Senate who has proved to be more able or dedicated than the distinguished Senator from Nebraska. He is sound and practical, and follows a course which I believe is in the best interests of the people of America.

Mr. STENNIS. I thank the Senator from South Carolina very much.

Mr. President, I shall proceed here, though not for a great deal of additional

time, with things I think ought to be said and be a part of the record the first day.

NAVY SHIPBUILDING

For the past several years, the committee has expressed concern and emphasized the need for an improved Navy force structure and shipbuilding program. I am sorry to report that the events that have transpired since the committee reported to the Senate on the fiscal year 1977 authorization request have done little to alleviate our concern on future ship forces and programs.

True, it has been a testing time, a troublesome time, a difficult time. There have been changes of administration and new starts being made by new officials—some of whom are very outstanding. By Congress having appropriated the money last year on the old claims, its passing the measure will, I think, add up to forced action. I believe these officials are going to move, now, and get the claims settled. I believe we can pass a bill here with choices and balances and alternatives in it that will certainly put it up to the Navy and the civilian side of the administration to set sail, now, and go out on this definite course.

No one is questioning that this country must maintain its naval superiority. However, some hard decisions must be made on what specific programs and the rate of progress of these programs that will be necessary for the maintenance of the naval superiority that we now have.

The administration requested a shipbuilding program of $5.8 billion for 22 ships. By a vote of 16 to 2, the committee is recommending to the Senate a shipbuilding authorization of $6.7 billion, a $0.9 billion or 16-percent increase and the construction of 20 new ships. Mr. President, the recommendations of the committee result from a firm decision that the Navy shipbuilding program must push forward.

Again—and this is an unusual course for committees to take—the shipbuilding program put into this bill does give the administration a choice. Of course, we will be going to conference with the House, which has a somewhat different program, but I have no doubt that after some hard work on the part of the conferees, a good, strong, solid bill will come back to the floors for adoption.

The ship program recommended by the committee reflects firm decisions in those areas where adequate justification is available. However, particularly with respect to aircraft carriers and other means of keeping aircraft at sea, the committee was convinced of the need for more information. To this end, the committee has directed the Secretary of Defense to conduct a comprehensive evaluation of the costs and effectiveness of sea-based aircraft platforms for both the short and long term.

Here is a whole nation that is very generally agreed on the need for this airpower at sea. Certainly we are not going to fall down now into endless argument about what kind of platforms or ships should be used in keeping this airpower available. Surely we are not going off on a side road or short circuit like that.

In view of the confusion on what is the best program for keeping aviation at sea in the future, a firm decision in all areas is not possible at this time. To keep a number of options open until a reasoned decision can be made, the committee makes the following recommendations:

Addition of $81.6 million for long lead items for a fourth *Nimitz*-class nuclear carrier. I would like to note here that if the decision should be made that a fourth *Nimitz* nuclear carrier is not the best route to go, these funds approved will procure equipment that can be used for needed spare parts on existing ships.

I have already here, in another official capacity, taken a part of the lead in trying to get these plans moved forward, if there is not going to be a *Nimitz*-type carrier, then for some other type carrier.

Another item we agreed on:

Addition of research and development funds amounting to $13.5 million for the continued development of the design for a V/STOL support ship—VSS.

That is put in there for research and development money only, but it shows we want the alternatives moving.

Approval of research and development funds amounting to $15 million for the proposed medium conventional carrier program—CVV.

I am not much on these letters, but that means an intermediate type carrier, a kind of in between, limited program.

We put in money also for consideration of refitting existing *Midway* or other class carriers. That means modernizing.

Now, I want to emphasize that this proposal should not be interpreted as a final commitment to any specific carrier program. Rather it is the intent of the committee to preserve several options for consideration next year.

Before I go further, let me just say this, Mr. President: There has been an issue about these carriers. As I say, everyone agrees we must have this air power at sea. There have been criticisms here, even on the floor, about the *Nimitz* carrier—the big, powerful, largest type carrier. I do not blame anyone for that. But our point here now is that there must be some carrier.

Whatever the final decision is, we want it to move forward.

The committee's recommended shipbuilding program includes approval of the first DDG–47 Aegis destroyer. Also included is the additional $663 million for equipping a nuclear cruiser—CGN–41—with the Aegis air defense system.

That does not mean much to a person who has not had a chance to go into all of these matters, but it means getting this Aegis air defense system on a support cruiser that can keep up with our modern, large, nuclear-powered carriers.

These two important programs will provide a much needed improvement in fleet antiair warfare capability.

The committee also recommends addition of $614 million for two air capable DD–963 destroyers. These ships are needed to partially overcome a serious deficiency in the whole antisubmarine area. Two strategic Trident submarines, one nuclear attack submarine, eight FFG–7 guided missile frigates, and five support ships are also recommended for authorization.

Also in the shipbuilding area, the committee again recommends the repeal of powered Navy. This action should not be title VIII of Public Law 93–965—nuclear interpreted as a rejection of nuclear power for ships.

This section of the law has proven to be an impediment to the President—any President—in making certain decisions and I believe to the Congress in getting the proper mix on these matters.

Everything cannot be nuclear powered, any more than everything can be gilded with gold. A nuclear/conventional mix of ships is the most valid approach to attainment of required future naval forces and capabilities.

The committee approved an amendment that would create a special commission on Navy shipbuilding to study and review the current policies and procedures for procuring ships and to recommend ways of modifying these procedures in order to improve efficiency and cost effectiveness.

GENERAL PROCUREMENT

The General Procurement Subcommittee which I chair, reviewed approximately one-third of the $24 billion defense authorization request for procurement. Significant proposals reviewed by the General Procurement Subcommittee include:

B–1 bomber—the committee approved $1.3 billion requested for the procurement of five B–1 bombers. The bill makes no further recommendation as to the B–1. As a member of the committee, I am not committed to the full 244 proposed and think the number can and should be made less without sacrifice of security. That decision is a long way off, however.

UTTAS helicopter—the committee deleted $115 million for 32 UTTAS helicopters in order to hold the program at a lower initial production rate to allow more testing to overcome current deficiencies. This is an important and costly program. The committee feels that the slower program is fully justified.

It appears to me that this is just a commonsense step that should be taken—others disagree—and would be taken by any well-managed business which was going to spend close to $3 billion for helicopters alone. That is a lot of money. It is a program over a period of several years, that is true, but it is still a lot of money.

This little touch on the shoulder just says, "Go just a little slowly while you are still in this production rate and maybe you will find deficiencies which you are able to improve."

M–60 tank—the committee deleted $182 million for 210 Army tanks in order to maintain the production line for 1 year beyond present plans and until XM–1 tank technology is available. The XM–1 is a forthcoming tank.

These are merely matters of judgment about procurement. I know these contractors get stirred up and want to communicate with Senators. I do not blame them for that, but these are programs that are firm, that are accepted. It is just a matter of which is the best plan for procurement in these items that do cost so much money.

Nonnuclear Lance—the committee added $78 million for the procurement of 360 nonnuclear Lance missiles that clearly appear to be needed.

I believe this would help make it less likely that we would, by mistake, or by

getting a little nervous, possibly get into a nuclear war in Western Europe. I believe to have these Lance missiles armed with nonnuclear weapons would help.

TACTICAL AIR

The Tactical Air Subcommittee, chaired by the Senator from Nevada, Mr. CANNON, reviewed procurement and research and development for aircraft and missiles totaling $10.3 billion or about 30 percent of the fiscal year 1978 budget request subject to authorization.

In the tactical air area, the committee approved the deletion of $198 million for eight F–14's in order to hold production at the present rate. The committee also added $91 million for procurement of 12 A–7E aircraft in fiscal year 1978 and long lead funds for 12 more in fiscal year 1979 for the Navy.

This is a matter of a priority setting between the different weaponry, and it is a matter of judgment by knowledgable people. I am sure that will be presented more fully by the Senator from Nevada, and others.

The committee restored $75 million in research and development for the Army's advanced attack helicopter, which had been cut back by the budget amendment, and added back $35.3 million to improve the readiness of the Hawk SAM missiles, another item reduced in the budget amendment. Also, they provided major direction to the research and development on air-to-air missiles, deferring several new program starts for a year for a reduction of $29.5 million in R. & D. but fully funding improvement programs for the current missile systems. Senator CANNON will be providing a more lengthy statement on the Tactical air portion.

RESEARCH AND DEVELOPMENT

The Research and Development Subcommittee, chaired by the Senator from New Hampshire (Mr. MCINTYRE) reviewed over 600 line items in the most technical portion of the bill.

The committee recommends an authorization of $11.4 billion for research, development, test and evaluation, a reduction of $257 million or 2 percent from the requested $11.7 billion.

Let me just dwell on that one moment and leave the subject to the Senators who are on that committee, a very knowledgeable group of men. Here we have a program for 12 months only of $11.4 billion for research, development, test, and evaluation. Let us be thankful that we have such a program, that we can afford to go into that many matters in depth with our research people, our scientists, and others.

This is the brain of our advanced technology, which is really the field where we are superior and have the lead. This is where we must continue to maintain that lead.

This is nearly $1 billion more than appropriated in fiscal year 1977 and represents an increase of about 9 percent. However, after allowances for inflation, the real increase is about 3 percent.

The recommended R.D.T. & E. program includes an increase of about 11 percent from last year's program for improvements in our technology base. The committee is concerned with efforts to limit the participation of universities and private companies in the expanding technology base and wants to see their participation increased, not decreased.

I will just mention in passing that the full amount requested for R. & D. was allowed in these items:

XM–1 main battle tanks;
Mechanized Infantry Combat Vehicle;
Patriot (SAM–D) Air Defense System;
Trident Missile and Submarine;
Sea Launched Cruise Missile;
B–1 Bomber;
F–16 Tactical Aircraft; and
Air Launched Cruise Missile.

The Committee recommends restoration of $900,000 for research by the faculty of the Uniformed Services University of the Health Sciences and reaffirms its support for the school. That is a research program that they think they need. We already have a lot of medical research programs by the Government going on. I hope that we shall never expand this one into another large one when, just a few blocks away, we already have very fine research facilities—the finest in the world—that I am sure would be open to the faculty of this school.

Other provisions in the R. & D. section of the bill include a requirement that the Department of Defense report each year on any use of human subjects in the testing of chemical or biological agents and a requirement that future tanks and mechanized vehicles have protection against chemical and radiological agents.

MANPOWER

The Manpower and Personnel Subcommittee, chaired by the Senator from Georgia (Mr. NUNN), has carefully examined our military manpower requirements and the manpower programs of each service.

The committee recommends a net reduction of 17,100 active duty military personnel and 19,800 civilians from the President's request. For the Selected Reserve, the committee recommends an increase of 24,400 over the President's request. This increase is all in the Naval Reserve, where the committee felt the President's reduction was too severe.

With respect to active military strengths, the committee recommendation would permit an increase of 700 over the December 31, 1976, actual manpower level then on duty. The reductions are recommended in training—staffs and students, base support personnel, and command/headquarters, all areas which will not degrade combat capability.

The reduction recommended for civilians is in the same support areas and in general schedule white-collar civilians. This can be accommodated through normal attrition.

Both civilian and military personnel were added back to continue operation of the Uniformed Services University of the Health Sciences. The total military and civilian reductions in this bill would save $190 million in fiscal year 1978 and $380 million annually in future years.

Rather than read each of these totals, I ask unanimous consent that tables outlining the manpower actions of the committee be printed in the RECORD at this point:

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

ACTIVE FORCES (END STRENGTH)

	Fiscal year 1978 request	Committee recommendation	Change
Army	790,000	777,100	−12,900
Navy	535,000	535,100	+100
Marine Corps	192,000	190,100	−1,900
Air Force	572,000	569,600	−2,400
Total	2,089,000	2,071,900	−17,100

CIVILIAN EMPLOYMENT (END STRENGTH)

Army	378,000	370,800	−7,200
Navy—Marine Corps	317,500	311,700	−5,800
Air Force	256,200	251,400	−4,800
Defense agencies	79,000	77,000	−2,000
Total	1,030,700	1,010,900	−19,800

Mr. STENNIS. Mr. President, the Senator from Georgia and his very fine subcommittee went into the manpower provisions of this measure, and carefully examined the civilian and the uniformed members of our military forces. They have made intelligent, reasoned, and calculated—as to numbers—recommendations in their report, which were found satisfactory and were adopted. It relates to training and all kinds of activities down through the artillerymen and riflemen, on through the weaponry, and makes very fine recommendations. They have made quite a contribution in this field over the years. This is a microscopic examination, not a guess, by any means.

I wish that all segments of our vast Government would take a look at civilian strengths. I wish more committees had more time. I know they go into it as much as they can, but I wish more had time to keep a close surveillance, in many of the larger agencies, especially.

The same committee went into the reserve strength. That includes the Army National Guard and the Air National Guard, and, of course, our four strictly military reserves, as well as the Coast Guard Reserves, with recommendations made in all, generally following the administration's recommendations.

RESERVE FORCES (AVERAGE STRENGTHS)

	Fiscal year 1978 request	Committee recommendation	Change
Army National Guard	382,000	382,000	----------
Army Reserve	211,300	211,300	----------
Naval Reserve	52,000	76,400	+24,400
Marine Corps Reserve	32,400	32,400	----------
Air National Guard	92,500	92,500	----------
Air Force Reserve	51,100	51,100	----------
Coast Guard Reserve	11,700	11,700	----------
Total	833,000	857,400	+24,400

The committee recommended an amendment to reduce the number of admirals and generals authorized for the Department of Defense by 2 percent for fiscal year 1978 and an additional 4 percent in fiscal year 1979. A similar amendment is recommended to reduce the number of DOD general schedule civilians in grades 12–18.

The committee also recommends an amendment to set the pay of cadets and midshipmen at the service academies to $313.20 per month.

CIVIL DEFENSE

We also handled, this year, the Military Authorization Act for civil defense. That was handled by the Senator from Iowa (Mr. CULVER), who has shown a very fine interest in the subject. He has held extensive hearings. He makes his recommendations for the budget amount, plus a small additional sum of $5.25 million for some special research in economic survivability, nuclear crisis planning, and automatic message transmission equipment. The $90 million request is included in the bill.

OTHER PROVISIONS OF THE BILL

The committee adopted an amendment requiring the Secretary of Defense to report on materiel readiness for Active and Reserve Forces. Another provision requires that additional information on U.S. equipment inventories be reported prior to any foreign military sales.

Mr. President, there are other matters. We have a system over there in the committee in which I think one or more, of our committee members assisted by the committee staff can, I believe, handle almost any question that anybody wishes to ask. I encourage the asking of questions on this bill, all the way through, and do every year.

Mr. President, for now, I shall not proceed any further. I emphasize again that it would help the Senate if any member who had an amendment would let us know and we can then go to considering an agreement on time.

Mr. President, before I yield, let me say, we are fortunate, indeed, to have the Senator from Texas here, and I know he made a sacrifice to get here after this bill was actually set for today. I want to thank him. He has made a tremendous contribution, in many, many ways, here and at our hearings, on the bill. It is characteristic of him to be at his post of duty today. I am glad he could get here.

I have already referred to the work of the Senator from South Carolina. I thank him again, too.

Mr. President, I yield the floor.

Mr. TOWER. Mr. President, I thank the distinguished chairman for his generous remarks. Of course, the bill, although it contains the labors of many, is a result of the fine leadership of the chairman.

Mr. BUMPERS. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. TOWER. I yield.

Mr. BUMPERS. I ask unanimous consent that Leonard Parkinson of my staff be granted the privilege of the floor during debate and vote on this measure.

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

Mr. TOWER. I said that I would yield to the Senator from South Carolina. He has been good enough to monitor the bill for the time being and must go. I yield to him with the understanding that I shall not lose my right to the floor.

Mr. THURMOND. Mr. President, I ask unanimous consent that Dick Getzinger of Senator DOMENICI's staff be granted the privilege of the floor during consideration of this measure and debate, and also, Edward Kenney of the Committee on Armed Services staff.

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

Mr. THURMOND. Mr. President, I rise in support of H.R. 5970, the fiscal year 1978 military authorization bill which approved $35.9 billion in military spending in support of our national defense establishment.

The procurement title of the bill totals $24.4 billion, while the research development, test and evaluation title amounts to $11.5 billion.

Of course, Mr. President, besides authorization of these funds, this bill sets manpower levels for the military departments and defense agencies, which has the effect of controlling expenditures amounting to about 55 percent of the defense budget.

H.R. 5970, as amended by the Senate Armed Services Committee, is within the budget resolution target of $118.5 billion for national defense. Recent changes in this target will be met by financing arrangements, such as changes in foreign military sales or the use of unobligated balances from previous budgets.

In total, the bill provides for funds approximately $119 million more than the President requested. However, manpower reductions will more than offset this increase and actually result in a spending level about $72 million below that requested.

The titles of the bill provide general guidance to its major contents. They are as follows: Title 1, procurement; title 2, research and development; title 3, Active Forces; title IV, Reserve Forces; title V, civilian personnel; title VI, military training; title VII, civil defense; and title VIII, general provisions.

This is the first year this committee has authorized funds for civil defense. Last year, I offered an amendment in committee to bring civil defense under the Armed Services Committee, and the House, being similarly minded, agreed to this change in conference.

The administration recommended $90 million in civil defense funds for fiscal year 1978 and the committee approved $95.2 million, an increase to finance computerized message transmission and several important studies.

Mr. President, this bill is notable in several respects. The two areas which I wish to comment upon briefly involve reductions in aircraft procurement and the shipbuilding program.

AIRCRAFT PROCUREMENT

In the aircraft procurement account, the committee slowed the requested buy for both the F–14 aircraft and the utility tactical transport aircraft system. Both actions will lead to higher unit costs in the outyears when force structure requirements dictate that these deleted aircraft be procured at a higher cost. A third point in this category is the Defense Department cut in the F–15 aircraft, a reduction which will again cost the Government money, as we will certainly have to procure this excellent plane for many years to come.

These so-called cuts are ill-advised, in my judgment, because they either cancel out favorable contracts now in hand or in future years the aircraft cut in this bill will have to be bought at higher costs.

SHIPBUILDING

In the shipbuilding account, the committee has offered an outstanding proposal over and beyond that proposed by the Navy. Funds have been provided for aircraft carrier construction of either the medium size—CVV—or the *Nimitz*-class—CVN—as options dependent upon studies to be undertaken by the new administration.

In addition, the committee favors the Aegis air defense system being placed on the nuclear platform of the *Virginia* class cruisers and the construction of a new sea control ship, the air capable DD–963 destroyer.

Unfortunately, the committee did not approve the two SSN–688 submarines, as did the House, despite exceptional performance reports from this new vessel. The committee allowed one sub with the suggestion that a look should be given to construction of smaller attack subs in a high-low mix approach.

Mr. President, these are two areas which I wanted to comment upon. While I did not agree with all decisions of the committee, this is a good bill and one which I am pleased to support.

Before closing, however, I would like to state that I strongly support the Guard and Reserve incentive package added by the House. This matter was not given thorough consideration by our committee since it was not in the Defense Department request. However, more attention must be paid to the needs of the Reserve, as they are now an integral part of our total force.

RESERVE SHORTFALLS

While great sums in incentive packages have been spent to support the All-Volunteer Force, no programs have been recommended for the Reserve, although the no-draft environment has had a very adverse impact on their recruiting.

Recognizing our Reserve will be thrown into combat quickly in any new crisis due to the lack of a draft system, these forces must be kept at full strength and in a high state of readiness.

Mr. President, I commend the able chairman of the committee, the Senator from Mississippi (Mr. STENNIS), and the able ranking minority Member, the Senator from Texas (Mr. TOWER), for the outstanding leadership they have provided in bringing this complex bill to the floor.

The Senate will find this bill strongly justified in the hearings and report, and I urge all amendments be offered promptly in order that this body may work its will in approving this important legislation.

Mr. President, I thank the distinguished Senator from Texas.

Mr. TOWER. Mr. President, the Armed Services Committee lays before the Senate today a bill which is the result of several months' work in carefully reviewing the Department of Defense budget request for fiscal year 1978. This is the first year which I have had the honor of serving as the committee's ranking minority member. The bipartisan spirit of cooperation and common endeavor endures today on the Committee on Armed Services as it has during the entire time which I have had the privilege of serving in this body. The membership of our

committee on both sides recognizes the importance of providing for our national security needs in an environment that is free of partisan concerns. I join the esteemed chairman of our committee in the hope that all Senators will appreciate the importance of this distinction as it uniquely pertains to the Committee on Armed Services.

Our able chairman, the Senator from Mississippi, has outlined in his remarks a summary of the committee's actions that are embodied in this bill. His comprehensive and thorough discussion of the committee's recommendations need not be duplicated at this point by me, so I will address myself to other matters which bear on the national security requirements of the United States that form the basis for the work of our committee.

It is indisputable that over the last 2½ years we have accomplished significant improvements in our Armed Forces made possible by reversing the downward trend of our real defense outlays. This has been critical to our essential investment in modernization and research programs that were repeatedly deferred during the Vietnam war.

The conditions of peace and security in many quarters of the world today are plagued with uncertainty, and exacerbated by regional tensions which can readily be observed between military, economic, and political rivalries. As history bears out, such rivalries can emerge as serious threats to peace because of events that may demonstrate either belligerence on one hand, or weakness on the other. Our Nation must continue its dedication to preserve stability in those areas of the world where tensions today persist; we must be particularly alert to those lingering opportunities for Soviet adventurism, which continues to be a grave concern to the free world.

We are now in the midst of adjusting the military posture of the United States to the framework of a world military balance in which essential equivalence in strategic forces between the two major powers has arrived. The dramatic improvements in the number and quality of Soviet land and sea based strategic forces has forced us to extend a greater priority to the strength and readiness of our general purpose forces. Hand in hand with this effort must go a renewed determination to strengthen the foundation and effectiveness of our alliances with the other nations of the free world. The fact that we no longer possess an overwhelming superiority in strategic forces compels us to improve our own conventional forces. Should we fail to do so, we will only invite catastrophe by inhibiting the critical ability of our future conventional forces to preserve an unassailably high nuclear threshold. Of equal importance, we must emphasize—as we never before have done in peacetime—the vital necessity for strong and close military ties with our allies that we can together rely upon for the resources of power and flexibility so essential to the common defense.

The challenges to world peace continue to be most evident along the NATO/Warsaw Pact front in Europe, in the Middle East and Persian Gulf area, on the African Continent, and in various parts of the Asian world. We must be alert to the potential for deteriorating circumstances in each of these areas, and we must critically examine the posture of our forces and those of our allies in being better prepared to respond to provocations in these areas.

Above all, we must recognize that it is the nature and scope of Soviet military improvements which necessitate our continued dedication to much more than simply maintaining our current military strengths. We must insist that the services do better with what they now have, and the Congress must not fail to support desperately needed modernization programs which have repeatedly been postponed over the past decade.

Mr. President, while the chairman has very thoroughly outlined the major points as to what this bill would do in terms of our own forces, I would like to address at this point certain things which our bill, for various reasons, does not do. I would address here requirements which our committee feels must be met in the future if we are to retain necessary military capabilities in each of the services. Some of the programs and missions I will address have not received, in the committee's view, the attention they deserve in the Department of the Defense. Others have been pursued by DOD, but not in a satisfactory manner that would warrant our approval of requested funding. I think it is important for our colleagues to recognize that the committee is deeply concerned over certain shortcomings in our defense programs which will require concerted efforts on the part of the services, DOD, and the Congress next year and in the years to follow.

In our strategic forces, the committee again has not been able to approve full scale development for a new communications system necessary for maximizing the effectiveness of our fleet ballistic missile submarine fleet. I am sure that my colleagues are aware of the controversies surrounding the so-called Sanguine and Seafarer programs. As the controversies have continued, the necessity for improving our communications with submarines continues to exist. The Navy should pursue a satisfactory plan to accomplish this critical mission consistent with the responsible guidelines set forth by our committee.

This bill does not contain funds to proceed with full scale development of a mobile ICBM, the "M–X", as had been recommended by the former administration. The future composition of our ICBM force may well be affected by future arms control negotiations. We must all be mindful, however, that we may soon face the requirement to develop and deploy a new ICBM force that can retain its integrity as a survivable system in the face of improved Soviet strategic forces.

In the area of general purpose forces, there remains a crying need to rapidly improve our force mobility. The priorities assigned to both airlift and sealift improvements have all too frequently suffered in the past because of competing requirements in each of the services. Our heavy investments in improving our preparedness for a confrontation in Europe have not been matched by an equivalent effort that would give our forces the means to get to the European theater. The shortcomings that continue to exist in our airlift and sealift capabilities will not be entirely remedied by this bill. The Department of Defense must address this problem more vigorously.

With regard to naval forces, I would point out to my colleagues that this bill authorizes the construction of only one nuclear attack submarine. Our committee has long been concerned with the importance of maintaining an adequate attack submarine force, because of the seriousness of the Soviet submarine threat. In its report, the committee calls attention to the implications of the high cost of the current nuclear attack submarine in production, the SSN–688. We must not permit the attainment of an adequate SSN force to be threatened by a prohibitively high unit cost for this vital weapon system.

As the chairman has explained, this bill does not include a final recommendation as to the future of naval aviation. It does provide funds to permit the option of constructing an additional large nuclear-powered carrier of the *Nimitz*-class design. Our committee is not convinced at this stage that the so-called "CVV" design would be preferable to the construction of one additional nuclear carrier, as was agreed to in the Congress last year.

The committee report reflects this view, though the chairman and other members of our committee are aware of my own opinion that it would be a serious mistake for us to fail to provide a fourth *Nimitz*-class carrier to our fleet.

In the area of tactical aircraft, this bill does not contain programs that would serve to sufficiently expedite the provision of an all-weather capability to the tactical aircraft and helicopters that our forces will rely upon for the next 10 to 20 years. Rapid technological improvements in various types of electronic sensory equipment are being incorporated only in certain selected aircraft and helicopter programs. Each of the services must continue to pursue efforts that improve the all-weather and night-fighting capabilities of airborne weapon systems.

As I am sure my colleagues understand, this bill provides no simple answers or expedient means of improving the standardization of weapons with our allies. This will continue to be one of the foremost challenges to the Department of Defense in formulating our weapons programs for future procurements.

In the area of manpower and personnel, this bill provides no quick solution to the continuing difficulties facing the services in the All Volunteer Force. Specifically, the committee has elected to defer until next year the consideration of proposed incentives to attract additional volunteers to our Reserve Forces, which are experiencing acute personnel shortages.

And last, Mr. President, this bill contains no easy answer to the problems of force readiness that each of our services must solve. The maintenance of our modern weapon systems has become increasingly complex over the past several years, and the costs of training personnel to support these systems and of providing the necessary support

equipment and spare parts have continued to rise dramatically. The committee will undertake a greater role in monitoring the day-to-day readiness of our line combat units in an effort to identify specific readiness problem areas that deserve immediate attention. While this review will apply across the board to units of all different types, it will particularly address problems now evident in ship and aircraft maintenance.

In conclusion, it is my view that the bill reported by the Armed Services Committee will provide an adequate program in fiscal year 1978 for the procurement, research and development, and manpower required to support the security requirements of the United States. However, my colleagues must be alert to the fact that many problems remain—and I have mentioned only a few—which will require our attention in the years ahead. The Members of this body must recognize that the solutions to these problems will not be easy—nor will they be inexpensive. The Defense budget now in preparation for submission next year will mark an especially critical point in many key defense areas, and will require this body to make major decisions that will bear out the extent of our commitment to the sufficiency of American naval and military strength. Mr. President, the intensity of competing budget priorities laid before the Senate continues to grow more severe each year. As I have said earlier, I believe this bill, as reported by our committee, is sufficient for its purposes. But I must add that, in my view, any substantial reductions to this defense program, beyond those already incorporated into this legislation, would expose our future military preparedness to risks which we and the American people must not for a moment accept.

The PRESIDING OFFICER (Mr. SARBANES). The Senator from Arizona is recognized.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that Mr. Robert Q. Old, professional staff member of the Armed Services Committee have the privilege of the floor during the consideration of this measure.

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

Mr. GOLDWATER. Mr. President, I support the bill which has been very adequately reported by the chairman, the Senator from Mississippi (Mr. STENNIS), and has been very adequately commented on by the Senator from South Carolina (Mr. THURMOND) and the Senator from Texas (Mr. TOWER), who is our ranking Republican member.

This will not be the only time that I will make remarks on this matter; because as we get into the general bulk of the bill, there will be many issues in which I have participated actively in subcommittee work that possibly will need exposure on the floor.

I should like to read something that I took out of the latest issue of Strategic Review, written by General Keegan, who is a retired Air Force Intelligence Officer around whom there has been much controversy. However, none of his writings or remarks has been proven wrong. While I do not accept this particular set of writings as being unquestionably true, I do think it is proper and necessary to remind the American people of the situation we are in.

First, we should remind ourselves that warfare is not new. We have had two major wars a year for 7,000 years. Forty wars are going on at the present time. So, after 14,000 wars—a number of them going on now—I think we should recognize one salient fact that has been proved by study.

A number of wars were studied, and we found that 1,800 of these wars were accidental. In other words, they were stumbled into. With respect to every war in which the United States has been engaged in my lifetime—four major wars—we have been sucked into them; or, to put it another way, we got into them accidentally.

So I should like to read what General Keegan has said, because many times we do not listen to what has passed. We do not read history. We pay no attention to the way other nations have used power, nor do we pay attention to the way, when we have used power, we have been successful in keeping global peace.

General Keegan says:

> We are indeed observing the most extensive war preparations in recorded history.
>
> Our perceptions of the facts underlying these war preparations lag behind the reality by ten to fifteen years, by whatever qualitative or quantitative measure one might apply.
>
> A global conflict is in gestation, irrespective of the question of Soviet intent.
>
> In weighing Soviet intent and other factors in this context, I am moved by three sets of sub-considerations:
>
> (1) What is evolving is principally a function of *what* the Soviets are doing and *what* we are not.
>
> (2) How are we driving toward global conflict? In the context of the logic or frame of analytical reference used by our American colleagues, I see a scenario of *inadvertence* and *miscalculation*—the basic mode of entry into all of our previous wars. There are many scenarios for another Korea or something more serious: a vital interest transgressed, a perceived transgression of sovereign right, an emotional reaction. The Soviets, understanding the full range of our characteristic behavior pattern, see the necessity for hedging by the creation of far more military power than we would conceive to be enough.
>
> (3) The Soviets appear to believe that war is more likely than not, and that under these circumstances it is necessary to be able to wage it and win it, whatever the level of intensity.

Those are the words I have taken out of the strategic review of this issue written by General Keegan, and I repeat I use them not as any dire warning to my country that we are on the verge of war. I am firmly convinced, after nearly a lifetime of study of war, participation, and so forth, that we do not have to go to war, and the world does not have to go to war, nor will there be any major global conflict as long as our country is militarily prepared to say to any country or combination of countries anywhere in this world, "Don't take us on." This is the thinking, the reasoning, almost hourly reasoning, that goes behind the work of the Armed Services Committees of the House and Senate.

Quite contrary to the belief of many of those whom we find writing on the subject or speaking on the subject, quite contrary to the belief of many large groups and many citizens, we on these two committees—one in the House and one in the Senate—actually spend more time trying to cut the budget than to add to it, and I think we are making more progress in this field every year to the extent that the recognition of the tremendous increase in cost of equipment has made us try to get, as someone once said, "More bang for the buck."

Today, Mr. President, I want to address myself to one weapon system, because I have followed this program since it was first put on the drawing boards, and I have tried to keep my colleagues abreast of it. It is the B–1.

As we consider the Department of Defense authorization bill, the B–1 is reaching another crossroad. Since the beginning of the B–1 development program in 1970, the Congress each year has carefully considered the requirement for this most important strategic system. Each year, we have demonstrated through our votes that the B–1 is necessary to our future nuclear deterrent forces.

Mr. President, the B–1 has progressed through an extremely successful development program; it has made the transition from development to production; and now the first three combat aircraft are in production. All of this has taken place in a veritable goldfish bowl environment with frequent criticism coming from a minority of the Congress, a small biased segment of the press, and small but vocal anti-B–1 citizen groups. Despite all this anti-B–1 rhetoric, the B–1 design and development have been proven and demonstrated through the most thorough test program even given an aircraft prior to production. The B–1 can perform its assigned mission, and a B–1 force will add significant strength to the strategic Triad keeping us and our allies free from nuclear attack or coercion.

I might remind my colleagues that that Triad consists of the Trident submarine, or will, with its submarine-launched missiles; the land-based missile system, and the B–1, plus the B–52's as long as they stay together, to handle the third part of the Triad.

The adequacy of the B–1 design or testing can no longer be considered an issue. The GAO noted in their annual report to the Congress on the B–1 program, dated February 16, 1977, that—

> GAO has reviewed the status of the B–1 aircraft program with emphasis on ground and flight test performance and problems. The flight testing of the development aircraft has proceeded reasonably well and has disclosed no major problems which would dictate a delay in production.

They did note that some areas require improvement but that this was normal for a major development program. In my opinion, this report card is the closest to straight "A's" that the GAO can give.

Mr. President, to summarize the B–1 test program, I ask unanimous consent that an Air Force fact sheet on the B–1 test program be printed at this point in my remarks.

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

B–1 TESTING

B–1 has had the benefit of more careful preproduction planning, logical development

sequencing and exhaustive component and vehicle testing than any previous aircraft at the procurement decision milestone.

Ground Testing:

Over 6200 structural element tests including 1800 fracture mechanics, 2000 material static and fatigue and 2400 fastener tests.

680 static and fatigue tests on small sections of the aircraft.

150% loads tests on major structural assemblies.

100% loads tests on assembled airframe.

Fatigue testing of major structural assemblies, four lifetimes on smaller assemblies, two lifetimes on wing carry through and aft fuselage with damage tolerance tests now underway.

Over 24,000 hours of wind tunnel tests.

Over 14,000 hours of engine operation.

Ground integration testing of offensive avionics.

Flight Testing:

605 hours and 5 minutes as of 13 May 1977.

Maximum weight (360,000 lbs) takeoffs and heavyweight landings.

Routine refuelings with KC-135.

Flutter and flying qualities tests.

Inflight airloads data gathered

Terrain following tests including tests at Mach 0.85 at 200 feet.

Weapon bay operations.

Release of SRAM, conventional and nuclear gravity weapons.

Offensive avionics equipment operations.

Maximum speed to Mach 2.1.

Evaluations by Strategic Air Command crew members.

Mr. GOLDWATER. Let me turn now to the requirement for the B-1. The need for a new manned bomber to replace the aging B-52 force is real and is becoming more acute with the passage of time. Since U.S. strategic deterrent policy means we must, if necessary, be able to take a first strike by the Soviet Union and then retaliate with a strike inflicting an equivalent and unacceptable level of damage, the Soviet Union must have no doubt that we can and will do this. A viable and modern-manned bomber force is a necessary and important part of the Triad that assures this mission can be completed, if required.

But if we remove the bomber from our forces, we reduce our available strategic delivery vehicles by about 20 percent, and we remove about 50 percent of the megatonnage from our strategic arsenal. Of course, there will have been no lessening of the Soviet threat. We also remove the requirement for the Soviets to defend against the bomber, thus enabling them to increase the resources devoted to detecting our Poseidon force and defending against our SLBM's and ICBM's.

Probably more important is the fact that we would lose the unique capabilities of the manned bomber. It provides stability to our strategic arsenal, because it is not a first strike system and poses no threat to the Soviet's strategic deterrent force. It can, however, be launched by the President in times of national crisis to indicate our national will and resolve and, if required, can complete its assigned mission.

The B-52 has been a part of the strategic equation since 1955, but it is nearing the end of its effective life.

I might say, as an interesting sidelight, Mr. President, that we have many crews now flying the B-52 who were not even born when it first came off the production line. That is how old it is. Although the airframe will still be able to fly in the 1990's, successful penetration in that time period cannot be guaranteed. The B-52 will not be able to match the future Soviet defenses, because we cannot make it able to fly faster or lower, or have a smaller radar cross section, or be hardened to nuclear effects. The B-1 is designed to overcome these shortcomings.

The B-1, in addition to being able to fly at high subsonic speed at low altitude, having a low radar cross section that makes detection much more difficult, and being hardened against nuclear effects, also is much less vulnerable to being destroyed on the ground, because of its quick launch capability.

Other alternatives to the B-1 have been examined, and under close scrutiny all have been discarded. For example, the stretched FB-111 was too small with inadequate range and payload. The re-engined and reworked B-52 was still too soft, too slow, and still had the large radar cross section.

I might add, Mr. President, if we undertook to modernize this aircraft the B-52 would cost about as much as the B-1. The wide-bodied aircraft used as a standoff missile shooter was also discarded, primarily because mission success was highly questionable. Such a cruise missile carrier was not hardened, was more apt to be destroyed on the ground during a Soviet attack, and had no ability to penetrate the Soviet Union in order to assure that it cruise missiles were within range of required targets. Also, cruise missiles used by themselves may lack the ability to penetrate to heavily defended targets, and they lack the flexibility of the manned system. Cruise missiles used to complement the manned bomber force will add to our overall strategic force effectiveness, but used as a substitute for the manned bomber force will degrade that effectiveness.

Mr. President, referring now to the cost of the B-1 program, the real cost growth since 1970, exclusive of inflation, has been held to about 17 percent. This is a modest increase in cost over a period of 7 years compared to most other major development and procurement programs. The cost of each aircraft, including all research and development costs, but removing inflation, is now estimated at $48.5 million in 1970 dollars, the year in which the development estimate of the B-1 was first prepared. Inflation has been the predominate factor in driving this cost to an estimated $101.7 million per aircraft. In other words, when the B-1 is "advertised" as a $100 million airplane, we should remember that this includes actual inflation since 1970 and estimated inflation into the late 1980's. Therefore, except for the uncontrolled escalation of our economy and uncontrollable program changes, the B-1 would have cost less than $50 million an aircraft. Or said another way, inflation and schedule changes beyond the control of the Air Force have added over $50 million to the cost of each B-1 aircraft.

Mr. President, the bill before the Senate recommends five B-1's be built in fiscal year 1978, and it recommends long lead funds be provided for 13 B-1's next year. This was a unanimous recommendation of our committee. The House of Representatives has already voted to approve this program.

Although I would have preferred a faster buildup rate, as originally proposed by the Ford administration, I am encouraged that the Carter administration seems to each day be recognizing more and more the genuine requirement for this aircraft. It is vitally essential to out future national security. I urge our colleagues to support the program as recommended by the Armed Services Committee, and I thoroughly recommend that our colleagues give their full and unselfish support to the entire military authorization bill.

We are very close to the House of Representatives in dollars. We are very close to the House of Representatives in total concept in the need for different pieces of equipment.

Mr. President, I thank our colleagues for listening, and I relinquish the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

Mr. NUNN. Mr. President, I support the committee's recommendation for the fiscal year 1978 military authorization bill.

Our distinguished chairman has already emphasized the continuing quantitative and qualitative expansion of military power by the Soviet Union. I do not intend to restate these disturbing trends at this point; but while the future outlook and the motives behind the Soviet buildup are not now clear, it is clear that the United States must maintain a strong defense posture and, together with our allies, must work to fulfill our commitment to maintain a military balance in the world. Our hearings on the defense force structure—the number of divisions, air wings, and ships—for which manpower and budget dollars are authorized, and our hearings on overseas troop deployments seek these goals. The committee recommendations support the Department of Defense's proposed level of 483,000 overseas troops for fiscal year 1978 as a strong, credible, and critical part of America's defense and commitments. The committee recommendations also increase procurement by over $300 million above the requested level for general purpose forces to support the moderization of our existing forces and force structure improvements.

As I have emphasized before, even though recommended authorized procurement dollars increase by about 15 percent over fiscal year 1977, the quantities of equipment and material to be purchased are not large—335 Air Force aircraft and 20 new Navy ships, for example, are scarcely sufficient to replace normal attrition in the ship and aircraft inventories. The problem has been caused by two factors: Rising manpower costs and other operating costs have taken up more and more of the defense budget; second, the unit cost of individual weapons systems is rising rapidly. The com-

mittee, in this bill, continues its efforts to arrest these trends. The total impact of the bill is about $100 million below the President's request with an increase in the procurement funds actually authorized in the bill offset by manpower savings of about $190 million. While some savings in manpower are possible and necessary, it should also be made clear that we are no longer at the point where very large manpower reductions are feasible.

Further, as the committee emphasizes in its report, the ability to sustain the All-Volunteer Force faces serious problems in the years ahead. If the problems of a declining availability of new recruits are addressed only by increases in recruiting, pay, and bonuses, defense manpower costs could increase by $15 billion a year in 4 years for current manpower levels. These problems must be addressed and specific plans and alternatives must be analyzed if our active and reserve force requirements are to be met.

The committee took a number of actions which will restrain manpower costs. The active military strength request of 2,089,000 was reduced 17,100 and civilian strength request of 1,030,700 was reduced 19,800. The recommended military strengths will actually be 700 above actual strengths on December 31, 1976. No reductions are suggested in combat capabilities. These reductions were made in lower priority areas or where there were significant manpower quality and management problems. Recent recruiting results call into very serious question the ability of the Services to meet the end strengths requested by the Defense Department without decreasing quality. Reserve component strength was increased from the administration's 24,400, reflecting increased reliance on Naval Reserve manpower. A number of amendments related to manpower were also adopted by the committee. The effect of these actions would save about $380 million per year in future years. These savings will help increase hardware inventories and the readiness of our current forces.

RECOMMENDED REDUCTION IN DEFENSE DEPARTMENT MANPOWER LEVELS—BY SERVICE

Mr. President, the committee considers the active duty military, reserve, and civilian manpower request of each service in its assessment of the Defense Department request for manpower. These three components of defense manpower were considered together for each of the military services. I would like to describe the committee's action by service for fiscal year 1977.

ARMY MANPOWER

The committee recommends an end strength for the Army of 777,100 active military and 370,800 civilian personnel, and an average strength of 211,300 for the Army Reserve and 382,000 for the Army National Guard. This is a reduction of 12,900 military and 7,200 civilian from the request.

In active military personnel, the committee's recommendation is actually an increase of about 2,500 from the actual strength on December 31, 1976. The committee suggests that the reductions in the requested fiscal year 1978 level be made in the areas of training and base operating support.

This Senator and I believe that the full Armed Services Committee, could support the Army requested end strength of 790,000 if it were based on hard combat and support requirements. But, testimony from the Army indicates numbers are being put ahead of quality in its manpower request. The percent of new recruits who are high school graduates has fallen from 62 to 47 percent in less than a year.

The fiscal year 1978 manpower program requested by the Army represents an expansion of Army training related to changes in personnel policies, and a decrease in manpower for force units from previous estimates. The requested fiscal year 1978 program would decrease prior service accessions by 62 percent, decrease reenlistment by 7 percent, increase attrition—particularly attrition for adverse causes, which is the young people who fail in the system—and increase support for specialized training. For fiscal year 1977, the Army plans attrition for adverse causes of 70,000. On the face of mounting criticism over this high rate of attrition from this committee and outside experts including the Congressional Budget Office, the Brookings Institution, and Rand Corp., the Army budget plans to increase this attrition to 76,000 in fiscal year 1978.

Such a program increases turbulence in the personnel system, increases training manpower needed, places additional pressure on recruiting programs, and increases the demands for already hard to find quality recruits. It has the effects of decreasing combat capability while keeping numbers up. These actions are completely contrary to the kinds of management actions frequently cited as necessary to sustain the All-Volunteer Force, even in the short term. This emphasis on numbers will lead the Army down the same course that the Marine Corps followed and had to abruptly reverse in 1975. The committee feels that the Army should meet its combat unit manpower requirements by emphasizing the quality of new accessions through a program that maintains the previous level of nonprior service accessions, includes steps to reduce attrition and turnover, and does not increase support in specialized training and other skill training. Consequently, the committee recommends a reduction of 10,800 military and 400 civilians in training and associated support.

In base operating support, the Army has not reduced manpower to the extent the committee feels is possible and continues a large concentration of this manpower in base administration and personnel services. The committee recommends reductions of 2,100 military and 3,300 civilian base support personnel in these areas.

The committee also recommends rejecting an increase of 300 civilians in support of foreign military sales. I will discuss later an additional reduction of 3,200 white-collar civilians.

The committee recommends approval of the Department's request for an average strength of 211,300 for the Army Reserve and 382,000 for the Army National Guard.

NAVY MANPOWER

For fiscal year 1978, the Navy requested end strengths of 535,000 active military and 297,600 civilian personnel and an average strength of 52,000 Selected Reservists. The committee recommends an increase of 100 to the request for military personnel, a reduction of 5,200 in civilian personnel and an increase of 24,400 in Selected Reserve Forces.

For the active military, the increase of 100 is for naval staff and students for the continued operation of the Uniformed Services University of the Health Sciences.

I should comment that the Navy reduced its planned fiscal year 1977 end strength by 4,600 below the congressional authorization when it became clear that a sufficient number of recruits of high quality could not be recruited. This end strength is within 2,300 of the strength recommended by the committee last year and within this reduced end strength, the Navy, as recommended by the committee, will add to the manning levels of ships and aircraft, reduce military support for headquarters and base support, and reduce recruit training by 1 week. Navy manpower problems remain, including the highest desertion and absentee rates for naval personnel in recent history and continuing shortages in critical petty officer skills. It is clear, however, that the Navy has taken positive steps to address its serious problems in military manpower management and planning.

For civilians, the committee recommends a reduction of 3,000 personnel in headquarters. Although military strengths have decreased substantially in the last several years, Navy civilian manpower in this area has increased. The committee also recommends a reduction of 2,200 white collar civilians which I will discuss later.

For the Naval Reserve, the requested average strength for fiscal year 1977 is for 52,000 Selected Reservists. This is a reduction of about 45 percent from the fiscal year 1977 funded level of 96,500. The committee feels, as it did last year when a similar reduction was requested, that the proposed cutback in the defense budget is too severe, particularly when reliance on the Naval Reserve should be increasing in order to save costs in active duty strength.

The committee made a detailed review of all the billets which are planned for removal from the Selected Reserve in fiscal year 1978. The largest portion of the planned reduction results from the elimination of augmentees for the shore establishment. The committee believes that this broad, sweeping approach could very well lead to losses of important capabilities and critical types of units. The committee looked closely at the planned reductions. We found that certain deployment-related units, ship and aircraft maintenance units, and highly technical and professional skill units would be lost. These units totalled some 16,600 billets. The committee also feels that some 7,800 reservists could be used

for new or additional missions with the active force. The committee recommends the addition of these billets—a total of 24,400—to the requested level for Naval Reservists for fiscal year 1978. Thus, the Naval Reserve average strength recommended by the committee is 76,400.

MARINE CORPS MANPOWER

The committee recommends an end strength of 190,100 active military and 19,300 civilians and an average strength of 32,400 Selected Reservists. For active military personnel this is a decrease of 1,900 from the requested level, but is 1,700 above the Marine Corps actual strength on December 31, 1976.

Last year, I reported on the acute disciplinary problems in the Marine Corps, unparalleled in the history of the corps. I am pleased to be able to follow that report by commending the Marine Corps and Commandant Wilson for an emphasis on quality in recruiting new marines. During the July–September 1976 quarter, 76 percent of new Marine Corps recruits were high school graduates. Unauthorized absence and desertion rates have decreased by over 50 percent from the fiscal year 1975 peak.

However, the Marine Corps must continue these efforts in a prudent and cautious fashion. Although the discipline rates have improved substantially, the current rates are still much higher than similar rates for the other services. As recruiting becomes more difficult, the percentage of new recruits who are high school graduates has decreased steadily from 75 percent last September to 63 percent in December and to 59 percent in March of this year. The committee recommendation of 190,100 should be achievable with a strong continued emphasis on quality. Considering the severe problems that developed during the period the Marines emphasized numbers above quality, the committee feels strongly that the reordering of priorities emphasizing quality which has recently occurred must be continued. This is the reason the request for 192,000 was cut by 1,900.

The disparity in the quality of Marine ground forces and aviation personnel as reported by the Senator from Georgia last year continues. Marine ground force are unable to meet authorized end strengths and are undercapitalized for combat in mid- to high-intensity environments.

The committee believes the Marine Corps can achieve manpower efficiencies over the planned levels and recommends reductions of 900 military and 400 civilian personnel in base support; 400 military personnel in training functions; and 600 military and 200 civilian personnel in headquarters.

The recommended civilian personnel end strength is 600 below the requested level. The committee supports the requested level of 32,400 for the Marine Corps Reserve.

AIR FORCE MANPOWER

The committee recommends an end strength of 569,600 active military and 251,400 civilian personnel and an average strength of 51,100 for the Air Force Reserve.

The recommendation represents a reduction of 2,400 military and 500 civilian personnel in training functions—and is primarily a denial of increases in support personnel from the fiscal year 1977 request, increases which exceed the changes in training workloads. I should also note some concern over the Air Force's ability to continue to man its sophisticated force structure with present levels of high-quality manpower.

The committee recommendation for civilian personnel is 4,800 below the requested level and in addition to the reduction in training support, includes a reduction of 4,300 in white-collar civilians which I will discuss later.

DEFENSE AGENCIES

The committee recommends an end strength for defense agencies of 77,000 civilian personnel. This is a net reduction of 2,000 from the requested level and represents an increase of 400 personnel for the continued operation of the Uniformed Services University of the Health Sciences; and decreases of 1,200 in white-collar civilians and 1,200 in headquarters function where the committee feels reductions can be made.

DEFENSE CIVILIANS

Defense civilians are, of course, a very important ingredient in the overall defense budget, particularly the personnel area. Manpower costs total $61 billion in the fiscal year 1978 budget request, representing 56 percent of the defense budget compared to 47 percent in 1964. Within this increase, civilian pay now consumes 17 percent of the defense budget compared to 15 percent in fiscal year 1964. While there are various reasons for this increase, about half of the increase—at a cost of $1 billion in this budget—is due to increases in grades of civilian employees.

Defense civilian employment declined by 118,000 between fiscal year 1964 and 1976—about a 10-percent decline. During this period, white-collar employment increased by 11 percent so that it was clear that it was in blue-collar employment that large declines were actually made. Further, particularly large gains were made in higher white-collar grades: 22 percent increase in grades GS–14 and GS–15; over 40 percent increases in grades GS–12 and GS–13; and much smaller increases in lower grades.

Clearly, efforts to control manpower costs in the Defense Department and in the defense budget must be made and civilian manpower costs must be part of this effort. In light of these ever-escalating costs and grade creep problems, the committee recommends a reduction of 19,800 civilian personnel from the request of 1,030,700. As previously mentioned, reductions of 8,900 civilian personnel are in specific functional categories, primarily base support and headquarters functions. The committee recommends a reduction of 10,900 in white-collar civilian personnel. The Department of Defense does not propose significant reductions in white-collar civilian employment in overstaffed overhead and support functions which contribute most heavliy to the grade creep problems. The committee feels that many further reductions are possible.

This reduction should be accommodated by attrition. In fact, the Department of Defense is now operating under a partial hiring freeze imposed by the administration which allows only three out of four civilians who have left to be replaced. If such a policy, for example, were continued until the end of fiscal year 1977, civilian employment would be 14,000 below the budget request.

AMENDMENT REDUCING THE NUMBER OF CIVILIANS IN GENERAL SCHEDULE GRADES GS–12–18

The committee bill includes an amendment by the Senator from Arizona (Mr. GOLDWATER) which will require reductions of 2 percent in fiscal year 1978 and 4 percent in fiscal year 1979 from the planned levels of defense civilian personnel in General Schedule grades 12 to 18. This amendment is consistent with the committee's recommended reductions in overall civilian personnel and again emphasizes the committee's concern over increasing civilian manpower and grade structure. From fiscal year 1964 to fiscal year 1976, the number of personnel in GS grades 12 to 18 increased by 38 percent.

OTHER COMMITTEE ACTION

In addition to the actions described above, the committee took several other actions relating to various aspects of manpower and personnel.

COMMITTEE AMENDMENT REDUCING THE NUMBER OF GENERALS AND ADMIRALS

The committee bill contains an amendment I initially proposed, which was modified by the committee, to reduce the number of generals and admirals and to make restrictions on the number of flag officers for the Navy and Marine Corps consistent with those for the Army and the Air Force. For fiscal year 1977, the Department of Defense plans to have 1,165 generals or admirals—one flag officer for every 1,800 active military members. This number is in contrast to the one flag officer for every 2,600 military members during Vietnam and to the one flag officer for every 2,100 military members in the peacetime levels of 1964.

The Department of Defense proposed to reduce the number of flag officers by 24 in fiscal year 1978—about 2 percent. The committee amendment reduces this number by an additional 2 percent in fiscal year 1978 and would cause a 4-percent reduction in fiscal year 1979. The purpose of this amendment is to begin a process to enable the Defense Department and the Congress to develop criteria for an ongoing review of the number of general officers with a report to be submitted by the Secretary of Defense with the fiscal year 1979 budget.

Just reducing the number of generals and admirals will not save large amounts of military pay, but every general and admiral has a staff, and the fiscal year 1978 budget contains about $4 billion just for command elements alone. It is in this area of command headquarters and support staff that the corresponding reductions can produce substantial savings and efficiencies.

AMENDMENT TO ADJUST PAY OF CADETS

The committee bill contains an amendment requested by the President to set the pay of cadets and midshipmen at the

service academies at $313.20 per month for fiscal year 1978 and remove the link in the law that this pay be 50 percent of the pay of a second lieutenant. Current cadet pay would be frozen at $345 per month until the new pay reaches this level through cost-of-living increases.

AMENDMENT TO DEFINE ACTIVE DUTY FOR TRAINING

The committee adopted an amendment to definie active duty for training as "temporary service performed by a member of a Reserve component in a program of on-the-job instruction of not more than 30 days duration or in a regular program of classroom instruction." This amendment would become effective for the manpower authorization for fiscal year 1979 and would assure that Reservists on active duty for other than training purposes are counted under the active military strengths authorized by Congress.

MILITARY TRAINING STUDENT LOADS

The committee recommends the approval of the Department's request for military training student loads for fiscal year 1978. These loads are to be adjusted in keeping with any reductions or increases in the active military, reserve, and civilian forces authorized.

Mr. STENNIS. Mr. President, will the Senator yield to me just briefly?

Mr. NUNN. I am happy to yield.

Mr. STENNIS. The Senator from Georgia has related here, in a few words and in his succinct paragraphs, some very fine, far-reaching, constructive work. Part of that work is a culmination of prior years' work.

The other members of the subcommittee deserve credit with him. They have traveled far and near and worked hard, early and late, I personally know. They have dug out facts and figures, trends, and developments that are of tremendous value to the military, as related to me by some of the military men themselves. I know it is of value to the committee and, in turn, it is very profitable here. It saves money and, in my opinion, adds strength.

I do not think I am prone to overpraise anyone, but I do want to commend them very highly for work which is always very meritorious.

The Senator and I do not always agree on everything, but I agree with him on the way he works and goes after things. He has been very helpful, and I express my appreciation to him.

Mr. NUNN. I thank the chairman.

Mr. President, I commend Senator SCOTT, the ranking minority member on the subcommittee, for long hours of hard work and diligent effort. I thank the other members of the subcommittee—Senator HARRY F. BYRD of Virginia, Senator CULVER, Senator ANDERSON and Senator BARTLETT, and Senator HELMS.

I also would like to thank the staff members of our subcommittee headed by Mr. George Travers, as well as minority counsel, Will Ball, and Roberta Ujakovich, Chuck Conneely, and Judy Landesman, all of whom have done an excellent job working on an extremely important and yet an extremely complicated subject matter.

Mr. President, if any other Senator wants to be recognized, I am glad to yield the floor. If not, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AMENDMENT NO. 270

Mr. DOLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE) proposes amendment numbered 270:

On page 46, line 2, strike out "76,400" and insert in lieu thereof "95,900".

Mr. DOLE. Mr. President, very simply the purpose of this amendment is to restore the authorized strength of the Naval Reserve to 95,900.

I am pleased to say that the distinguished senior Senator from New Jersey (Mr. WILLIAMS) and the senior Senator from Texas (Mr. TOWER) are cosponsoring this amendment.

I think it may be helpful just to review the various recommendations on the proposed strength authorization for the Naval Reserve that are floating around. This amendment, as I said, proposes a strength authorization of 95,900. It is based on a study conducted by the Department of Defense at the request of Congress last year. As I recall, this request was initiated by Senator NUNN after the amendment offered by the Senator from Kansas was adopted by the Senate.

The House bill contains a strength authorization of 93,600. That authorization was based on the so-called Ford budget.

After all the various attempts by the previous administration to cut the Naval Reserve in half, they finally submitted a budget recommendation somewhat more closely related to reality. But the recommendation of 93,600 was arbitrarily chosen. It did not have the benefit of the DOD analysis that was completed in early February which recommends 95,900 as the bare minimum necessary.

But the new Carter administration has gone back to the previous administration recommendation of last year of 52,000. We turned down that proposal in the Congress last year, and it seems to me that we should do so again. The basis of this proposed cut to 52,000 is apparently strictly for budgetary reasons. When DOD and the Office of the Secretary of Defense—OSD—and the OMB want to save money in the Defense budget, it appears that they automatically turn to the Naval Reserve. It seems to me that OSD and OMB budget analysts should not be given the de facto role of force structure planners. They are only bookkeepers, but they keep trying to tell us that we do not need the Naval Reserve.

The Armed Services Committee in this bill has recommended a strength authorization of 76,400. The basis for this recommendation, as I understand the committee report, is to retain those units that have some operational role, and to cut out those that are strictly support. It seems to me that such an approach is shortsighted.

SUPPORTS UNITS VITAL TO NAVY

Mr. President, the Naval Reserve support units are vital to the operation of the active Navy. They are essential if the Navy is required to sustain any kind of combat operation.

Support units are as vital to the Navy as they are to the Air Force or the Army. But support units in the Navy may seem to be more "fat" than is the case in the Army or the Air Force.

The Navy has a more centralized support structure. A great part of the Navy's support structure is concentrated in the continental United States. In the Army and Air Force, on the other hand, the support units are integral elements of the combat structure. For example, an Army division carries its own support units with it. The support units are not nearly as centralized as in the Navy.

The result is that Navy support units are more visible—more identifiable—and they may appear to be less essential. That is why the Office of the Secretary of Defense apparently likes to try to cut the Naval Reserve support units.

Such an approach is wrong. Support units may be even more vital in the Navy than in other branches of the service, since the support units are concentrated in the continental United States. Because the Navy's supply lines and line of communication are so long, it is frequently more difficult to provide the necessary support. In the event of an emergency, it is essential that trained units are available to go into action. That is why the support units of the Naval Reserve are so essential.

SUPPORT UNITS IN NAVAL RESERVE

In recent years, the Department of Defense, with the guidance of the Congress, has made a particular effort to concentrate combat units in the active forces and to put support units in the Reserves. I believe the Senator from Georgia (Mr. NUNN) has shown particular interest in this effort.

It seems to me that there is merit in putting support units in the Reserves. But it seems particularly unwise to do that and then reduce the size of the Naval Reserve.

DOD SUPPORTS NEED

The Senator from Kansas understands that the administration has not disagreed with the needed requirements that are stated in the latest DOD analysis. They simply propose to transfer about half of them to a nondrilling status. DOD is saying in effect, "Oh, yes, we need the people, but the reservists will participate voluntarily even without any drill pay." It seems ironic to me that the Armed Services Committee Report specifically disagrees with this. Of the proposal to transfer essential reservists to a nondrilling status, the committee report says, "Testimony indicated that many of the Reservists so transferred might simply leave the Naval Reserve." Military experts who have testified be-

fore the committees in the House and Senate, as I understand, have indicated that up to 97 percent of the enlisted reservists so transferred would leave. That means the Naval Reserve units placed on nondrilling status would simply become nonexistent. So if we agree that a minimum strength of 95,900 is essential, then we should retain them on active drill status.

LOSS IS PERMANENT

Mr. President, once the Naval Reservists leave, it seems unlikely that they will be replaced by new enlistees. In the past, the draft was an incentive for joining the Reserve. Now that the draft is nonexistent, there is little incentive to join the Reserve.

The Senator from Kansas notes that the incentives approved by the House to encourage joining the Reserve have been dropped by the Senate Committee. The committee report states that the Department of Defense is presently studying new incentives for getting Reserve participation. But those incentives have not been stated or described or published. We do not know what the incentives will be or whether they will be effective.

Mr. President, the committee bill proposes a 20 percent cut in the Naval Reserve. Without knowing what steps will be taken, if any, to encourage participation to replace those losses, it seems very unwise to approve that kind of cut.

HISTORY OF NEGLECT

Let the Senator from Kansas briefly review some of the past history concerning the Naval Reserve. During the years since the Korean conflict, the Naval Reserve has suffered through the benign neglect of the regular Navy. The regular force traditionally would rather have all assets under their own control and thereby do away with the bother of having reservists around in peacetime, even though they always turned to them in crisis for assistance.

In the early 1970's, at the insistence of OSD, the Naval Reserve stated a series of reorganizations, restructurings and realignments that are still ongoing. Every time we make significant changes in the strength of the Naval Reserve, we cause another reorganization. Concurrently, the Navy reacted to the pressure of OSD and conducted the now familiar OP-605 study. That study determined that the Navy required 304,000 additional people to augment the Active Force within 90 days in case of a full mobilization. Of that number, 54,000 could be obtained directly from civilian status. The remaining 250,000 require prior military experience.

To fill the prior military duty requirements, the Navy planned to use 148,000 from the individual Ready Reserve, Standby Reserve, Retired Reserve, USN retirees and fleet reservists. The remaining 102,000, so the Navy decided, required a minimum of 48 drills and 2 weeks active duty each year to gain or maintain their necessary skills.

I believe the significant conclusion here was that after careful consideration, the Navy asked only to drill 1 out of 3 of the additional people it would need immediately upon mobilization. Since the OP-605 study, the individual Ready Reserve has shrunk significantly and the availability of other retired sources has been determined to be less responsive than originally believed. So the dependence on the selected Naval Reserve is greater, and the need to stabilize its strength is greater.

BETTER USE NEEDED

Mr. President, this is the third year that the Senator from Kansas has discussed this matter in the Chamber. It seems rather obvious to this Senator that if we in Congress do not make the good fight in support of this very valuable and economic asset, it will be lost to us forever.

The Senator from Kansas does not favor maintaining the Naval Reserve without reason. It is my view that we need to require that these forces be utilized more effectively, and not given a diminished role in our overall military posture.

At a time when military manpower costs are the biggest cost in the Defense budget and also one of the fastest growing parts, we need to retain and make the best possible use of this cost-effective Reserve force.

I believe the Senator from Georgia (Mr. NUNN) has been one of the strongest advocates of increasing the utilization of the Naval Reserve. I support that. But if we give in to the Department of Defense on this cut, it seems to me that we are finally agreeing that we have not been able to get DOD to more effectively use the Naval Reserve. In the opinion of the Senator from Kansas, we should restore the 95,900 level, which DOD apparently agrees with, and renew our efforts to obtain greater utilization. This will only be possible if we stabilize the strength authorization. For, every time we reduce the strength, another reorganization is required. That disrupts training and readiness.

So approval of this strength authorization is essential if we are to increase the employment of the Reserves.

SUMMARY OF FACTS SUPPORTING 95,900 SELECTED NAVAL RESERVE

First. The last 3 studies have supported 95,900 to 102,000 drilling Naval Reservists; the latest one was directed by the Senate.

Second. The Secretary of Defense believes the Navy requirement for reservists but does not think they need to drill.

Third. Experience shows that 94 to 97 percent of the enlisted personnel changed from drilling to nondrilling status will drop from the program. We are obviously speaking of elimination rather than a change in drilling status.

Fourth. The Defense Department and Congress agreed to make Active Forces more combat intensive. Now they propose to drop support forces from the Naval Reserve.

Fifth. Support forces recommended being dropped from the Naval Reserve are the same type as being paid for drill in other Reserve components.

Sixth. Billets proposed for switch to nonpay are the most economical in inventory—one-fifth to one-sixth the cost of active duty.

Seventh. Cost of funding drills for 95,900 as opposed to 76,400 would be about $25 million, which means we could retain over 20 percent of the existing Naval Reservists for less than 5 percent of the Naval Reserve budget.

Eighth. A cut to 76,400 Selected Naval Reservists would trigger another reorganization causing more readiness degradation and complete loss of what morale remains in the organization.

In brief, the proposal for 95,900 Selected Naval Reservists would provide the very minimum needed as determined by OSD in a study directed by us; stop the terrible turmoil that has existed in the Naval Reserve for half a decade; enable the Naval Reserve to concentrate on improving readiness status rather than fighting for survival; provide the most economical and needed asset we have available for our national defense arsenal, Reserve manpower.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. ALLEN). The Senator from Georgia is recognized.

Mr. ROBERT C. BYRD. Mr. President, will the Senator from Georgia yield?

Mr. NUNN. I yield.

ORDER TRANSFERRING MEASURES TO THE UNANIMOUS CONSENT CALENDAR

Mr. ROBERT C. BYRD. Mr. President, there are a number of measures on the calendar today that have been cleared for action by unanimous consent.

I ask that they be transferred to the Unanimous Consent Calendar for action tomorrow. They are as follows:

Calendar Orders numbered 119, 123, 127, 129, 130, 131, 132, 136, and 137.

I ask that the clerk transfer them to the Unanimous Consent Calendar.

The PRESIDING OFFICER. They will be so transferred.

MILITARY PROCUREMENT AUTHORIZATIONS, 1978

The Senate continued to consider the bill (H.R. 5970) to authorize appropriations during the fiscal year 1978, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

Mr. STENNIS. Mr. President, the Senator from Georgia has the floor. Will the Senator yield to me for a minute?

Mr. NUNN. I yield.

Mr. STENNIS. Mr. President, let me say, while the leader and the Senator from Texas are present, that we think with a little more effort by Members who are interested we could get down to the debate and perhaps have some votes. The Senator from Minnesota has an amendment that has real meaning in it. He is prepared to present it when the argument is concluded on this and we will notify

other Senators as we are continuing to notify them, if the Senator from West Virginia would indicate whether we wish to have some votes this afternoon.

Mr. ROBERT C. BYRD. Yes. We would be glad to have votes this afternoon if Senators are prepared to call up amendments, and I may say to the distinguished chairman of the Committee on Armed Services (Mr. STENNIS) that I have asked the cloakroom to get the word to our offices on this side of the aisle to urge Senators, if they have statements to make or amendments to offer, that they come over this afternoon and proceed.

Mr. STENNIS. I thank the majority leader very much.

May we add, also, that the floor managers, the Senator from Texas and I, will agree to time limitations very soon after we can read the amendments.

Mr. ROBERT C. BYRD. Yes.

Mr. STENNIS. But if they are only in the minds of Senators, we do not think we should agree.

I thank the Senator for yielding to me. The Senator from Georgia has an argument to present at this time.

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

Mr. NUNN. I am glad to yield to the Senator from Minnesota.

Mr. HUMPHREY. I have an amendment that I was going to offer, but I do not wish to interrupt.

Mr. NUNN. We have an amendment pending now.

Mr. HUMPHREY. Yes.

Mr. NUNN. The Dole amendment is pending.

Mr. President, I rise in opposition to the Dole amendment, although, I wish to add at the very outset that I certainly understand what the Senator from Kansas is trying to accomplish.

He is trying to accomplish a better utilization of the Navy Reserve, and I certainly share that view.

Our Subcommittee on Manpower has been working toward that end. We have been urging the Department of Defense and the Navy to give the Naval Reservists a mission. We have identified this year as we did last year, about 24,400 billets of those proposed for reduction in the Carter administration's proposal and we have added those back. We have added back 24,400 billets because these are in areas where we believe that the skills require that the reservists go to weekly drills as well as to summer camp.

I think it is important to recognize that the administration proposal is almost identical to the Ford administration proposal of last year. They are not proposing that these reservists be terminated; they are proposing that they not go to the weekly drill, because their skill levels do not require it, according to the administration.

Our subcommittee did not agree, on 24,400 of those billets, that they did not require the kind of skilled training that is needed on a weekly or biweekly basis, and therefore we added those back. We added back deployment-related units, including mine, harbor, riverine and sealift, ship and aircraft maintenance units, and highly technical and professional skill units, including communication, intelligence, geophysical, health, and legal; and we added billets for new or augmented machines.

The subcommittee and the full committee are well aware of the problem presented when you disrupt the Naval Reserve force structure. We are well aware that a good many of these units and individuals have the kind of skills we ought to retain, and make sure we do not take any chance of losing. But we do submit it is not in the best interests of the taxpayers to continue, year after year, to add back other Naval Reserve units and other individuals for weekly drills when it is apparent that they do not have a mission.

We are in Congress. We cannot give them a mission. We can authorize the number and appropriate the money, but we cannot require the Navy to give them a mission. We have not been able to do that so far.

At this stage we are talking about $19 million. If the Senate wishes to take $19 million and toss it out the window, that is exactly what we will do by voting for the Dole amendment, because these units and men do not have the kind of mission that justifies their being continued in the budget.

I repeat, as the subcommittee has made clear in the past, and I think the full committee will agree, if the Navy and the Department of Defense assign a mission for these individuals and units, we feel they should be funded and authorized; but now they do not have any kind of mission, and we simply do not believe they should be funded now even though in the overall costs and size of the Defense Department $19 million does not sound like a large amount of money. I think $19 million is a large amount of money when it is not being used in or contributing to the defense of our Nation. In my estimation, it would be much better used somewhere else in the defense budget.

So I oppose the amendment. In answer to the argument of the Senator from Kansas that the Department of Defense study supported the level proposed in the Dole amendment of 95,900, I should like to read from a letter from the Deputy Secretary of Defense on that subject. I quote from a letter dated February 24, 1977, addressed to Hon. JOHN C. STENNIS, chairman, Committee on Armed Services and, Mr. President, I ask unanimous consent that the letter be printed in the RECORD.

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

THE DEPUTY SECRETARY OF DEFENSE,
Washington, D.C., February 24, 1977.

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

DEAR MR. CHAIRMAN: The enclosed study titled "Missions for the Navy's Selected Reserve" was completed under the previous Administration in accordance with a request in the Senate Armed Services Committee Report on the FY 1977 Defense Authorization Bill. It is forwarded pursuant to that request, but not as a document carrying the endorsement of the Department of Defense.

In particular, I am not satisfied as to the justification for the specific Selected Reserve strengths suggested. The study does acknowledge shortcomings in addressing manpower and strength considerations, and correctly points out that other reserve studies are planned or underway.

On January 24, 1977 Secretary Brown asked that a comprehensive review be undertaken in coordination with the Military Departments to examine currently stated requirements for all Reserve and National Guard Forces, and to assess fully their functions, capabilities, readiness, and resources. The Naval Reserve will be an important subject within this larger framework.

Sincerely,

C. W. DUNCAN, JR.

Mr. NUNN. In summary, Mr. President, the Senator from Kansas asks that we go to a level of 95,900 in the Naval Reserve. He is asking that we increase the present authorization. He is asking that we go above the Ford administration budget request. He is asking that we go above the Carter administration budget request, and the Department of Defense position. He is also asking that we authorize a level higher than the House authorization.

I would say that this is money that can be better utilized, better spent, and more effectively and efficiently used in the interests of the taxpayers and in the interests of our national defense.

If the amendment is rejected, I would say in closing that I pledge to work with the Senator from Kansas and others who want to see the Naval Reserve play a more meaningful role in our defense establishment, who are interested in seeing that the Naval Reserve personnel be given a mission. I am willing to work toward that end, but in good conscience I cannot advocate that the Senate put $19 million back in the budget that everyone concerned, including the Naval Reserve, tells us cannot be effectively utilized because they simply do not have a mission that is related to the national security of this country at this time.

I say that is regrettable. It is not the fault of the individual reservists. It is not the fault of the Naval Reserve units. Many of them are highly motivated, dedicated people. But to require that they go to weekly and biweekly drills when they have no skills requiring that kind of procedure is to take the taxpayers' money and use it in a way that is not in the best interests of our national security.

Mr. DOLE. Mr. President, I thank the distinguished Senator from Georgia. I know of his sincere interest in the whole manpower problem, not just in this one instance. I applaud him for his efforts.

It seems to me it took some time to convince the last administration. Just about the point where the Ford administration came around and agreed we ought to have 95,600, they left town. Now we have a new administration, and they are back at 52,000. The committee has seen fit to increase that number to 76,400.

Just based on the statement I made, and based on the last three studies that have supported somewhere between about 96,000 and 102,000 it seems to me we are on solid ground.

The Senator from Kansas understands

the cost involved. I am not certain just what units the committee would eliminate, if we eliminate about 20,000. I do not know what to base that figure on. But there are the statements that if we do away with weekly drills, we are going to lose 94 to 97 percent. I do not know how quickly they can be recovered in case of emergency.

I ask unanimous consent to have printed in the RECORD a letter addressed to Secretary Brown dated May 4, 1977, by myself, asking some of the questions, to which I have not yet had a response, and also a letter from J. Milnor Roberts, executive director of the Reserve Officers Association of the United States, in which he supports the 95,900 figure.

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

U.S. SENATE,
Washington, D.C., May 4, 1977.

Hon. HAROLD BROWN,
Secretary of Defense,
The Pentagon,
Washington, D.C.

DEAR SECRETARY BROWN: As we approach the time when the Congress will determine the final version of the Defense Authorization Act for fiscal year 1978, there are several questions concerning the Naval Reserve drilling strength that need to be addressed. Before posing those questions, I wish to express my deep disappointment in your decision to fall back on the previously rejected strength figure of 52,000 Naval Reservists. The continuing effort of OSD to over-ride the will of Congress on this matter conflicts with the need for stability in the Naval Reserve.

Over the past half decade, the Office of the Secretary of Defense has repeatedly tried to cut or degrade the Naval Reserve. It would be a tragedy if our Nation's best bargain in defense, the Guard and Reserve, is lost because of a false assumption by OSD and OMB analysts that the country can get something for nothing.

Your answers to the following questions are essential to giving fair consideration to the proposed Naval Reserve cuts. What adjustment has the Navy initiated to restructure the Naval Reserve in accordance with any recent study or studies? Are the billets which you propose placing in Category D required to be filled within the first 90 days after mobilization? How many are required within the first 30 days after mobilization? We note your Deputy Assistant Secretary for Reserve Affairs, Mr. Tankersley, testified before the House Armed Services Committee that your decision to place over 41,000 selected Naval Reservists in Category D did not mean that these Reservists were not required for mobilization.

Mr. Tankersley also testified that OSD did not know how many of the 42,000 Reservists would be lost to the program but whatever the loss would be, it was considered an acceptable risk. It has been estimated that as many as 97% of Category "A" enlisted personnel would leave the Reserve rather than serve in Category "D." Does OSD now have an estimate as to what the loss will be, based upon a scientifically conducted survey? What percentage of loss is acceptable to OSD? What study or studies show that two weeks training for the 42,000 Naval Reservists is adequate to maintain the skills they require if mobilized?

I would appreciate an early response to these questions.

Sincerely yours,

BOB DOLE,
U.S. Senate.

RESERVE OFFICERS ASSOCIATION
OF THE UNITED STATES,
Washington, D.C., May 13, 1977.

Hon. BOB DOLE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DOLE: The Senate Armed Services Committee reported out their proposed FY78 Defense Authorizations Bill. The Senate Bill contains the following areas of concern:

Reduction of the Naval Reserve Strength by 19,550 personnel.

Omitted drastically needed recruiting/retention incentives.

Reduction of 1600 Air Force Reserve positions.

In view of the continued Soviet military build-up, we believe these drastic proposals should be reversed.

The recent OSD study of Naval Reserve mission requirements, directed by the Senate, recommended a strength of 95,000 . . . whereas the Senate Armed Services Committee has recommended a 20% reduction to a new low of only 76,400! Everyone of these positions represents a war-time requirement to be mobilized within 90 days after M-day. We cannot afford to throw away these required war-time assets in such critical areas as Intelligence, Construction, Ship and Aircraft Maintenance. We strongly urge the Senate to restore the Selected Naval Reserve strength to the recommended level of 95,900.

The desperately needed incentive package for Reserve enlistees was introduced in an effort to bolster our dwindling Reserve personnel strengths. With the cessation of the draft and subsequent emasculation of the Selective Service System, our nation's Reserve strengths have plummeted to record lows. An effective remedy is needed to shore up our nation's only mobilization capability. This incentive package offers a practical contribution toward solving the personnel problem.

The proposed elimination of 1,600 Air Force Reserve authorizations is "supposedly" based on resources being available in the obligated reserve section (ORS). However, these resources are not available in the ORS. The ORS is composed of Junior Airmen and Officers who are just off active duty. Such a capricious reduction will materially affect the Air Force Reserve in its ability to perform its wartime mission.

We strongly urge you to restore the Air Force Reserve strength to the recommended level of 52,000.

In these perilous times, it is imperative that our Reserve forces be fully manned and well equipped. We must take immediate steps to reverse the current unilateral trend of disarmament and commence to rebuild our military forces. The responsibility rests with you as stated in the Constitution of the United States, Section 8 . . . "The Congress shall have power to raise and support armies . . . to provide and maintain a navy . . . to provide for calling forth the militia to execute the laws of the Union, suppress insurrections and repel invasions." We trust in your judgement.

Sincerely,

J. MILNOR ROBERTS,
Major General, USAR, Executive Director.

Mr. DOLE. I have no quarrel with the distinguished Senator from Georgia, but I do wonder how we are going to meet the requirements if we keep hacking away at the Reserves. I do not know how long it might take in the event there was a need to mobilize. The bill, as I read it, provides an authorized strength for the Navy of about 540,000. If we cut the Reserve units as proposed in the committee bill, I do not know how long it might take to mobilize the full strength, if that were necessary, in view of the cuts.

So, based on what the House of Representatives has done, and based on the fact that the Ford administration came around 93,600, and based also on the last three studies, one initiated after passage of the bill last year by this body, it just seems to me that we are hearing the Secretary of Defense or the Defense Department say, "Well, we need the men, but they do not need to drill." What they are saying to them is, "We want you to stay, but we do not want to pay you. You cannot have monthly drills or bimonthly drills; you can have a couple of weeks in the summertime, and that is it."

If past experience holds true, and we lose 94 percent to 97 percent, we will have lost an asset that we are not going to be able to pick up if we need it.

I would strongly urge the adoption of the amendment. I recognize that the House has a higher figure than the committee recommends and probably the conference would end up somewhere between the Senate figure and the House figure. But I just believe, based on the previous studies, that 95,900 is a realistic figure.

Mr. NUNN. If the Senator will yield on that point. The Senator's amendment will go to a figure higher than in the House bill. So what the Senator is asking is that we go beyond the House bill and beyond the current authorized strength of the Naval Reserve; that we add people to the Naval Reserve at a time when the people who are already there do not have a mission.

What the Senator from Georgia is saying is I believe the mission ought to precede the people. The Senator from Kansas is saying to let the people continue, no matter that there is no mission in terms of these personnel.

If there is any compromising in the conference, the compromise would have to be to increase the House bill, if the amendment of the Senator from Kansas is agreed to, because the Senator has a number in his amendment higher than the House bill.

I would like to ask the Senator one question. I noted with interest the Senator from Kansas, who was quite an insider in the Ford administration and also a vice presidential nominee, alluded to the fact that the Ford administration was coming around to the view that we needed 96,400 in the Naval Reserve.

Of course, the Ford administration budget last year reflected exactly what the Carter administration budget reflects this year. That is that the number of people in those slots should be 52,000.

I ask the Senator from Kansas if he has any kind of a private word on the Ford administration changing their views that we could all know about here on the floor. If he has, I would like to know it. Has the Senator played any golf recently with President Ford? Where is he receiving that word from?

Mr. DOLE. I do not have any secret

word. At this late date it might not be of much value anyway. There was a late recognition in the last administration that more people were needed. In fact, the authorized strength now, as I understand it, is 96,500. My figure is less than the present authorized strength, but, as the Senator from Georgia states, higher than the number in the House bill.

I agree with the Senator's question about the mission. It could probably be improved although they do now have a vital role in mobilization, validated by three studies. We have seen in the past that DOD and the Navy were tending to minimize the missions given the Naval Reserve. For example, as I understand, the Naval Reserve was given the airlift mission for the entire Navy. At the same time the mission was assigned to the Naval Reserve, it was decided by DOD to put all the airlift requirements in the Air Force Military Airlift Command—MAC. Now the Naval Reserve has the additional airlift mission which is being phased out and turned over to the Air Force.

It seems to me that there is a need for more clearly defined missions, although they do have validated missions. In the past, I think the Naval Reserve has had to fight both DOD and the Navy to get improved missions.

The point I make is, yes; we ought to have the missions better defined. In the meantime, how do we recover those who drop out, if we say we are not going to have a monthly drill? How are we going to recover them if they are needed in a time of mobilization, if that time should ever come?

Mr. NUNN. I will ask the Senator another question. It has been going on for 4 or 5 years. If we multiply approximately $20 million in just the 5 years I know about we are talking about $100 million which has been expended in keeping these people around while we are struggling to wait for a mission.

If we wait 5 more years, that is $200 million over a 10-year period. If we wait another 5 years after that, it is $300 million. I do not know how long we wait on this subject, I really do not. If the Senator is saying that we need this $20 million as insurance, that if the Navy and the Department of Defense ever do decide to give them a meaningful mission we will have them there, I ask the Senator the other question. How long do we wait?

Mr. DOLE. The Senator from Kansas does not have any crystal ball on how long we wait. I would hope it would not be very long. It seems to me the responsible thing is to approve the requirements based upon a minimum need. Perhaps the administration, and I do not say it critically, will come around to that position and will define a mission.

I think the other side of that question is what will happen if we do not have the manpower; if we do not have the resources; if we do not have the units and suddenly they are needed? Then the investment of $19 million or $20 million a year looks rather miniscule. If there should suddenly be a mission out there for which we do not have the manpower, then I think we have made a mistake in that area.

I applaud the Senator for his efforts to try to speed up the utilization and to try to bring about meaningful missions. I just stand on the theory that, based on the studies, this is a figure which is fair and objective. It seems to me that it is one the Senate should adopt.

Mr. NUNN. Will the Senator from Kansas yield for another question? I remember President Ford during last year's campaign chastised the Congress for not going along with all of the cost restraints in his budget. I wonder if this was one of the restraints the President was alluding to that the Congress did not go along with, thereby, paraphrasing him, wasting vital defense dollars in unneeded resources.

Mr. DOLE. I am not sure this was the point. Since he is a former Navy man, I hope not. I guess the point is this: We have obligations in the Congress and on the Budget Committee and in other areas where we serve. I do not spend the time on this particular subject the Senator from Georgia does as a member of that committee, and doing a splendid job as chairman of the Manpower Subcommittee. It seems to me that if we are going to err we should err on the side of spending a few million dollars. No one has yet told me how many would leave if we take away drills. If it is 94 or 97 percent, what do we do? What do we do if we need the manpower?

Mr. NUNN. I say to the Senator from Kansas I would agree with that logic if we had an unlimited amount of money we could put into the defense budget. I know of the great work the Senator from Kansas has done on the Budget Committee. I know he is one of those who is a strong advocate of a ceiling in the Budget Committee on national security which accommodates our real defense needs. I commend him for that. I congratulate him for that. If it had not been for the Senator from Kansas and others on both sides of the aisle, Democrats and Republicans, we would have had a defense budget in the last 2 years that would have been woefully inadequate.

But I will also say, as the Senator from Kansas is well aware, the new budget process does put a ceiling on the overall amount of money we spend in a year. That new budget process also puts a subceiling on national security. When we are adding $19 million back into this budget, which the Senator's amendment would do, that the Ford administration said they did not think was necessary, that the Carter administration says they do not think is necessary, that our subcommittee has been over with a great deal of attention and detail, as has the full committee, and did not feel it was absolutely essential, we are not simply adding $19 million back, but we are taking it away from some other part of the defense budget.

We will either have to cut procurement, cut research and development, or we will have to cut in the area of operation and maintenance, which affects the readiness of the forces.

This is not a free $19 million. This is a priority the Senator from Kansas is weighing against other priorities. As the Senator from Kansas is well aware, the Budget Committee conference came back just last week with a level of expenditures under the anticipated expenditures in terms of both the authorization bill, the military construction bill, and the appropriation bill for the Department of Defense. So this money has to come from somewhere.

If we add the $19 million, as a strong supporter of Naval Reserve, I would be in favor of the Dole amendment. But that money will come out of much-needed procurement, research and development, operational readiness, or some other manpower cut. It is not free money that we have for the Department of Defense with unlimited kinds of mobility.

Mr. DOLE. I will only say in conclusion, I certainly share everything the Senator from Georgia just stated except, of course, the Budget Committee is not a line-item committee. It seems to me that we are talking about switching from paid to a nonpaid status the most economical billets in the inventory, about one-fifth or one-sixth the cost of active duty.

It is going to be like any other matter in the budget; there are going to be some pressures, there is going to be some need to make reductions. I do not suggest that we ought, for 1 day, to have a program where we are wasting funds. I do not say that in this case.

It seems to me that, based on studies by the Department of Defense and others, we are talking about the level that it should be. We are not trying to inflate that level. If I were here asking to have an authorization of 110,000 billets, then the argument of the Senator from Georgia would be perfectly valid and I should be at a loss to support my own amendment. But based on the votes in the Senate last year, very close votes, it is my hope that the Senate will again express its interest in what I consider to be a rather important problem, though small by comparison with many others in the budget. The Senator from Georgia says $19 million. We thought about $25 million. But in any event, it is not a great deal of money.

Also, as the Senator from Georgia has indicated, it is a very important program. We just have one point of view and the committee has another. I hope that we can agree on sometime tomorrow that we might have a record vote.

Mr. NUNN. As far as the Senator from Georgia is concerned, I should be pleased to agree to whatever the chairman of the full committee and the Senator from Kansas would like to do, as far as time for a vote.

I again commend the Senator from Kansas for his strong general support of the committee bill and his support for a very strong national security. Even though I oppose this amendment, I respect the Senator's position on national security matters.

Mr. DOLE. I thank the Senator from Georgia.

Will the Senator from Mississippi yield?

Mr. STENNIS. I do not have the floor.

Mr. NUNN. I yield.

Mr. DOLE. I wonder if we might agree on a time certain for a vote tomorrow?

Mr. STENNIS. We certainly would be glad to vote, there is no doubt about that. We are going to have several here, though, that are going to be carried over for a vote tomorrow. I do not see anything that we can do, as I see it, except set a time and we shall take up seriatim those that have been argued.

Give us time for a conference for a minute with the leadership and see what they have to say.

Mr. President, if I may say so to the Senator from Minnesota, if he is in position now, he may seek the floor on a matter that he has in mind, an amendment.

Mr. HUMPHREY. Yes.

Mr. STENNIS. Or the Senator from Oklahoma is here. He can seek the floor now.

Mr. HUMPHREY. Do I understand correctly that the amendment of the Senator from Kansas has been temporarily laid aside?

Mr. STENNIS. It is understood that it will not be voted on tonight.

Mr. DOLE. The Senator from Kansas agreed to set it aside pending an agreement on a time to vote.

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

Mr. HUMPHREY. Mr. President, I understand that my good friend, the Senator from Oklahoma, has an amendment, which was adopted previously, I believe last year, and that he would like to offer it again. I trust it will not take too much time. I am perfectly willing to yield to him without losing my right to the floor for that purpose.

Mr. BARTLETT. I thank the distinguished Senator from Minnesota. I ask that he yield me 2 minutes for this purpose.

Mr. HUMPHREY. I am glad to do that.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

UP AMENDMENT 210

Mr. BARTLETT. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk proceeded to read as follows:

The Senator from Oklahoma (Mr. BARTLETT) proposes unprinted amendment No. 210.

Mr. BARTLETT. I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 53, between lines 13 and 14, insert a new section as follows:

SEC. 803. The Secretary of Defense is authorized and directed to request from retiring military officers personnel and civilian personnel, of a grade GS–13 or above, who are employed in military procurement, suggestions for methods to improve procurement policies, including ideas for improving competitive bidding and eliminating any inequities that may exist. The request shall be made of personnel during their last month of employment and they shall be allowed reasonable time during working hours during the last month, not to exceed a total of 16 hours, to complete their voluntary report to be submitted upon retirement. The Secretary or his designate shall quarterly furnish the Armed Services Committees of the House or Representatives and Senate a copy of all such recommendations and the response of the Department of Defense.

On page 53, line 14, strike out "Sec. 803" and insert in lieu thereof, "Sec. 804".

Mr. BARTLETT. Mr. President, my amendment would direct the Secretary of Defense to request from retiring military and civilian personnel of the Department of Defense, in the grades of GS–13 or above, suggestions for the improvement of the procurement policies of the Defense Department. It is my belief that waste and inefficiency in our procurement practices not only place an unfair and unnecessary burden on the taxpayers of our Nation, but actually reduce the Nation's national security. However, the procurement process is a complex operation involving massive, almost cryptic, bureaucracies. For that reason, neither the Congress nor the Executive have been able to come to grips completely with this problem.

Among the citizens who are most aware of the problems in procurement regulations and practices are the individual military members and civil servants who administer the procurement process. Frequently, I will meet with some of these public servants or they will write my office recommending changes in current practice. Many of the ideas presented seem sound and useful. Unfortunately, many of these individuals are unable or unwilling to make their views known while they are still employed by the services or the U.S. Government. Many say that they will take the time to make their views known after they retire, but few do. More often than not, they have forgotten the details, lost the fervor, or moved on to other activities. This means that a tremendous amount of institutional wisdom is lost from the bureaucracy without ever being recorded.

Mr. President, my amendment would encourage retiring public servants involved in the procurement process to submit their ideas in writing so that they can be evaluated. My amendment would permit these individuals to use the resources available to them in their office—clerical help and files—to improve the accuracy and timeliness of their recommendations. Granting an individual up to 40 hours at the end of his career to perform one last great public service is not too much to ask. I urge my colleagues to see the advantage of regularizing this process and of requiring a report to Congress on possible improvements in the procurement process.

I have been led to believe by those who have spent their lives in procurement that these suggestions will be very fruitful. This has passed the Senate in a similar form on two occasions. It passed both Houses on one occasion in similar form. I believe if it will pass in this form and become the law, it will be a very fruitful addition to the efficiency of our processes and result in substantial savings.

I hope this will be acceptable to the floor manager of the bill and the acting minority leader.

Mr. STENNIS. Mr. President, will the Senator from Oklahoma yield to me?

Mr. BARTLETT. I yield to the Senator from Mississippi.

Mr. STENNIS. I beg the Senator's pardon. I was engaged in reference to another matter.

Mr. President, we had this amendment up last year by the Senator from Oklahoma. The Senate adopted it as an amendment and we went to conference. As he and the Senator from Texas will recall, we tried but were unable there to get the amendment accepted. We did put some language in the report, hoping that that would do some good. If the Senator from Oklahoma has not covered that point in his remarks, maybe he will state his ideas about the language in the report.

Mr. BARTLETT. Mr. President, I can say that the language in the report did not do the job. The Department did not so request of the committee. The language in the bill directs the Secretary of Defense to make available a small but, nonetheless, sufficient time for these reports to be made. I think that if this language is adopted, it will do the trick and it will, I believe, save millions of dollars in procurement of the various purchases that his Government makes of various people.

Mr. STENNIS. If the Senator will yield further, it seems there is still merit in this amendment as it was adopted last year. If the Senator from Texas will express his views on it, I shall be willing to recommend its adoption.

Mr. TOWER. I concur with the distinguished chairman of the committee. I think it is a meritorious amendment. I thought it was when it passed the Senate last time, and I think it remains so. I shall be perfectly willing to accept the amendment on behalf of the minority and press for its adoption in conference.

Mr. STENNIS. I believe it will be acceptable to our committee, too. I hope we can pass the amendment now, Mr. President.

Mr. BARTLETT. I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT 211

Mr. STENNIS. Mr. President, may we have attention to the amendment of the Senator from Minnesota? This is very important language, as I see it.

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask that it be considered.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Minnesota (Mr. HUMPHREY) proposes unprinted amendment No. 211.

On page 51, line 25, immediately after "SEC. 801", insert "(a)".

On page 52, between lines 15 and 16, insert the following new subsection: "(b) In authorizing procurement under section 101 of the Act and research and development under section 201, thereof, Congress asserts its readiness to consider, in accordance with the processes set forth in the Budget Control and Impoundment Act of 1974, such modifications in United States strategic arms programs as the President may recommend to facilitate either negotiation or agreement in the strategic arms limitation talks."

Mr. HUMPHREY. Mr. President, this is an important amendment. I shall make a brief statement about it.

My amendment is consistent with the concern expressed by members of the Senate Armed Services Committee, which can be found on page 4 of Report No. 95–129 where the committee endorsed:

* * * the efforts of the administration to achieve an equitable SALT II agreement, but recognizes that if such an agreement is not reached we must be ready to counter Soviet developments in order to maintain our security.

My amendment, which would appear as section 801(a) under the general provisions of H.R. 5970, reads as follows:

In authorizing procurement under section 101 of the Act and research and development under section 201, thereof, Congress asserts its readiness to consider, in accordance with the processes set forth in the Budget Control and Impoundment Act of 1974, such modifications in United States strategic arms programs as the President may recommend to facilitate either negotiation or agreement in the strategic arms limitation talks.

All Members of this body are increasingly aware that the arms race is moving very swiftly. I am sure all hope that negotiations will move no less swiftly.

Unfortunately, congressional participation in the budgetary process is on an annual basis. We must fund those aspects of the President's program which we believe may be needed. We must rely, under the Budget Control and Impoundment Act, upon processes of rescission and deferral which the President may choose to invoke in order to handle changing circumstances.

Despite what might appear to be problems in the ability of the Congress to act in concert with the executive branch on strategic arms limitation matters, we can make accommodations to this set of circumstances. For example, we can let the administration know, and the SALT negotiators on the other side, that we are prepared to act flexibly, within these processes, to support the President in his responsibilities as this Nation's highest level negotiator.

It is conceivable, though I sincerely hope it will be unnecessary, that we shall have to vote additional funds in some category to give the President the negotiating leverage he requires. I must admit that I have no indication of this need at this time. However, it remains a possibility, and my amendment would clearly signal the intention of the Congress to provide the President with the flexibility to accelerate development of our strategic programs if he deems it is necessary in the processes of negotiation.

On the other hand, we know there are programs funded in H.R. 5970 which the President during the processes of negotiation or in search of agreement might want to either defer or rescind.

For example, I think it should be noted that in my amendment, my amendment does not permit the Congress to accept any adjustment set up by the President. It does not short-cut the budget process.

But it will be understood and accepted by the administration as an invitation by the Congress to negotiate.

Mr. TOWER. Will the Senator yield?

Mr. HUMPHREY. But it will be understood and accepted by the administration as an invitation by the Congress to negotiate, with the full force of the Congress behind it. It gives the President the added leverage in our negotiations with the Soviets.

There are, for example, a number of weapons items in this bill which we consider today to be absolutely essential to our security. It may be that in the process of tradeoff and the negotiations that the President will want to make some adjustment. If he does, of course he will have to use the rescinding power and the impoundment power, and then the Congress will have to use whatever it would have to make the decision it wishes to on the basis of a vote under the Budget Act.

Mr. TOWER. If the Senator will yield, I think the Senator already answered my question, but I want to make it perfectly clear.

We are not, in advance, approving——

Mr. HUMPHREY. No.

Mr. TOWER [continuing]. the rescission or deferral, but we would still have to act in the usual way on any rescission or deferral made by the President.

Mr. HUMPHREY. That is absolutely corect.

What we are really saying, in a sense is, "Mr. President, you are in very serious negotiations, we want you to know we are fully aware there may be a necessity in these negotiations, possibly, that we will have to step up certain types of our programs, possibly in some sort of tradeoff, or may want to hold back or rescind, in part, but you cannot do so without following the Budget Process Act," which means, of course, that any type rescission or impoundment of funds which would result in holding back would have to come to Congress for final resolution.

Mr. TOWER. This would be, in effect, an enunciation of policy.

Mr. HUMPHREY. Correct.

Mr. TOWER. And no more than that. That is to say, it does not have the effect of making a decision.

Mr. HUMPHREY. It does not.

Mr. TOWER. Of any system.

Mr. HUMPHREY. It merely puts Congress on record in the substance of legislation, in the sense which we have on record, in the report.

Mr. TOWER. If I may ask another question of the distinguished Senator from Minnesota, one thing occurs to me is if it gets to quantitative limits in the SALT negotiations that the Soviets may then turn their attention and their resources toward qualitative improvements in their own forces, which will necessitate on our part, not a reduction in expenditures that we might hope for, but nonetheless, commensurate qualitative improvement in our own. Would this impact on it?

Mr. HUMPHREY. The only impact is that it says Congress would understand that. We would not only understand it, but, Mr. President, we are saying we are cognizant of it, we may very well have to go ahead and do it.

Mr. TOWER. I thank the Senator from Minnesota.

Mr. STENNIS addressed the Chair.

Mr. NUNN. I just wanted to ask one question. I yield to the Senator from Mississippi.

Mr. STENNIS. While we are on that point, Mr. President, if we may follow the thought of the Senator from Texas now. As I read the Senator's language from the copy I have before me, it starts off, "On page 52," and so forth.

Mr. HUMPHREY. Correct.

Mr. STENNIS. That is, the Congress by this amendment merely states its readiness to consider.

Mr. HUMPHREY. That is the word.

Mr. STENNIS. To consider anything that may come before us emanating from the President's negotiations or agreement at the SALT talks.

Mr. HUMPHREY. Absolutely.

What it says, Mr. President, to the President is, "When you go into those negotiations we understand that they will be difficult." It may be, as the Senator from Texas said, that we will be required under some sort of a trade-off to improve our qualitative aspect. It may be we will have a trade-off where we would want to hold back on the development of a particular weapon in either quantity or in totality.

We are simply saying to the President that we are prepared to consider all these matters, however they have to be considered within the processs of the Budget Control and Impoundment Act.

Mr. STENNIS. And leaves the Congress the power and authority to go either way it might see fit.

Mr. HUMPHREY. Exactly right.

Mr. STENNIS. In other words, the Senator just wants to remove the appearance of any impediment that might be tied to the President.

Mr. HUMPHREY. Either way.

Mr. STENNIS. Yes, either way.

Mr. HUMPHREY. Correct.

Mr. STENNIS. I thank the Senator.

Mr. NUNN. Mr. President, if the Senator will yield, I think I understand the amendment of the Senator from Minnesota, but there is one point I am puzzled on.

I can understand the invitation to the President to send up a rescission or deferral.

Mr. HUMPHREY Yes.

Mr. NUNN. Under the Impoundment Act. But when the Senator from Minnesota says this removes the impediment either way, that is, it would allow the President either to speed up certain weapons or to slow down certain weapons or to cancel them under the Rescission Act. I do not understand the upward

flexibility of this amendment, because this is an authorization bill that has limits in it as to every weapons system in terms of dollars and numbers, and so forth.

How would the President have the authority to say, "Increase the weapons system?"

Mr. HUMPHREY. Only in this manner that we are stating in this bill, that in the process of negotiations, in the search for an agreement, it may be necessary that such qualitative improvements take place, for example, or quantitative improvement. The Congress in this bill puts itself merely on record saying, "Mr. President, we understand that this is a two-way street, you may want or have to improve, rescind, in order to arrive at agreement. You may very well find that in order to arrive at some kind of agreement to improve your negotiation process or position, you may want or have to ask for additional funds. If you do, Mr. President, we in this Congress voting on this legislation are prepared to receive that favorably."

Mr. TOWER. Will the Senator yield for a question?

Mr. HUMPHREY. Yes.

Mr. TOWER. On that, in other words, the other side of the coin, not only would we be willing to consider rescission or deferral, if appropriate, but also consider a request for supplemental appropriation, if that appeared to be necessary.

Mr. HUMPHREY. Yes.

Of course, the President could do it anyhow.

Mr. TOWER. Yes.

Mr. HUMPHREY. But I think since we are laying the political environment for the SALT II, I think it important Congress, by its own record, has an understanding that the negotiation is complicated. It may very well take a long period of time and that we ought to be prepared to go either way in our effort to negotiate with the Soviet Union.

Mr. TOWER. I thank the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I yield to the Senator from Washington.

Mr. JACKSON. Mr. President, I just came on the floor and I am sure that we have already covered it. But as I understand the Senator's amendment, it relates to two principal approaches, one is negotiation——

Mr. HUMPHREY. Right.

Mr. JACKSON. The Senator has the words "to facilitate either negotiation" and then the disjunctive "or agreement."

Mr. HUMPHREY. Yes.

Mr. JACKSON. "In the strategic arms limitation talks."

On the first point, to facilitate negotiation, for example, it might be along the lines undertaken by Secretary Brown when he announced that the Minuteman assembly line in Utah was not going to be closed in light of developments after the——

Mr. HUMPHREY. That is a case in point, yes.

Mr. JACKSON. That would be an illustration of what the Senator has in mind.

Mr. HUMPHREY. Yes.

Mr. JACKSON. And on the second point, "agreement in the strategic arms limitation talks," would relate to an indication by the Congress that we are prepared to support, say, certain reductions.

Mr. HUMPHREY. Provided, within the processes of the Budget Act.

Mr. JACKSON. Within the processes of the Budget Act. That is right.

We are not changing any law or the Budget Act at all, is that correct?

Mr. HUMPHREY. That is absolutely right.

Mr. JACKSON. It is merely an indication of the willingness of Congress to be prepared to cooperate in the two principal directions we are talking about.

Mr. HUMPHREY. It is a showing, may I say, of cooperation and coordination between the President, the executive branch, and Congress on the two subject matters that the Senator from Washington so wisely pointed out—negotiation on the one hand and agreement on the other.

Mr. JACKSON. Mr. President, I can only observe that I think it can be helpful and useful to the President in connection with his responsibilities in trying to reach an agreement. And being unable to reach an agreement, he will be in a position to have the backing of Congress in connection with those proceedings.

Mr. HUMPHREY. I think it will be helpful.

Mr. President, that is the only case I make for my amendment.

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

Mr. HUMPHREY. I yield to the Senator from South Dakota.

Mr. STENNIS. Mr. President, may we have order, so that the Senator from South Dakota may be heard? He has an amendment on this same subject.

Mr. McCLURE. Mr. President, will the Senator from South Dakota yield for a question on his amendment?

Mr. McGOVERN. I will speak on my amendment.

Mr. President, the distinguished chairman of the committee, Senator STENNIS, is right in saying that I have an amendment of a similar nature that I had intended to offer. But if I understand the thrust of the amendment offered by the Senator from Minnesota, it is similar to what I was attempting to accomplish, which is to leave our negotiators and the President free, if they decide that it is in the national interest to do so, not to move ahead on beefing up the Minuteman III missile that has been slated to begin in October.

It is my understanding that the administration—more specifically, Mr. Warnke and others—has been hopeful that 10 or 12 agreements can be reached between now and October that would make it unnecessary to go ahead with these new deployments that would increase not only the accuracy of the Minuteman III but also would increase its kill capability, its explosive capability.

Mr. Warnke is quoted in the May 10 New York Times as having told a group of reporters that he sees this as a potentially destabilizing change in the arms race and is hopeful that an agreement can be negotiated so that we do not have to move ahead to a new escalation of the arms race.

The amendment I had intended to offer would have ruled out the use of funds for that purpose unless the President certified to Congress that such escalation is essential to the national interest and is consonant with U.S. goals and negotiating prospects in the strategic arms limitation talks with the Soviet Union.

In other words, he would have gone somewhat further than the amendment of the Senator from Minnesota in putting the responsibility on the administration to make the judgment as to whether or not these funds were necessary.

As I understand the amendment offered by the Senator from Minnesota, it would place the administration in the position that, if they did not think it was in the national interest to go ahead with these deployments, they would then make a request of Congress that we go through the process of rescission under the Budget Act.

Mr. HUMPHREY. That is correct.

Mr. McGOVERN. While it does not go quite as far as I would like——

Mr. HUMPHREY. I also say to the Senator, so that we get the other side, that it may very well be that in the process of negotiation, as the Senator from Washington has said, the President may feel that it is imperative that we beef up a certain part of our defense, particularly as it might relate to some capability that the Soviets have. This amendment would give the President the assurance that this Congress is cognizant of that possibility and is prepared to respond. So it has two sides.

Mr. McGOVERN. I am realistic about the possibilities of these matters.

If the Senator from Minnesota does not think it would jeopardize his amendment, I should like to join as a cosponsor.

Mr. HUMPHREY. It does not jeopardize the amendment at all. It is a joy to me when the Senator from South Dakota joins.

Mr. McGOVERN. Under those circumstances, I will withdraw my amendment.

Mr. HUMPHREY. I thank the Senator.

Mr. President, on September 11, 1974, former Secretary of Defense James Schlesinger told the Arms Control Subcommittee of the Foreign Relations Committee that—

> We have no desire to develop a unilateral counterforce capability against the Soviet Union. (deleted) What we wish to avoid is the Soviet Union having a counterforce capability against the United States without our being able to have a comparable capability. I continue to be hopeful that SALT will permit both sides to restrain themselves.

Now, according to public reports such as a May 9 Time magazine article, the United States is on the verge of having a "unilateral counterforce capability." The kill probability of the Minuteman III warheads might get as high as 80 percent against hardened Soviet silos, and this would take place for at least one U.S. warhead for every hardened Soviet silo. In short, we are about to exceed our desires for counterforce capability.

Moreover, according to official Defense

Department estimates, the Soviet Union will not achieve this counterforce capability for another 5 years.

I know the President believes this program may provide the Soviet Union with the incentive to engage in negotiations. Yet, it can hardly be expected that an agreement can be worked out on these complicated questions within 6 months—which is all we have between the presentation of this proposal in April and the beginning of the fiscal year in October. I believe we should want to preserve the possibility of deferral or rescission on this program, should the President obtain a meaningful and equitable SALT II agreement.

The Mark-12A is one program we are authorizing today which interacts with the SALT talks. There are funds in this budget for the cruise missile, the mark 12–A for the B–1 bomber, and the M–X mobile missile. In all these cases the President may want to make adjustments within the context of the SALT negotiation.

My amendment does not, of course, commit Congress to accept any adjustment sent up by the President. But it will be understood and accepted by the administration as an invitiation to negotiate with the full force of the Congress behind it. It gives the President added leverage in our negotiations with the Soviets. Therefore, I would urge that my colleagues support this initiative.

CAUTION IN THE ARMS RACE

Mr. McGOVERN. Mr. President, I have an amendment at the desk.

This is a modest proposal, but one with an exceedingly important purpose—to assure that the administration will not unconsciously outrun its own bargaining position in the Strategic Arms Limitation Talks.

Let me emphasize several points in the language of the amendment.

First, it provides in essence that the administration will not be required to carry out certain activities authorized by this bill unless it wants to.

Second, the amendment affects only "final installation of increased accuracy or yield on Minuteman III missiles." That means primarily the MK 12A warhead and the NS–20 guidance system. The amendment would not inhibit continued research and development, or even procurement, of these items. It deals only with placing them in operational modes.

Third, if, after examining the issue, the President decides that he wants to go ahead with deployment, all he has to do is certify to Congress that improved Minuteman III accuracy and yield are essential to the national interest and consistent with our efforts in the strategic arms limitation talks.

In sum, the amendment is designed to give the administration maximum flexibility in one of the more difficult aspects of the arms control negotiations, and that is the whole area of counterforce against land-based missiles. The prospective vulnerability of our ICBM's and Soviet ICBM's has become a dominant concern of everyone who follows our strategic posture with any care. I do not know if it is possible to negotiate limits on the systems which threaten that vulnerability. But I do contend that we ought to try—that we ought to give negotiated limits every chance of success, before we remove these systems from the negotiating arena by going ahead with their installation.

The Soviets are years behind us in accuracy. But it is true that the potential yields of their MIRVed ICBM's might make it possible for them to threaten our land-based missiles with only a portion of their force, retaining the rest for later use. Obviously that is a capability we would like to prevent if we possibly can.

Our own counterforce capabilities are more advanced and more threatening to the Soviet Union. The Federation of American Scientists has used published estimates of yield and accuracy—350 kiloton warheads and one-tenth of a mile accuracy—to conclude that the programs covered by my amendment could give our 550 Minuteman III missiles an 80-percent kill probability against Soviet ICBM's of 1,000 pounds per square inch hardness.

Further, that counterforce kill probability endangers a much larger proportion of the Soviet deterrent. Only about 25 percent of our strategic punch is composed of ICBMs. So even if they could knock out our land-based missiles, we would still have three-fourths of our warheads left, stationed on submarines and bombers. But in the Soviet Union the proportion is reversed. Three-fourths of their total megatonnage is carried on land-based missiles. So we are talking about counterforce plans which they could reasonably conclude are designed to wipe out three-fourths of their deterrent in a first strike.

I am convinced that these improvements are foolish and destabilizing. We know from experience that there is no such thing as a permanent monopoly on any of this technology. We also know from experience that we cannot convince the Russians to forgo strategic weaponry that we insist upon having for ourselves. And now we are talking about systems which, in the realm of the abstractions which so often seem to govern strategic arms decisions on both sides, could give a clear advantage to the side striking first.

I seriously question the entire concept of counterforce and the notion that such a capability confers anything worth having. Even if we, or they, can knock out all opposing ICBM's, I think any sane national commander would still be deterred by the incredible force remaining in bombers and SLBM's.

But it is also clear that by pursuing such a competition, we are building systems which increase to some extent the risk of nuclear war—the risk that under extreme pressure, perhaps believing that the other side was about to attack, either an American President or the Soviet command might make the deadly decision to launch its land-based forces. I submit that inviting such risks is not consistent with the obligations of responsible national leadership.

It is also appropriate in this context to note my disappointment with the National Security Council's arms control impact statements, both generally and in connection with these systems. I cannot help but conclude that they are treating the requirement for these statements as little more than a joke.

On the Minuteman force modernizations which include MK 12A and accuracy improvements, the statement submitted by the National Security Council says higher yields and accuracy—

> Will not provide the U.S. with a disarming first-strike capability, however, and it can be argued that its limited hard target capability, through its possible impact on Soviet perceptions, could help persuade them to exercise restraint on their own counterforce programs and be more receptive to possible arms control limitations in this area.

That can be argued, I suppose. Anything can be argued. But anyone making the argument would be arguing from a false premise. For it amounts to an assertion that we can persuade the Russians not to do something by doing it ourselves. It suggests that we can avoid Soviet counterforce capabilities with an estimated 60-percent probability of killing our ICBM's by programs that have an 80-percent probable kill capability against their missiles. And that simply defies all reason and all the experience we have had in this grim business. Where is the case in which the Soviet Union has been dissuaded from building a system by the fact that we already had it? Obviously the reverse is true. Our deployments influence them not to abandon the competition, but to follow suit.

The point of my amendment may be best understood by looking at the ostensible reason for these systems. In September of 1974, then-Secretary of Defense James Schlesinger outlined the U.S. purpose in a briefing on counterforce attacks to the Foreign Relations Subcommittee on Arms Control. He said,

> We have no desire to develop a unilateral counterforce capability against the Soviet Union. (Deleted) What we wish to avoid is the Soviet Union having a counterforce capability against the United States without our being able to have a comparable capability. I continue to be hopeful that the SALT talks will permit both sides to restrain themselves.

That statement indicates quite explicitly that these improvements are not so much logical extensions of our strategic doctrine as they are bargaining chips for SALT. So that is the precise question before us.

I do not necessarily quarrel with their use in that fashion. But if they are to be used, then let us at least be mindful of the crucial fact that it is the ability to deploy—and not the deployment itself—which can be useful as a bargaining chip. Once the chip is played—once the system is deployed—it is moved beyond the reach of the negotiations.

We have been down this same path before, and we know the results. In 1970 we had a lead of some 5 years over the Russians on the technology for multiple independently-targetable reentry vehicles, or MIRV's. Some of us argued then that we should hold off on the final test-

ing and deployment, to see if we could not negotiate mutual, verifiable restraints on those systems. But the administration in power at that time went ahead anyway. As a direct consequence of that decision, we are now worrying about the counterforce capabilities and metatonnage of Soviet MIRV's. We could have stopped at a demonstration of our ability to build MIRV's. We could have held the chip, and then negotiated to avoid MIRV's on both sides. But our arms builders were not to be restrained. And Secretary of State Kissinger was left to say lamely in a background briefing in 1974:

I would say, in retrospect, that I wish I had thought through the implication of a MIRVed world more thoughtfully in 1969 and 1970 than I did.

All I am asking here today, and all my amendment requires, is that this time the "thinking through" be done in a timely fashion—that the top leadership of the country examine very carefully the arms control and national security consequences of counterforce before they finally commit themselves to these systems.

As I noted earlier, this is an extremely modest amendment. Indeed, it is even more modest than it appears on its face, because the primary increase in yield—the MK 12A warhead—is now not scheduled for "final installation" until fiscal 1979. I have included both yield and accuracy in the amendment, because they clearly work together to generate a counterforce capability and they should therefore be analyzed together by the administration. But in any case, the amendment does not cut any funds; it does not tie the administration's hands; most of all it does not remove any bargaining chips from the SALT negotiations. Indeed, it attempts to preserve one for constructive use.

I would sooner cut these programs out of the budget. But I have had enough experience offering amendments to military procurement bills to know that congressional majorities are reluctant to go that far in defining our national security posture. I also have hopes that this administration—in light of its stated top priority commitment to negotiated arms control—will understand and welcome what I am trying to accomplish here this afternoon.

I have directed a detailed inquiry to Secretary of State Vance on this matter. There has, as yet, been no response. On the basis of that, I feel quite safe in concluding that the executive branch has not yet reached a definitive judgment on whether they want to go ahead with deployment of counterforce improvements notwithstanding their comprehensive efforts in SALT.

If that conclusion is accurate, then I can conceive of no reason why any Member of the Senate would be unwilling to either emphasize the importance of this issue or give the appropriate officials sufficient time to assess it with the care it plainly requires. That is all my amendment would do.

I ask unanimous consent that an article from Time magazine of May 9, 1977, and an article from the New York Times of May 10, 1977, by John W. Finney, as well as a copy of my amendment and a letter by me to Secretary Vance of May 3, 1977, be printed at this point in the RECORD.

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

ZEROING IN ON THE SILO BUSTERS

Long before the March SALT standoff in Moscow, the central issue in the U.S.-Soviet arms race had become the increasing vulnerability of land-based ICBMs to surprise enemy attack. In recent months, U.S. defense officials and strategic analysts have warned repeatedly that the Soviets were rapidly increasing their ability to destroy American missiles. Meanwhile, although the fact has received surprisingly little publicity, the U.S. is on the verge of taking a big step forward in its own ability to knock out Soviet ICBMs in their steel-and-concretes silos. The startling success of the new program has important implications for the delicate balance of terror between the U.S. and the Soviet Union. The developments are bound to be an important factor when the two nuclear superpowers begin low-key SALT talks next week in Geneva, in an attempt to work out a new agreement to replace the current, stop-gap measure that expires in October.

EVEN ODDS

As it happens, October is also the month when the U.S. is scheduled to begin modernizing its 550 land-based Minuteman III missiles. An improved guidance system will be installed in the final stage of the missile. The system will double the accuracy, or halve the "circular error probability," of each of the 1,650 Minuteman warheads. The current version has a fifty-fifty chance of falling within 1,200 ft. of its target; the new model would be even odds to land within 600 ft.

A second and equally important phase of upgrading the Minuteman III will begin in the fall of 1979, when the missile's MK–12 warhead will be replaced with the MK–12A. Using miniaturized arming and fusing components, the new warhead will be able to contain yield from 170 kilotons to 350 kilotons of TNT. This is still far below the 1 megaton (1,000 kilotons) clout of each of the eight warheads carried in the huge SS–18 that the Soviet Union is already deploying. But, with the improved guidance system, the MK–12A will be much more accurate than an SS–18 warhead, and as a result will have an 80% plus chance of destroying any hardened target it is aimed at. In contrast, the Soviet warhead has a "hard target kill probability" estimated at less than 60%.

This breakthrough dramatically illustrates American technological superiority over the Russians. But it also poses difficult problems in arms control. The advances add one more complex variable to the equation of mutual deterrence. About 75% of the Soviets' 3,500 warheads are carried by land-based missiles that would be vulnerable to the MK–12A (in contrast more than 60% of the 8,500 American warheads are mounted on Poseidon and Polaris missiles in submarines). Understandably, the Soviet Union is concerned about the new American warheads. Last week Georgy Arbatov, head of Moscow's U.S.A. Institute, which analyzes American affairs and advises the Kremlin, was spreading the word in Washington that the upcoming improvements were more worrrisome to him than the advanced U.S. ICBM—the M–X—which still exists only on paper, or the cruise missile, which has yet to be deployed and is too slow to be used in a surprise attack.

The Soviets are not the only people worried about the plans to refit the Minuteman; U.S. officials are also concerned. Paul Warnke, SALT negotiator, and director of the Arms Control and Disarmament Agency, asserts that from the Soviet point of view the arms race is "coming to a very, very dangerous stage" because of the "spectacular increase" in America's hard-target knockout capability. Warnke compares the danger to what happened when the U.S. developed MIRVs (multiple independently targetable re-entry vehicles). Says he: "We are going to be worse off if both sides are MIRVed than we would have been if neither had been. The same is going to be true about hard-target kill capability."

TENTATIVE BASIS

The U.S. was hoping to stop a contest to build the biggest and most accurate silo busters when it presented the comprehensive arms control proposal that the Soviets rejected so brusquely in March. Provisions of the plan would have scrapped the improved NS–20 guidance system and the MK–12A warhead. In turn, the Soviets would have had to stop improving their own silo busters. Explained Zbigniew Brzezinski, President Carter's National Security Adviser: "We felt particularly by concentrating on the land-based ICBMs that are 'MIRVed,' we would take into account the greatest sources of insecurity on both sides."

As the SALT talks begin again on a preliminary and tentative basis, Defense Secretary Harold Brown believes, despite the doubts of some arms experts, that it would be possible for the U.S. and the Soviet Union to sign an agreement before October, when the Minuteman III improvements would begin. Brown thinks—and Carter agrees—that the new American silo-busting technology serves as both a stick and a carrot to coax the Soviets into taking action. To the Kremlin, the stick is the disquieting knowledge that the refitted Minuteman III could knock out vast numbers of their land-based missiles. The carrot is the promise that by signing an agreement, they could prevent the new, sophisticated gear from being deployed (assuming the treaty solved the vexing problem of creating adequate verification provisions).

Whatever the difficulties, the stakes are so high that both the Soviet Union and the U.S. have good reason to want to go to the bargaining table. Without an agreement banning new silo busters—Soviet as well as American—both nations could well be driven to develop even deadlier and more costly weapons. The arms race would accelerate—and escalate—once again.

WARNKE NOW SAYS UNITED STATES ALSO WANTS ONSITE INSPECTION IN AN ARMS PACT

(By John W. Finney)

WASHINGTON, May 9.—Paul C. Warnke, director of the Arms Control and Disarmament Agency, disclosed today that the United States' comprehensive strategic arms proposal would require some on-site inspection, a verification measure that has generally been resisted by the Soviet Union.

The arms negotiator also said at a meeting with reporters that the United States planned to raise with the Soviet Union the need for preventing the concealment of weapons so that they can be detected by reconnaisance satellites. In response to a question, he acknowledged that one specific issue raised in the past related to sheds over Soviet submarine construction yards.

While on-site inspection has been a continuing issue in moves to stop atomic tests or ban the production of chemical weapons, it has not figured until now in attempts to limit strategic weapons.

So long as both sides were dealing with numbers of strategic weapons, agreements could be verified by reconnaissance satellites. As negotiations move into detailed areas, such as limits on specific types of weapons,

verification by satellite becomes difficult. As a result, Mr. Warnke said, inspectors will have to visit military installations to supplement satellite monitoring.

Mr. Warnke leaves tomorrow to resume formal arms negotiations in Geneva. The talks have been suspended since the American elections last November.

The negotiations, which will focus on verification, concealment and nontransfer of weapons, will be preliminary to talks between Secretary of State Cyrus R. Vance and Foreign Minister Andrei A. Gromyko in Geneva next week.

HOPING FOR FRAMEWORK FOR TALKS

Mr. Warnke was not optimistic that much progress could be made in the brief Vance-Gromyko talks. "In a couple days of talks," he said, "about all you can do is set some negotiating framework for future discussions."

As a matter of tactics, Mr. Warnke said, the United States is adhering to its proposals, rejected in March, and is waiting for a Soviet counterproposal.

A comprehensive proposal, preferred by the United States, calls for reduction in the numbers of strategic bombers and missiles to between 1,800 and 2,000. An alternative plan would accept a 2,400 force level agreed to in 1974 in Vladivostok, while leaving aside the issue whether the American cruise missile and a Soviet bomber known in the West as Backfire should be counted.

As a consequence of statements by Soviet representatives, Mr. Warnke saw possibility of a compromise, with the Russians accepting some cuts in the 2,400 level. In retrospect, he said, the talks held in Moscow in March may have failed because the United States underestimated the importance the Russians attached to the Vladivostok accord, reached by Leonid I. Brezhnev and President Gerald R. Ford.

The previously undisclosed American requirement for some form of on-site inspection could introduce a new complication. Mr. Warnke said the requirement had been conveyed to Ambassador Anatoly Dobrynin in recent weeks.

Starting with the nuclear test ban negotiations in the late 1950's, the Soviet Union has opposed on-site monitoring as unnecessary and as a subterfuge for spying. Last November, it seemed to relax its opposition by raising the possibility of on-site inspections to monitor a ban on underground testing.

Mr. Warnke said it might be possible to work out a challenge form of inspection, in which one side, suspicious of a weapons development on the other side, could demand on-site inspection. If permission were refused, he said, it would raise suspicions that the challenged nation were cheating, with resultant pressures on that nation to agree to inspection if it wanted to preserve the agreement.

Mr. Warnke saw on-site inspection as a supplement to, rather than a substitute for, the present methods, which rely on reconnaissance satellites. He said on-site inspection might be required to monitor a proposed moratorium on modernization at land-based strategic missiles and possibly the proposed restrictions on range and deployment of cruise missiles.

DOUBT RAISED ON NEW U.S. WARHEAD

In response to a question, Mr. Warnke described the Mark 12A warhead, a highly accurate, powerful warhead that is to be deployed on Minutemen missiles in the coming year, as a potentially destabilizing factor. It is designed to attack military installations and missile silos and could be viewed by the Soviet Union as an attempt to acquire a first-strike capability.

Mr. Warnke expressed hope that agreement could be reached on a new arms treaty before the warhead was deployed. While he did not elaborate, presumably he viewed a ban on missile modernization as preventing deployment of the new warhead, a measure that in itself probably would require on-site monitoring.

He acknowledged that a limitation on missile-test firings proposed by the United States in its comprehensive proposal probably would retard development of the Trident submarine missile. Such a slowdown in a weapons program undoubtedly would upset the Pentagon, but Mr. Warnke described it as part of the price to be paid for limiting strategic weapons.

On page 34, line 6, strike out the period and insert the following:

Provided, however, that none of the funds herein authorized shall be obligated in fiscal year 1978 for final installation of increased accuracy or yield on Minuteman III missiles unless the President has certified to the Congress that such final installation is essential to the national interest and is consonant with United States goals and negotiating prospects in the Strategic Arms Limitation Talks with the Soviet Union.

MAY 3, 1977.

Hon. CYRUS R. VANCE,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: The enclosed Time Magazine article (May ninth, "Zeroing in on the Silo Busters") suggests that each of 1,650 U.S. landbased missile warheads are on the verge of achieving an eighty percent kill capability of destroying each of the approximate 1,500 Soviet landbased missiles—missiles that contain seventy-five percent of Soviet warheads.

The time when the full Senate will have to consider authorizing defense systems is quickly approaching. With a view to the possibility of offering an amendment to delete the funds for these counterforce improvements, I would find the Administration's position on the following very helpful:

(1) What is the military requirement for counterforce capability of this magnitude?

(2) Will not counterforce capabilities of this kind and degree likely lead to a Soviet decision to ready its missiles to fire on strategic warning? Is not this obviously detrimental to our national security?

(3) It is suggested in the article that the Administration believes that this capability to undermine the Soviet deterrent is useful in bargaining as a "stick and a carrot". As far as the "stick" is concerned, is it desirable to threaten a program that is so detrimental to our interest if deployed? As far as the "carrot" is concerned, do we believe that it is possible to negotiate verifiable Soviet restraints on software improvements of the kind at issue in the NS-20 guidance systems in return for which we would forego our own improvements? Or are we willing to trade off our own software improvements for other more verifiable Soviet restraints? If not, are the SALT talks likely just to become a last refuge of justification for a program that lacks other justifications and which cannot be stopped by negotiation in any case?

(4) In this counterforce program, are we matching or exceeding Soviet counterforce capabilities?

(5) If the improvements are primarily for bargaining purposes, does the Administration believe that the six months between April, 1977, when talks began, and the Fall, 1977, period at which installation of the improved accuracy will occur, allows sufficient time for SALT negotiators on both sides to reach agreement?

With every good wish, I am,
Sincerely,

GEORGE MCGOVERN.

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

Mr. HUMPHREY. I yield.

Mr. McCLURE. The only question I had was whether or not this refers to the legislation we had enacted dealing only with the question of impoundments and rescissions.

My understanding of the answer to the question the Senator from Texas asked was that the Senator from Minnesota intends the amendment to apply to the entire body of the Budget Act and the budget process.

Mr. HUMPHREY. Yes—the whole budget process. The language of the amendment is very specific on that, and I appreciate the clarification.

Mr. McCLURE. I thank the Senator.,

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

Mr. HUMPHREY. I yield.

Mr. STENNIS. Mr. President, I did not hear the announcement of the Senator from South Dakota.

Mr. McGOVERN. I have not called up the amendment.

Mr. STENNIS. Mr. President, my impression of this amendment is that it has good substance, and I will vote for it. It is a delicate matter. I do not think the committee should just accept it but that we should have a rollcall vote, and everyone will have an opportunity to find out what it is about. I believe it would be better, because of the nature of the amendment, to have a rollcall vote.

Mr. HUMPHREY. That is fine.

Mr. STENNIS. I wish the Senator from Texas would express his views.

Mr. TOWER. Mr. President, in view of the legislative history we have made in the last few minutes, I would be prepared to accept the amendment and to vote for it. Therefore, if the Senator would like to dispose of it this afternoon, it certainly would be agreeable to me.

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

Mr. HUMPHREY. I yield.

Mr. JACKSON. It has been called to my attention that in order for the amendment to be complete, it should refer also to the Budget and Accounting Act of 1921. That is a part of the procedure, I believe.

Mr. HUMPHREY. We will make that adjustment in the amendment.

Mr. President, I ask unanimous consent that the amendment be so modified, to refer to the Budget and Accounting Act of 1921.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. STENNIS, Mr. President, if no one has further comment, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. JACKSON. Why do we not have a voice vote?

Mr. HUMPHREY. It is all right with me.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the yeas and nays be vitiated.

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

Mr. HUMPHREY. Mr. President, I move the adoption of my amendment.

The PRESIDING OFFICER. Will the Senator send the modification to the desk?

Mr. HUMPHREY. As modified. I ask that the amendment be modified to include reference to the Budget and Accounting Act of 1921.

The PRESIDING OFFICER. Will the Senator send the modified version to the desk?

Mr. HUMPHREY. No. I will read it. The modification will read as follows:

In accordance with the processes set forth in the Budget Control and Impoundment Act of 1974 and the Budget and Accounting Act of 1921, such modifications . . .

Mr. JACKSON. That does it.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JACKSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STENNIS. Mr. President, for the RECORD, the Senator from Mississippi understands that all Senators present voted "aye" and that none voted "no." Is that correct?

The PRESIDING OFFICER. The Chair does not determine anything on a voice vote, but the result.

Mr. STENNIS. If I may state it, that is the way it sounded to me. I should like the RECORD to reflect an appreciable vote on this amendment, to give it strength.

Mr. CRANSTON. I concur. I did not hear any negative votes.

Mr. JACKSON. I was present, and my hearing is fairly good, and I did not hear anything to the contrary.

Mr. STENNIS. Mr. President, for the information of Senators, we have the Dole amendment, which has been discussed by the Senator from Kansas and the Senator from Georgia. If it is agreeable to them, we could take it over for a vote certain tomorrow at 2 o'clock.

Mr. NUNN. Whatever is agreeable to the chairman and to the Senator from Kansas is agreeable to the Senator from Georgia.

Mr. STENNIS. Mr. President, I make that unanimous-consent request—here is the Senator from West Virginia.

TIME-LIMITATION AGREEMENT—DOLE AMENDMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on the amendment by Mr. DOLE at the hour of 1:50 p.m. tomorrow the time start running, that there be a time limitation of 10 minutes, with the time to be equally divided between Mr. DOLE and Mr. NUNN, and that the vote occur on the amendment at 2 p.m. tomorrow.

Mr. NUNN. Mr. President, reserving the right to object, I do not understand the time limitation. Is that 5 minutes to each side?

Mr. ROBERT C. BYRD. That is correct.

Mr. NUNN. I have no objection.

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

Mr. STENNIS. Mr. President, I thank the Senator and I thank the Senator from South Dakota, too. I am glad he could be here.

According to the information we have, the Senator from Wisconsin (Mr. Proxmire) has an amendment that, perhaps, will go to a rollcall vote. I do not think the committee can recommend it. He tells me he is at a conference committee with the House, and it is impossible for him to come here for something like 40 or 50 minutes from now, and uncertain even then. So I think that amendment would have to go over until tomorrow.

Mr. HART. Mr. President, one of the most important aspects of this authorization bill has to do with the question of the types and numbers of ships this country will build for its fleet in the coming year and the years to follow. This is a matter that traditionally the entire Armed Services Committee has taken under consideration, because there is no specialized subcommittee to look into it. As a result of confusion in the past 2 years, since the Senator from Colorado has served on the Armed Services Committee, it has been a matter that I have looked into considerably over the past 10 months, since last year's bill.

In looking into the question of the force structure of our fleet, it has become apparent to me that there is a growing dependence of the United States on the use of the seas, because of oil imports, because of all the other raw materials and commodities that this country——

Mr. STENNIS. Mr. President, may we have order so that the Senator can be heard. This represents a world of work by a number of members of our committee. It is an important subject matter, highly important.

Mr. HART. Mr. President, the dependence of United States upon imported commodities, including petroleum, has made it increasingly important that we give consideration to the size and structure of our fleet.

Our military commitments overseas all depend on the United States' ability to move and supply our forces by sea. At the same time, over the past decade or so, the Soviet Navy has grown from what was almost entirely a coastal defense force to a major blue water navy.

At the same time, the U.S. Navy has, in terms of numbers of ships, shrunk by half, with the most severe effect on the most effective types of ships, aircraft platforms and submarines.

As our committee report notes, submarines are the most dangerous element of the Soviet Navy. The Soviets today have about 335 submarines of all types; all the rest of the countries in the world put together have about 450. Soviets nuclear powered attack submarines are the world's fastest, and only the Soviets have submarines which can launch antiship missiles while submerged.

In terms of air power at sea, the Soviets have about 285 land-based naval bombers, most equipped with effective anti-ship missiles. These include increasing numbers of the highly effective Backfire; these bombers represent a major threat to U.S. fleet elements particularly in the eastern Mediterranean, northern Atlantic, and western Pacific.

Mr. President, in terms of surface ships, while the Soviet surface Navy is no match for ours in a sustained encounter, it is not designed for that; Soviet doctrine emphasizes the so-called "D-Day shoot out," a preemptive missile strike from surface ships, subs, and aircraft. Surface ships play an important role in this. Also, they have important functions in supporting Soviet submarines. The latest ships in this category include the aircraft carrier *Kiev*, with its YAK–36 VSTOL fighter/strike aircraft.

In sum, the Soviet naval challenge is serious. Soviet ships reflect high quality, advanced concepts and advanced technology. New types of submarines, aircraft and surface ships are bringing continuing improvement in capability.

What do we see with regard to the U.S. Navy?

Few of us question the need for response to the Soviet naval buildup. But the question is, what kind of response will be most effective, yet also affordable? Several answers are proposed to this question.

There is, first of all, the Navy answer: As our committee report states, "Naval planning seems characterized more by indecision and disarray than by studied progress toward a recognizable goal."

We are unclear what the Navy wants, and even more why. The 5-year program as presented to the committee puts strong emphasis on frigates, with only two aircraft platforms projected. This seems to bear little relation to what many authorities see as the nature of modern naval warfare. Submarines are to be built at less than half the rate of current Soviet submarine construction. There is little Navy explanation of the reasoning behind this program, except to say they need a "balanced" fleet. There is no explanation of why balance is good, as opposed to mission orientation. While Navy proposals must be taken seriously, of course, they cannot be regarded as the only possibility.

There is a second answer: that is the "nuclear Navy."

Some propose a Navy where the main emphasis is not weapons and sensors of ships, but rather powerplants. These advocates propose a Navy where a main requirement in ship design is that the ships have nuclear propulsion. Since only relatively large ships can carry nuclear reactors—10,000 tons plus—and since nuclear propulsion plants and large ships are expensive, these advocates end up proposing a Navy of a relatively small number of large, expensive ships.

No one questions that nuclear power has advantages. If costs were no consideration, if we had all the money we would like, we would probably have an all-nuclear Navy. But since cost is a factor, and since it means a nuclear Navy must be a small Navy, many of us question this approach. Some have pointed out that in the missile era, the vulnerability of all

types of surface ships has risen significantly. Can we afford to have a smaller Navy, when each ship is more likely to be lost than in the past This seems to be a a major contradiction. So while we must consider arguments for nuclear power for our fleet, that argument also cannot be seen as the only possibility.

I think there is still another answer, one that might be categorized as the new-concept, new-technology navy. That is the one that the majority of our Committee on Armed Services has advocated.

We see many proposals for the Navy based on new ideas about naval warfare and new technology.

The principal such proposal was put forth by Senator Robert Taft in his white paper, which many Senators on the Committee on Armed Services and presently in the Senate may have read.

Our committee report shows an understanding of the importance of the new-technology approach which Senator Taft advocated in his last year or two of service. There is an emphasis in our report on VSTOL platforms, air-capable escorts, hydrofoils, surface-effect ships, and low-mix submarines.

The new-concept, new-technology approach is the most promising of the three basic alternatives which I have outlined here.

Based on the continuing scientific-technological revolution in military affairs, which we cannot ignore, I think this third alternative offers the best direction for us here in the Senate to take under advisement for fiscal year 1978. It promises to make full use of the American technological base. By developing new ideas and new concepts we can use resources more efficiently; new ideas are much cheaper than new equipment. We must recognize that ideas as much as or more than ships and divisions are decisive in warfare.

But while much new technology and many new concepts are available now—more than the Navy often seems to admit—there is still a leadtime problem in this approach. It is necessary to build some ships reflecting immediate needs and immediate technologies, at least until we can convert our programs to this new-concept, new-technology approach.

Therefore, while this approach, which I have advocated here, is the most promising, it also is not the complete answer for fiscal year 1978.

Mr. President, what does this authorization bill do with the three navies that I have outlined?

First of all, it recognizes that there is no one single, immediate answer to this situation in which we find ourselves. So, this bill seeks to create options, keep open alternatives, and provide the minimum necessary now while emphasizing new ideas and new technology for the future.

First of all, the bill creates a series of options on the question of aircraft carriers. As our report notes:

> It is the sense of the committee that the United States Navy is at a historic turning point with regard to the composition of sea based forces. But ship construction is a lengthy process. Therefore, in changing force composition, the Navy must at the same time build ships for a new force while maintaining the capabilities of the old. This requirement has special significance with regard to aircraft carriers and other means of keeping aircraft at sea.

The committee acted to create a series of options on aircraft carriers for next year, when Navy is to come to Congress for first CVV carrier—55,000 to 60,000 tons, conventional propulsion, catapults.

The committee has acted to approve the request for research and development funds for this CVV carrier.

It has also added long leadtime funds for a *Nimitz*-class carrier solely as a way to preserve and create the options of which I am speaking.

It is very important, I think, for the Senate to note that the funds added, some $81 million, for long lead for a *Nimitz* carrier is not a commitment by the Senate to another *Nimitz* class, large-sized carrier. In that connection the report states as follows:

> The $81.6 million added for procurement of long-lead items for an additional Nimitz-class carrier in no way suggests that the committee has made a final decision in favor of building another carrier of this class. This funding will permit the consideration of the authorization of a Nimitz-class carrier in fiscal year 1979, just as the R&D funding for the proposed CVV and that added by the committee for a VSTOL aviation ship will do for those ships next year. In no case is any pre-disposition in favor of one ship type implied; the committee's action is directed solely toward the creation of options. It should be noted that all of the funding authorized for Nimitz-class carrier long-lead items will procure equipments usable and needed as spare parts for existing ships."

As noted, the committee added $13.5 for research and development of a VSTOL support ship. As our report notes in this connection: "only a program incorporating this type of less costly ship can answer the need to disperse at-sea air assets into a larger number of platforms," which, of course, is central to defeating the Soviet anticarrier warfare concept. The Committee directed that the VSS research and development should proceed at exactly the same pace as the CVV.

It should also be noted, Mr. President, that the committee discussed the possibility of full modernization of a *Midway*-class carrier. This, of course, is yet another option for our committee to consider in the coming year.

Finally, Mr. President, the committee directed a major study by the office of the Secretary of Defense of all these options in time for a final Senate decision for fiscal year 1979.

The second major question, Mr. President, is on the question of nuclear cruisers and the application of the so-called Aegis system. In that connection the committee also took the route of looking at alternatives. The committee added $663 million for conversion of a nuclear cruiser now under construction to the Aegis system. If this were not done that ship would be launched with an obsolete main armament, the Tarter system, which has little antimissile capability.

The committee has also rejected the extreme operation of the strike cruiser, which was properly labeled in last year's report as the resurrection of the *Bismarck*.

But the committee left open the two intermediate options, the most logical choices: first of building three more Virginia-class nuclear cruisers, armed with Aegis, or converting three existing nuclear cruisers of the Virginia and California classes to the Aegis system.

Personally, as far as the Senator from Colorado is concerned, the latter seems to be the most cost effective, as otherwise these ships will spend most of their lifetime in the fleet with the obsolete Tarter antiaircraft system that I have already commented upon.

Mr. President, a third major category that the committee looked at was the question of ocean escorts. Once again the committee created a new option to the conventional frigates and destroyers, and that is the DD–963 AC—air capable—ship.

Many other countries have built ships of this type. Italy and Japan are the best examples. The idea is that the most effective anti-submarine weapon is not a depth charge but an anti-submarine helicopter or VSTOL aircraft.

This small air-capable ship will use proven and successful hull and propulsion systems and modify those systems top-side to carry a maximum number of antisubmarine warfare aircraft. It will provide a badly needed improvement in our antisubmarine warfare capability and is a classic example of the new technology approach to problems the modern Navy faces.

In the fourth category, submarines, the committee has authorized the Trident submarines as requested by the administration, in the number of two.

The strategic nuclear submarine is the most survivable element of the Triad, and it is needed to push ahead with the Trident which will improve survivability because of its longer range missile, which will put it out of the reach of projected Soviet antisubmarine warfare systems.

In the category of attack submarines, the committee has authorized all that can be built, given the backlog of 28 SSN–688 class submarines which are authorized but not yet built.

Also, in order to create the same kinds of options we have made with other categories of ships, the committee has directed the Navy to be prepared to address the following questions.

Less expensive nuclear submarine designs; possible uses of conventional submarines, which would, of course, be much less expensive; and also the question of whether we need to increase our submarine-building capability.

With regard to the fifth category of ships, the auxiliaries, the committee has recommended two out of four fleet oilers which the administration requested and three out of the five tugs. Emphasizing again the new concept, new technology approach, the committee recommends that the Navy make better use of the merchant marine to provide commercially-available services such as oilers

and tugs. This would strengthen our merchant fleet and at the same time save substantial amounts of naval shipbuilding construction funds and perhaps taxpayer dollars.

The committee has emphasized, also, two new technology programs in addition to the small air-capable ship which I have already described and the VSTOL support ships.

The first is the patrol hydrofoil missile ship. This is a program designed to give the U.S. Navy some of the small, fast missile boats which are proving so effective in hands of many other navies in the world. This ship uses new hydrofoil technology to provide high speed and good sea-keeping qualities. Unfortunately, the new administration asked that the funds for this program be rescinded. No funding is sought in fiscal year 1978, since the program was fully funded in prior years. But the report directs that the program be continued, using prior-year funding. Also, the committee notes that with a different weapons and sensors suite, this ship could have considerable antisubmarine warfare capability.

An additional new technology program, Mr. President, is the surface effect ships. This is really part of R. & D. section of the bill, but it relates to naval programs as well. The committee expressed strong support for the surface effect ships in its report, and asked for an alternate accelerated program for the committee's consideration.

Unfortunately, the administration decided that a 3,000-ton prototype should not have a full weapons/sensors suite. The committee believes this is needed if the operational value of the ship is to be tested and proven.

Therefore, by cutting $10 million from the program, we have attempted to compel reconsideration of this issue.

In conclusion, the committee's recommendations are based on creating options we have not had in the past for the furthering of new technologies and new concepts in our approaches to the shipbuilding program. The Senator from Colorado believes, and I think the committee believes, that this is a major step in getting the Navy moving ahead in exploring promising, affordable approaches to answering the Soviet naval challenge; and I believe it is the most rational approach to the problem of three navies.

Mr. President, on behalf of the Armed Services Committee, I hope this program will achieve full and strong support in the Senate, and I yield the floor.

Mr. STENNIS. Mr. President, if the Senator will yield to me, first, I thank him and the subcommittee for the very fine work they have done in this field. The Senator from Colorado is quite knowledgeable, and applies some of his time in this area almost every day, as I understand. He had a very definite part in writing this bill and in presenting it here as well.

I do not know of any amendment concerning these ships that is coming in, but it is time they were getting in if they are coming. The Senator from Colorado will be well prepared to speak to almost any amendment I can think of that would be offered. I think he has made a contribution here beyond this bill and beyond this year, because very definitely we are going to have to concentrate on the Navy. We have an excellent Navy already, as we all understand, but we are going to have to concentrate on moving in these directions.

Mr. HART. I thank the chairman.

ADDITIONAL STATEMENTS SUBMITTED ON H.R. 5970

Mr. MUSKIE. Mr. President, I rise in support of the military procurement authorization bill and offer my views on the significance of the Armed Services Committee's action and how this relates to the national defense targets the Senate adopted last week in the first budget resolution for fiscal year 1978.

First, I extend my appreciation to the distinguished Senator from Mississippi (Mr. STENNIS) for the work he has devoted to this important legislation. I also want to reiterate my words of last Friday when I spoke on behalf of the budget resolution. Senator STENNIS has done all of us in the Congress, and indeed the American people, a great service when he demonstrated his devotion to the success of the congressional budget process. He knew of the dilemma in the budget resolution conference regarding national defense. His assistance provided a way out of the stalemate. He helped for the simple reason that he wants the process to work. I thank him again for his timely support.

Mr. President, H.R. 5970 authorizes military procurement, research and development, and civil defense funding of approximately $36 billion in budget authority. Preliminary fiscal year 1978 outlay estimates associated with these items are roughly $9.7 billion. In addition to this authorization, the bill provides active duty and reserve military personnel and civilian personnel strength levels. The impact of fully funding these personnel levels would result in budget authority of $41 billion and outlays of approximately $40.1 billion.

The combination of the authorization and the proposed personnel levels results in budget authority of $77 billion or $0.1 billion less than the administration's budget request. Outlays amount to approximately $49.8 billion or $0.4 billion less than the budget request.

Before proceeding to specific comments on the details of this authorization and the up coming conference of the Armed Services Committees on the bill, I would like to provide my colleagues with the initial Senate Budget Committee estimates on the relationship of the bill to the national defense functional targets established by the first budget resolution for fiscal year 1978. I ask unanimous consent that a chart displaying the figures be inserted at this point in the RECORD.

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

Relationship of H.R. 5970, Military Procurement Authorization bill to national defense functional targets in first budget resolution for fiscal year 1978

[In billions]

	Budget Authority	Outlays
Budget request for national defense	$120.1	$111.9
S. 1474, military construction authorization bill, as passed in Senate	−0.1	0.0
H.R. 5970, military procurement authorization bill, as reported	*−0.1	*−0.4
15 percent absorption assumed in first budget resolution	−0.3	−0.3
Financial adjustments and other reductions required in later authorizations and appropriations actions to stay within functional targets	−1.1	−0.2
Functional targets established in first budget resolution for fiscal year 1978	118.5	111.0

* Preliminary estimates.

Mr. MUSKIE. Mr. President, the major concern of the Senate conferees' dealing with the first budget resolution was that the United States maintain real growth in defense spending for the modernization of our forces and for the operational readiness of equipment and availability of supplies. Accordingly, the conference targets allow for a defense budget which provides for substantial improvements in U.S. force capabilities, counterbalancing efforts by the Soviet Union to modernize and strengthen its defense forces.

The conference agreement for the national defense function was particularly difficult to attain because of the widely divergent views of the two bodies on what is an adequate level of defense spending in view of U.S. national security needs and the relationship of these needs to domestic requirements. Obviously, a very delicate balance exists here. It must be maintained in setting our national priorities. The agreement, signed by all Senate conferees, accomplishes this aim.

The first budget resolution targets for national defense are based on the following assumption: Reductions in manpower, along with its associated costs, and in investment and readiness costs will not be used as the primary vehicle for accommodating the targets. Rather, it is assumed that significant financial adjustments can be made to the Administration's request for the defense function in order to remain within these targets. These financial adjustments may include such items as a possible slowdown in projected foreign military sales, the utilization of prior-year unobligated funds to finance a portion of the fiscal year 1978 program and a partial absorption of the October 1977 pay raise. It is anticipated that these types of adjust-

ments may constitute a major portion of the actions necessary to meet the recommended defense targets.

Mr. President, I have provided an overview of the relationship of the military procurement authorization bill to the first budget resolution targets and the assumptions behind the development of those targets. I know that my good friend, Senator STENNIS, is aware of the pressures that we in the Congress face as we strive to achieve the targets in the resolution. I am aware that the military procurement authorization as voted on by the other body is a more costly piece of legislation. However, it is essential that the conference agreement be near the Senate totals. I will do what I can to assist the chairman to achieve this difficult but desirable goal.

The Congressional Budget Office estimates that the House-passed military procurement authorization bill, including a price-out of the personnel strength levels, is about $0.3 billion in budget authority over the totals reported by the Senate Armed Services Committee and $0.4 billion over the Senate in outlays. In addition to these higher totals, the House bill does not provide authorization for a specific amount associated with shipbuilding claims.

Instead, it leaves the door open for unspecified appropriations. If funded at the level in the budget request and in the Senate bill, this item could increase the House levels by another $0.3 billion in budget authority and outlays over the Senate bill.

The Senate bill recommends repeal of title VIII of Public Law 93–365, requiring major combatant vessels to be nuclear powered. This is an important policy move. I support repeal of title VIII because any merit the measure might have from a technological and logistical standpoint—and I am not sure it does—is more than offset by fiscal disadvantages and the fact that the very substantial costs associated with this requirement seriously impede our ability to buy the numbers and mix of ships necessary to strengthen our sea power. For this reason, I urge my colleagues to support the repeal of title VIII as recommended by this bill.

With regard to the committee's proposed shipbuilding program, I question if this is the time to undertake development of some of the very expensive ships recommended in the bill. Several of the proposed new ships for construction or modernization were not included in the administration's budget request. Among these is long-lead funding for a Nimitz-class nuclear attack carrier for which the Congress approved a fiscal year 1977 rescission only 2 months ago.

It is not necessary, however, to address each of the ships in question; the real issue really revolves around the basic sea warfare mission: Whether the primary mission should be that of sea control or power projection. Although it appears that the Committee on Armed Services is not necessarily attempting to solve this problem now, the effect of its actions lean toward the projection role. I recommend that my colleagues read further on this issue the recent analysis developed by the Budget Committee and the Congressional Budget Office in hearings and studies on national defense. I ask unanimous consent to place in the RECORD at this point a mission analysis of the shipbuilding costs of the different sea warfare options.

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

NAVY SHIPBUILDING BUDGET OPTIONS

[In billions of fiscal year 1977 dollars]

	Fiscal year 1978		Total fiscal year 1978–82	
	Number	Cost	Number	Cost
"NSC" Navy:				
Projection forces	2	$2.00	11	$7.13
Sea control forces	17	2.91	89	14.33
Other	6	.19	46	4.17
Total	25	5.10	146	25.63
"Sea control" Navy:				
Projection forces				
Sea control forces	17	2.91	92	4.91
Other	9	.80	53	5.91
Total	26	3.71	145	20.82
"Projection" Navy:				
Projection forces	5	2.33	23	13.47
Sea control forces	9	2.05	47	9.14
Other	6	.49	32	2.45
Total	20	4.87	102	25.06

Note: "Other" forces include: amphibious assault ships, support ships, small craft, and conversion costs.

Mr. MUSKIE. It serves no useful purpose to have the case prejudiced before a total evaluation is made of the sea warfare mission. Factors that must be weighed are not only the relevant roles of the Navy and Air Force, but how those joint and separate roles relate to our No. 1 concern, the security of the United States and its allies in NATO. My distinguished colleagues, Senators NUNN, BARTLETT, and CULVER, have recently done a great service for all of us by drawing attention to many of the military preparedness problems associated with our NATO strength in case of a short-warning attack by the Warsaw Pact nations. To shore up the NATO shortcomings to meet this type of threat will require a great deal of funding over the next few years.

Mr. President, I am not sure the budget can handle our No. 1 problem, the enhancement of NATO's capability, and also an expanding shipbuilding program for power projection purposes around the world, particularly when that role is not envisioned by the Department of Defense in a NATO short-war scenario and two Presidents, recognizing fiscal pressures, have not asked for the *Nimitz* carrier.

I would like to make one point clear, I favor the buildup of our naval forces to the 550–600 ship Navy that the Defense Department has indicated is necessary for both a balanced fleet and to offset the Soviet improvements in sea power. This is a national need. I am of the opinion, however, that Congress should wait until President Carter and Secretary of Defense Brown have reviewed the options and presented their plan. In the meantime, the mix of the 22 ships contained in the budget request provides a good start toward rebuilding the overall strength of our sea warfare forces.

Mr. President, in concluding my remarks, I would like to reiterate my sincere appreciation to the distinguished chairman, Mr. STENNIS. The military procurement authorization bill has my support, of course reserving the right to support floor amendments which I deem necessary and desirable. I will watch with great interest the compromises resulting from the forthcoming conference on the House and Senate military procurement authorization bills. I wish the distinguished chairman well in reporting a conference agreement that is consistent with the budget resolution targets for national defense.

UTTAS

Mr. WEICKER. Mr. President, I would like to take a few minutes today to bring to your attention information concerning the U.S. Army/Sikorsky utility tactical transport aircraft system or as it is called, the UTTAS. Recently, this aircraft has been the subject of considerable misinformation in the press. It is vitally important to the future of the program and our national defense to place these rumors to rest once and for all.

First of all, despite stories to the contrary, the UTTAS prototype is not an untried aircraft. It does not require extensive testing before production. It has already undergone more tests than any other helicopter prior to the awarding of a production contract. Some 1,300 flight hours were accumulated on the four prototypes prior to the Sikorsky UH–60A being selected last December 23.

Where weaknesses were detected in test and changes determined to be needed, they were made in the engineering development phase prior to Government competitive evaluation. In short, the UTTAS is a mature system. During the press conference which announced the UTTAS contract winner, then Assistant Secretary of the Army R. & D., Edward A. Miller, outlined very clearly why the Sikorsky UTTAS was a low risk program and ready for production. He said:

> Sikorsky offers lower risk and greater maturity in terms of the helicopters that were tested. They offered lower risk in the technical area as a whole, lower risk in operational suitability, lower risk in the maturity phase costs and lower risks in production costs. The Source Selection Board found that the Sikorsky helicopter was clearly ready for production and the other was not. In the technical area risks that I mentioned, Sikorsky has essentially none.

Rumors that the Sikorsky UTTAS could not meet the performance requirements of the Army are totally untrue. Not only will the production version of the UTTAS meet the performance criteria, but it will exceed them. The Army requires a rate of climb capability of 450 feet per minute at an altitude of 4,000 feet and 95° Fahrenheit. The Sikorsky UTTAS production model will climb 480 feet per minute. The empty weight limit required by the Army is 10,800 pounds. The UTTAS will weigh in at 100 pounds under that limit.

In regards to the production rate for

the UTTAS, maturity of the system has far surpassed original expectations. Due to this fact, last September, the Army changed their estimated needs from 85 to 200 aircraft for the first 3 years of production. This increased production rate will actually produce cost savings of $250 million due to the economies of scale for the first 200 aircraft produced.

It is important to note that the House of Representatives approved the full production program as recommended in the President's budget.

I feel it is vital to America's defense that a full-scale production schedule be followed. The UTTAS is a quality helicopter that can serve our defense needs of the future. Unlike so many other defense programs, it is on schedule and budget. I urge my colleagues to reconsider their decision during the deliberations in the conference committee.

Mr. CRANSTON. Mr. President, the Senate Armed Services Committee has reported on the military procurement authorization bill for fiscal year 1978. The committee recommends authorization of two major Navy fighter programs, the F–14 and F–18.

The committee recommends authorization of $708.9 million for a modified F–14 program, including 36 F–14's in 1978 and advance procurement funds toward a fiscal year 1979 buy of another 36 F–14's. The committee also recommends authorization of the full F–18 program of $655.9 million, including $626.6 million for research and development plus $29.3 million for advance procurement funds towards a fiscal year 1979 first buy of nine F–18's.

This committee report represents a sound compromise between those two Navy fighter programs. I urge my colleagues to support the committee report for the following reasons:

First. When the F–18 program originally was proposed, the Secretary of Defense, Secretary of the Navy, Chief of Naval Operations and Commandant of the Marine Corps unanimously wanted the F–18 to be the plane of the 1980's.

Second. The F–18 is a perfect complement to the larger, more complex, more expensive, long range F–14. The committee wisely chose to stretch out the production of the F–14 so that research and development and advanced procurement of the complimentary F–18 could be phased in.

Third. The F–18 is a better plane than the present, aging F–4's and A–7's. It is an excellent fighter and attack airplane, agile, more reliable, has better air combat maneuverability, lands more slowly on carriers and requires less deck space. It is excellent for Marine Corps support.

Fourth. The F–18 is cheaper to build and to operate than the F–14. It saves $5 million per plane.

Fifth. The F–18 is what the Navy wants, gives excellent versatility when mixed with the F–14, and could save the government billions.

Sixth. The F–18 is needed for our present large and medium sized carriers, which will be the core of the Navy until the year 2000 or longer. Eventually, both the F–14 and F–18 may be replaced by a combat effective V/STOL aircraft, but that technological development will not be a reality for another 10 years or more.

For these reasons, I strongly support the recommendations of the Armed Services Committee with respect to the F–14 and F–18 programs. I commend the distinguished members of the committee for presenting us with this balanced Navy fighter program based upon fiscal responsibility and a sound national defense.

TWO NEW U.S. STRATEGIC PROGRAMS THAT ENDANGER SALT—THE MX MOBILE ICBM AND THE SEA-LAND CRUISE MISSILE

Mr. McGOVERN. Mr. President, strategic arms limitation treaties must be substantially verifiable if they are to be worth the paper they are written on. Two new U.S. weapons, the MX ICBM and the Tomahawk-version of the strategic cruise missile, threaten to make SALT agreements impossible to verify by "national technical means of inspection"—that is satellite.

THE MX MISSILE

The MX missile is the next planned follow-on to the Minuteman III ICBM. It would have greater throwweight, higher explosive yield warheads, and improved missile accuracy over present warheads. Moreover, it might well be deployed as a mobile ICBM moving on tracks or under its own power either between missile shelters or in underground tunnels. The MX or "Missile X" would work against verification of an arms control agreement in two ways. First, it would make satellite monitoring all but impossible. It is difficult enough to count and verify what is at fixed silo bases by satellite photography. Monitoring underground MX missiles would require onsite inspectors, something that the Soviets have thus far refused to agree upon in years of negotiations with the limited exception of the Peaceful Nuclear Explosions Treaty now before the Senate.

Second, the MX would have negative arms control implications because it increases rather dramatically the hard-target kill capability of the United States and would put the Soviet ICBMs, their strategic deterrent, at considerable risk from a surprise first-strike by the United States. Now we know that the United States would not launch such a surprise attack but the Soviet Military planner does not know that with assurance. If they are like our own Pentagon planners, they may feel threatened and logically may opt for their own mobile ICBMs. Indeed they have a mobile intermediate range ballistic missile called the SS–20 which uses the first two boosters of their SS–16 ICBM.

It would be a small trick to convert the SS–16 into a system similar to the MX. Thus, the MX could spawn or force the building of its Soviet twin. Both the United States and the Soviet Union would then be forced into a new spiral of arms building and arms spending by the tens of billions of dollars and rubles. Meanwhile, a SALT agreement would be rendered unverifiable due to the hidden nature of mobile missiles, especially if they are stored inside buildings and tunnels and moved about in some unpredictable fashion.

According to Defense Department testimony before the Senate Armed Services Committee the Pentagon would like to spend $5.5 billion to develop the MX mobile missile and then would like to purchase 200 to 250 MX missiles at a cost of $100 million each. The total price tag for 250 MX's would thus come to just over $30 billion. A similar expenditure could be expected by the Soviets. All of this would be spent on systems that would frustrate the achievement of verifiable arms control agreements that in themselves might provide increased security and many more billions in expenditures on strategic arms.

THE "TOMAHAWK" CRUISE MISSILE

A second strategic weapon that has alarming arms control implications is the Tomahawk version of the strategic cruise missile. The Tomahawk cruise missile can be launched either from sea or land. It could be fitted into the torpedo tubes of submarines, launched from the decks of ships, or fired from the bed of a truck or tracked vehicle. Their range could be 2,000 miles or longer. Obviously, intelligence satellites could not monitor and count all such launchers hidden within trucks, submarines, and in the holds of ships. If we are to agree to limits on numbers of delivery vehicles for both the United States and Soviet Union at SALT, we must be able to verify the numbers or the treaty would be meaningless. The deployment of the Tomahawk sea-launched cruise missiles—SLCM's—or the Tomahawk land-launched cruise missiles—LLCM's—would thwart the conclusion of a meaningful SALT Treaty.

Further, the relatively cheap price of LLCM's and SLCM's when compared to ballistic missiles that cost perhaps 5 to 10 times as much, make it a nuclear proliferation threat. Countries that are now constrained by costs such as India, Britain, France, Israel, West Germany, and others might rapidly increase their strategic arsenals with the cruise missile technology. This will be far less likely and far less imminent if the United States does not build and share this new technology with others.

In addition, the deployment of SLCM's and LLCM's might well lead to heavy future expenditures on air defenses by both the United States and the Soviet Union. Soviet military planners and U.S. military planners would then argue for vast arrays of radars, tracking stations, and tactical Air Force interceptors to counteract the cruise missile threat. Unlike the ballistic missile, the cruise missiles are slow enough to make this kind of air defense feasible if ghastly expensive.

Some would defend the cruise missile program as one that simply increases crisis stability while obviously posing no first-strike capability due to its slow speed. However, in the next 5 to 10 years Soviet radars are not likely to be sophisticated enough to pick up the low-flying small-cross-section cruise missiles in time to get early warning. For the Soviets in this time period the strategic cruise

missile locks indeed like a first-strike weapon. This ability to penetrate without advance warning combined with a very high terminal accuracy make the cruise missile into a potential silo buster and thus put the Soviet ICBM, IRBM, and MRBM forces at jeopardy. This cannot enhance their sense of security and is very likely to push them into countermeasures which would continue to help fuel the arms race.

Sometime this week the United States plans to fire a cruise missile from underwater and for the first time fly it downrange under its own power. The time is now fast approaching when it will be hard to impossible to stuff this particular genie back into the bottle. The Navy says that it plans a buy of 1,264 of these Tomahawks at a cost of $2.2 billion—this does not include the Air Force request for 2,357 cruise missiles at a cost of $2.9 billion. The ALCM is also a threat to a meaningful SALT agreement and will also spur the arms race, but perhaps at a lesser pace. It is arguable that the ALCM, if restricted to strategic bombers, could be more easily counted than SLCM's and LLCM's since the volume of bombers is restricted, the numbers of bombers are restricted, and a bomber loaded with ALCM's would have to replace the present arsenal of SRAM's. Moreover, ALCM's on bombers would count against MIRV limits in a SALT II treaty, limiting the numbers of missile-based MIRV's or bomber-carrying ALCM's.

This current fiscal year 1978 budget would allocate $210 million to the Tomahawk program, the tip of the SLCM and LLCM iceberg. This multiplication of the numbers of new U.S. nuclear weapons increases the vertical proliferation of strategic arms. Should a new SALT limit be put on strategic launchers, SLCM's and LLCM's ought to be included for it to be meaningful. Yet the introduction of 1,264 new nuclear weapons would displace launchers that we have just invested billions to modernize and produce, systems like the Trident missiles and the Minuteman III missiles. Moreover, the unregulated inclusion of the Tomahawk missiles on top of current nuclear weapons programs would go in the opposite direction from President Carter's long range ultimate goal of zero nuclear weapons. We do not move toward increased disarmament by rapidly multiplying the numbers of nuclear weapons in our arsenals.

Quite clearly, the Tomahawk strategic cruise missile program both for sea-base and land-based cruise missiles should be curtailed if the strategic arms race is indeed to be capped.

ARMS CONTROL IMPACT STATEMENTS AVAILABLE

I bring the Senate's attention to the negative arms control implications of both the MX missile and the Tomahawk strategic cruise missile program. If we choose to fund these new weapons systems we must do so with our eyes wide open. These are systems which will drive the arms race in the future. Make no mistake about that. It is our responsibility to understand these arms control implications and to act in the best interests of the United States and the world. A continued strategic arms race is not in our best interest or the world's. Neither the United States nor the Soviet Union will benefit in the decades ahead by deploying mobile ICBM's or cruise missile forces. The time to stop them is now.

THE CRUISE MISSILE: MISMANAGED AND IMPROPERLY ACCELERATED

Mr. PROXMIRE. Mr. President, the cruise missile represents a brilliant new weapons technology with a number of potential applications. But as with any significant new breakthrough in weapons technology, there are possible disadvantages as well as advantages.

PROCUREMENT PITFALLS

One possible disadvantage is that a new weapon will not be properly designed or developed to carry out a necessary mission. In such cases, redundancy, performance failures, and cost overruns may be expected to follow.

There are signs that the cruise missile may be traveling down the well-worn path traveled by such programs the the F–111, the C–5A, AWACS, and the B–1 bomber.

Former Deputy Secretary William Clements must bear a heavy responsibility for mismanaging and improperly accelerating what is already a $5 billion weapon program.

The cruise missile could make an invaluable contribution to our national defense. For example, it is a cheap, effective alternative to the $24 billion B–1 program. And it may have other potential applications that could strengthen our defenses while saving tax dollars.

It is this potential that causes me to be concerned about how the cruise missile program has been handled. Here are the troubling facts.

GAO REPORTS CONFUSION AND UNCERTAINTY

The cruise missile program has now been expanded to include development of six different kinds of missiles estimated to cost more than $5 billion. According to the GAO, there is "confusion and uncertainty" within the Pentagon "as to the need for and use of" the cruise missile programs.

CLEMENTS DIRECTIVE OF JANUARY 14, 1977

A prime reason for the confusion can be traced to William Clements' directive of January 14, 1977, speeding up the development of the different types of cruise missiles and deciding against a common airframe for the Air Force and Navy.

In issuing his directive, Clements failed to comply with OMB circular 109 which established procedures for the determination of mission needs and goals before decisions are reached to develop new weapons.

MISSIONS HAVE CHANGED

The GAO report points out that the planned use for some of these cruise missiles has changed and the military need continues to be uncertain.

A year ago, the Air Force considered the air launched cruise missile as useful but unnecessary with a penetrating bomber. In November 1976, the Air Force decided a short-range cruise missile would be a valuable addition to the bomber force.

DECISION TO DEVELOP SEPARATE AIR FORCE LONG RANGE MISSILES

The Air Force opposed adaption of the Navy air launched cruise missile—Tomahawk—on grounds that they were too long for existing aircraft rotary racks. But the Clements' directive gives priority to a long-range and larger Air Force missile which will require added cost for aircraft modifications and changes to the rotary rack.

The Air Force long-range missile has not yet been built while the Tomahawk has been built and tested. Use of the Tomahawk for the Air Force and Navy would result in estimated savings of $165 million to $373 million.

The GAO concludes that the decision to develop both Services' missiles may not be justified because initial design reviews concluded the Navy's air launched Tomahawk is technically feasible for Air Force use.

NAVY REQUIREMENTS CHANGE

In 1976, Navy requirements called for an antiship cruise missile and a strategic cruise missile deployed on attack submarines. The Navy now plans to use its sea launched cruise missile to complement or augment existing theater nuclear forces rather than as a strategic weapon.

The planned use of a new sea launched cruise missile for theater nuclear forces seems questionable in view of the large number of existing theater nuclear or tactical nuclear weapons in Europe and elsewhere.

In addition, the Navy informed GAO that the inconsistency between the stated requirement for a strategic sea launched cruise missile and the planned use of that missile as a tactical weapon would be reconciled by restating the requirement. In other words, the Navy is tailoring the requirement to fit the way it intends to use the cruise missile, rather than using the new weapon to carry out a predetermined requirement.

ARMY MAY GET GROUND LAUNCHED MISSILE

The Clements' directive also accelerated development of a ground-launched version of Tomahawk for use by the Air Force with theater tactical nuclear forces and a ground launched version of Tomahawk for use by either the Army or the Navy as an antiship weapon.

ESTIMATED COSTS

The Air Force estimates the costs of 2,357 air-launched cruise missiles at $2.9 billion. The Navy estimates the cost of 1,264 Tomahawks at $2.2 billion.

The cost estimates exclude the costs of nuclear warheads and the guidance systems. The estimates are thus incomplete and could increase substantially as the programs are continued.

EXCLUDED FROM SAR SYSTEM

The GAO report shows that neither the Air Force nor Navy cruise missiles have been included in the selected acquisition reports, the reporting system that informs Congress and executive officials of the current status of new weapon systems.

GAO states in its report:

Cruise missiles are associated with the current SALT negotiations. It is possible that the future role of cruise missiles will be determined more by the outcome of SALT discussions than by military needs.

For this reason, GAO concludes, information on costs, schedule and performance of the cruise missiles should be included in the weapons reporting system.

It is apparent that the cruise missile represents a technological breakthrough which could contribute to our defense effort.

WHAT IS THE REQUIREMENT?

The question is whether there is a military requirement for each version of the cruise missile. The shifting nature of the stated requirements raises suspicions that the decision has been made to go forward whether or not it is militarily necessary.

SOUND PROCUREMENT POLICIES NOT FOLLOWED

Recent Pentagon actions indicate that sound procurement policies are not being followed with regard to this new weapon.

The problem of confusion and uncertainty as to military requirements and missions, indications of future concurrency of production and development, and incomplete and inadequate cost reporting are early warning signals of potential procurement problems.

NONCOMPLIANCE WITH OMB CIRCULAR-109

An added disconcerting fact is the explanation offered for Clements' noncompliance with OMB circular-109. According to the Pentagon the regulations implementing the circular were not put into effect until January 18, 1977, 2 days after Clements' directive. But the OMB circular was issued in April 1976. Why did the Pentagon wait so long before carrying out the OMB circular?

I ask unanimous consent that the exchange of letters with Deputy Secretary Charles W. Duncan, a sanitized copy of the William Clements' directive, and unclassified excerpts from the GAO report be printed in the RECORD.

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

JOINT ECONOMIC COMMITTEE,
Washington, D.C., March 16, 1977.

Hon. CHARLES W. DUNCAN, Jr.,
Deputy Secretary of Defense, Department of Defense, Pentagon Building, Washington, D.C.

DEAR SECRETARY DUNCAN: On January 14, 1977, your predecessor, Mr. William P. Clements, sent a memorandum on the subject of "Cruise Missile Programs" to the Secretaries of the Air Force and the Navy, the Chairman of the Joint Chiefs of Staff and the Director of Defense Research and Engineering. The memo was marked "confidential."

This is to request that the Clements' memorandum be de-classified and that I be provided with a copy of it in de-classified form. If, in your judgment, the memo cannot be entirely de-classified, I would like to be provided with a sanitized version.

I would also like to have answers to the following questions:

1. Were the procedures prescribed in OMB Circular-109 followed prior to the issuance of the directives contained in the Clements' memo of January 14, 1977? If the procedures were followed, please describe the specific steps that were taken in the determination of the mission needs and goals with respect to the cruise missiles.

2. Have agreements been reached between the Office of the Secretary of Defense and the service Secretaries concerning the mission needs, requirements and goals for the cruise missiles? If there have been such agreements, please describe their contents.

3. Was the determination of the mission need for the cruise missiles based on an analysis of the Defense Department's mission reconciled with overall capabilities, priorities and resources? If such an analysis was made, I would like arrangements to be made for a member of my staff to have access to it.

4. What consideration was given to other weapons as an alternative to the cruise missiles in the performance of the mission in question?

Your cooperation and early response will be greatly appreciated. If there are any questions about this request, please direct them to Mr. Richard Kaufman, General Counsel of the Joint Economic Committee at (224-0377).

Sincerely,

WILLIAM PROXMIRE,
Chairman of the Subcommittee on Priorities and Economy in Government.

THE DEPUTY SECRETARY OF DEFENSE,
Washington, D.C. April 19, 1977.

Hon. WILLIAM PROXMIRE,
Chairman, Subcommittee on Priorities and Economy in Government, Joint Economic Committee, Washington, D.C.

DEAR MR. CHAIRMAN: In response to your letter of 16 March 1977 concerning cruise missile programs, I have reviewed the memorandum which carries the classification of confidential and have concluded that the full text of the memorandum should not be declassified at this time. An edited, unclassified version of the memoranum is enclosed as you requested. With respect to the four questions you posed:

1. Prior to January 18, 1977, the cruise missile programs and other major systems programs were managed in accordance with then current policies contained in DoD Directive 5000.1. Not all of the provisions of OMB Circular A-109 were therefore applied to the cruise missile programs. DoD Directives 5000.1 and 5000.2 were revised on January 18, 1977 to implement A-109. The DoD Components are now in the process of preparing the internal policies and procedures to comply with the revised Directives.

2. Certain agreements concerning cruise missile missions, requirements and goals have been reached with the Services. As you are aware, under policies existing prior to the recent changes, early conceptual effort has normally been conducted at the direction of the Heads of the DoD Components. The identification of needs and the definition of concepts to meet the mission needs have been the responsibility of the Components and have been accomplished before a decision was made by the Secretary of Defense to initiate a major system program. The cruise missile programs have been managed under these policies. The former Secretaries of Defense have approved the mission concepts, approved the designs to be developed and have issued direction to the Heads of Military Services to proceed with development as stated in the memorandum of January 14, 1977.

3. The determination of mission need was based on the analysis of the existing threat, the uncertainties of future threats and the job to be done. The decision to proceed with the cruise missile concept was made following an assessment of existing and projected capabilities, priorities and cost. Arrangements are being made by the Director of Defense Research and Engineering to present this information, much of which must remain classified, for members of your staff as you requested.

4. Consideration was given to alternative solutions prior to the decision to proceed with the cruise missile. The alternatives considered will be included with the information to be presented to your staff.

Arrangements are now being made to provide additional information as you requested. The schedule for presentation of this information can be arranged with the Assistant for Legislative Affairs, Mr. Jack Stempler.

Sincerely,

C. W. DUNCAN, Jr.

THE DEPUTY SECRETARY OF DEFENSE,
Washington, D.C., January 14, 1977.

Subject: Cruise missile programs.

(Memorandum for the Secretary of the Air Force, Secretary of the Navy, Chairman, Joint Chiefs of Staff, Director, Defense Research and Engineering.)

SANITIZED VERSION

As a result of the DSARC II review, the Air Force and the Navy are to be commended for the accomplishments to date of their respective cruise missile development programs of ALCM and TOMAHAWK.

A major issue before the DSARC was whether or not an air-launched cruise missile with a unique airframe should be allowed to proceed. In spite of the acquisition cost savings which would accrue from such a course of action, I have decided that a common airframe for all applications may impose unnecessary and unwarranted performance compromises on both weapon systems. However, considerable benefits still can be realized in joint test and evaluation, in quantity buy of common components, and in management efficiency, by consolidating the two separate Air Force and Navy programs, now independently managed by different program offices.

I, therefore, direct you to pursue with all vigor the cruise missile programs as follows:

a. A Joint Service Cruise Missile Program Office (JSCMPO) is to be established with the Navy designated as the lead service and Captain Walter Locke as its immediate Program Manager.

b. The JSCMPO, under the general direction of DDR&E, is to develop the ALCM and the TOMAHAWK cruise missile weapon systems for the Air Force and for the Navy.

c. The first tasks of JSCMPO are to complete the RDT&E, leading to production decisions at DSARC III, of the ALCM for strategic bombers and the TOMAHAWK variants including the important Air Force ground-launched cruise missile application. Funding of these tasks is to be consolidated from the approved program elements P.E. 64361F, P.E. 63362F, P.E. 63361N, and P.E. 64367N.

d. In conducting the above tasks, the JSCMPO is to maximize subsystem/component commonality and quantity buy, to utilize fully joint test and evaluation, to encourage subsystem/second-source competitive procurement, and to otherwise derive maximum benefit from the joint service management of several separable cruise missile programs.

e. The Navy and Air Force are to submit jointly within 45 days from this date for DDR&E approval, the plan for establishing the JSCMPO and a set of program plans, schedules and milestones for the respective ALCM, TOMAHAWK and the Ground Launch Cruise Missile (GLCM), reflecting the following specific guidelines. A revised Air Force cost estimate for the ALCM program based on evaluation of contractor proposals is to be submitted at the same time.

1. The ALCM B, is to enter its full-scale Engineering Development for the B-52 application and is to be given priority over the ALCM A.

2. The land-attack TOMAHAWK variants, for submarine launch and for surface ship launch, are to enter full-scale Engineering Development.

3. The Air Force GLCM is to be adopted from the land-attack Tomahawk, for mobile launchers, for the theater nuclear role. Funds should be reprogrammed as required in FY 78 so as to permit the GLCM to enter full scale engineering development in FY79.

4. Ship- and submarine-launched anti-ship Tomahawk is to enter full-scale Engineering Development. Ship-launched Tomahawk is to be capable of application in all combatant ships including frigates and such smaller platforms as may be attractive to enhance Naval strike capability. The Navy is to pursue aggressively the development of the necessary over-the-horizon target acquisition, identification, and damage assessment capability to be demonstrated by DSARC III of the anti-ship Tomahawk missile.

5. The JCSMPO is to explore the development of the ground-launched anti-ship version of GLCM.

f. An essential element in consolidation benefits is in joint testing. A joint test and evaluation master plan (TEMP) is to be submitted for DDR&E review within 90 days from this date. This TEMP is to include realistic missile employment test and penetrativity evaluation.

In addition, the JCS is directed to submit to OSD, within 90 days from this date, a position paper resolving potential Service roles/missions issues for the cases of: (1) ground-launched nuclear deep-strike in the theater (Army and Air Force) and (2) ground-launched anti-ship (Army and Navy) and a second paper enumerating cruise missile and associated weapon system requirements for the B-52 fleet, the SSN's and other combatan ships, and the GLCM missions both land attack and anti-ship.

The Air Force and the Navy are to initiate R&D programs in advanced cruise missile technology and concept explorations. Such programs should involve wide industrial participation in order to introduce innovations and are to include but are not limited to terminal guidance, advanced propulsion for supersonic dash maneuver, compact low-power ECM, and controlled submunition deployment. These programs should be included in the FY 1979 budget cycle.

W. P. CLEMENTS, Jr.

COMPTROLLER GENERAL'S REPORT TO THE CONGRESS

(Confusion and uncertainty as to the need for and use of air launched and Tomahawk cruise missile programs—Departments of the Air Force and Navy.)

DIGEST

Cruise missiles are associated with the current Strategic Arms Limitation Talks. It is possible that the future role of cruise missiles will be determined more by the outcome of these discussions than by military need. This report relates solely to the military need.

The planned use for cruise missiles has changed and the military need continues to be uncertain. Historically these programs have moved from a low priority Navy sea launched cruise missile program, to a dual Navy-Air Force program to consideration of six different versions of cruise missiles, including possible augmentation of existing theater tactical nuclear forces. At the present time, the following are being pursued:

A Navy sea launched cruise missile designated Tomahawk to augment exsiting theater tactical nuclear forces.

A Navy Tomahawk for use as an antiship cruise missile.

An Air Force air-launched strategic cruise missile to fit in existing rotary racks on aircraft.

An Air Force "stretched" air-launched cruise missile capable of greater ranges.

A ground launched version of the Tomahawk for use by the Air Force with theater tactical nuclear forces.

An antiship version of the ground launched cruise missile. (See ch. 2 and pp. 2 and 37.)

GAO notes that (See p. 6.). Other serious questions arise about the need for employing some versions of these weapons. For example (See p. 10.). The Department of Defense proposed using the Air Force's terminated Subsonic Cruise Armed Decoy program and the Navy's sea launched cruise missile program, then in development. Since that time (See p. 1.).

On January 14, 1977, the Air Force's air launched cruise missile and the Navy's Tomahawk cruise missile were approved for engineering development by the Deputy Secretary of Defense. The decision changed, considerably, the planned operational use of some of these programs. (See p. 2 and ch. 2.)

MISSION REQUIREMENTS

In March 1976 GAO issued a study on cruise missiles showing that (1) the Air Force considered the cruise missiles as something useful but not needed with a penetrating bomber and (2) that the Navy had requirements for an antiship and a strategic missile, but the role for the strategic missile was not certain beyond deployment on attack submarines as a reserve force. (See p. 3.)

During 1976, the Air Force's operational use for cruise missiles was better defined by the Strategic Air Command. However, the January 1977 decision on engineering development gives priority to a larger size missile with greater range. This was contrary to the Strategic Air Command's desire for a relatively short range missile sized to fit on existing missile racks within the aircraft. (See pp. 3, 4, and 38.)

The Navy's planned use of the Tomahawk missile has changed considerably since GAO's previous review. Nuclear cruise missiles will now be used to complement or augment existing theater nuclear forces rather than employment as a strategic weapon. The Navy advised GAO that a forthcoming Decision Coordinating Paper will reflect this change in the requirement. (See pp. 7 and 39.)

The January 1977 decision also requires development of a ground launched version of the nuclear Tomahawk to be used by the Air Force in a theater nuclear role. The impact on already existing theater nuclear weapons by using the Navy sea launched version, and the decision to develop a ground launched version is not clear. (See pp. 2, 7, and 39.)

DEVELOPMENT STATUS

The major issue before the Defense Systems Acquisition Review Council in December 1976 was whether one cruise missile should be developed for both Air Force and Navy uses. The decision was to develop both Services' missiles. GAO believes this decision may not be justified because initial design reviews concluded that the Navy's air launched Tomahawk was technically feasible for Air Force use. Further, the decision requires development of a physically stretched air launched missile. This will require added costs for aircraft modifications and support equipment—one of the objections for not going with a single Tomahawk cruise missile program. (See ch. 3 and p. 38.)

During testing the air launched cruise missile has had two failures out of six tests (a seventh planned flight was canceled) which resulted in the Air Force not completing all of their test objectives. The Air Force advised GAO that its test objectives were satisfied in the first four flights. GAO disagrees. It was only during the last four flights that the full potential of the missile was to be tested. The first three flights were limited in scope which resulted in the potential accuracy of the missile being demonstrated only once from the B-52 bomber. (See p. 20.)

Flight test objectives of the Tomahawk missile have been successfully accomplished. However, certain critical issues with the antiship missile must be resolved. Over-the-horizon targeting capability will have to be developed and the missile will have to be modified to enable the Harpoon guidance system to perform a Tomahawk mission. (See pp. 8, 15 and 27.)

Use of the Tomahawk missile on board submarines and surface ships will require significant modifications to these vessels and may cause encroachment or removal of existing weapon systems. (See pp. 8 to 10.)

Successful development of a nuclear warhead common to both cruise misiles and the follow-on short range attack missile will require close coordination among the various Government agencies and contractors due to competing missile systems' requirements. (See ch. 7.)

The Air Force program cost is 2,357 air launched cruise missiles is estimated to be $2.9 billion. The Navy program cost for 1,264 missiles is estimated at $2.2 billion. Nuclear warhead costs are not included. The procurement unit cost for each missile is about $1 million. Neither system is on the Selected Acquisition Report which is a standard comprehensive summary report on selected major defense systems for management within the Department of Defense. (See pp. 17, 22, 24 and 29.)

The Air Force accelerated development and production of its missile by 18 months whereas the Navy had a delay of 6 months. The initial operational capability date for each missile is now mid-1980. (See pp. 18 and 25.)

RECOMMENDATIONS

GAO recommends that the Secretary of Defense reevaluate the role for cruise missiles to assure that continued development is directed toward specific military requirements that relate to mission needs. Specifically, GAO recommends a thorough evaluation of the need for cruise missiles based on the threat, including identification of the deficiencies to be met by deployment of a variety of cruise missiles; each Service's repirements, and, in particular, the Navy requirements for nuclear cruise missiles; and the operational effectiveness of each cruise missile program.

A draft of this report was reviewed by agency officials associated with management of the program and their comments have been incorporated as appropriate.

CHAPTER 5

ALCM STATUS

The following sections described the ACLM program status as of December 31, 1976.

Cost

The December 31, 1976, Air Force estimate for ALCM development cost was $488.6 million. This includes 29 development missiles.

The Air Force provided us with a procurement cost estimate which totals $2,363.5 million in then-year dollars for 2,328 ALCMs. The unit costs are as follows:

Procurement unit cost: $1.015 million.

Program unit cost (including development costs of $488.6 million): $1.211 million.

SAC is conducting a weapons mix study to determine the number of ALCMs required. Since this study is still in its early stages, meaningful estimates of the number of ALCMs required are not available.

Other cost not included in estimates

Procurement cost estimates do not include ERDA warhead costs, DMA costs related to the guidance system, or SAC costs related to additional computer capability for mission planning or other costs associated with deployment. The ERDA costs are classified SECRET RESTRICTED DATA and are not shown to avoid assigning that classification to this report. DMA costs will not be known until mapping requirements are developed by SAC. The SAC requirement for additional computer capability for mission planning

will be finalized early in 1977. Other deployment costs for B–52 modification kits and their installation will be determined when the impact of the DOD decision to optimize B–52s for cruise missile carriage has been assessed.

CHAPTER 6

TOMAHAWK STATUS

The following sections describe the Tomahawk program status as of December 1, 1976.

Cost

Current program cost, as reported by the Tomahawk Project Office, decreased $640 million or about 24.8 percent, from June 30, 1975. These current estimates were submitted too late for our evaluation but are presented to show the latest cost estimates available.

The following table compares the Navy's June 30, 1975, and December 1, 1976, estimates.

Tomahawk program cost estimate

[Millions of then-year dollars]

Cost segment	Estimate June 30, 1975	Current estimate Dec. 1, 1976	Current variance increase (decrease)
Development	$1,015.8	$754.2	(261.6)
Procurement	1,530.3	1,152.1	(378.2)
Construction	34.8	34.8	(-----)
Total	2,580.9	1,941.1	(639.8)
Quantities			
Development	79	104	25
Procurement	1,176	1,160	(16)
Total	1,255	1,264	9

Procurement unit cost, $0.993 million.
Program unit cost, $1.535 million.

We were told that the $261.6 million decrease in development cost was caused by several repricing efforts undertaken by the Project Office. We were unable to obtain detailed reasons for the $378.2 million decrease in estimated procurement cost, but the Navy told us it was caused by a redefinition of the total procurement estimate, the transfer of 16 missiles from procurement to the development category, a schedule change in missile funding, and the application of more current and lower escalation indexes.

Unreported cost

There are $233.2 million in estimated platform modification, DMA support and other procurement costs which are not included in the $1.941 billion estimated program acquisition cost reported by the Navy. Adding these estimated costs would result in a total estimated program cost of about $2.174 billion. As in the Air Force ALCM program, ERDA-estimated warhead costs are not included.

Inadequate reporting on program status

The information in this chapter is similar to the information reported in the SAR system. Decisions on the future roles of cruise missiles may be determined by Government agencies other than DOD. For this reason information on the current status of the program should be available through the SAR system to all responsible agencies. Further, if the antiship and land attack version are to be developed, the programs' cost, schedule, and performance should be reported separately.

Mr. BARTLETT. Mr. President, I rise to speak on behalf of this year's military procurement authorization bill, H.R. 5970, which is entitled "An act to authorize appropriations during the fiscal year 1978, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training loads, and for other purposes." This defense authorization bill is far more complex than even its title would indicate. For that reason, I would like to commend my colleagues on the Senate Armed Services Committee for their thorough consideration of this legislation. Likewise, I wish to thank the committee staff. Were it not for their diligent preparation, the committee would not have been able to act on this massive legislation within the timetable mandated by the Congressional Budget and Impoundment Act of 1974.

There is much that can be said about this bill. It reflects the work of two different administrations as well as the work of our committee. However, this is not the military authorization bill I would have written were I alone given the responsibility of submitting this legislation to the entire Senate. Until last year, the United States had been disinvesting in defense since 1964. Although major military resources were being consumed in Southeast Asia, defense spending dropped to its smallest percentage of the Nation's gross national product since before the Korean War. Military research and development was neglected as emphasis was placed on production for the Vietnam War.

At the same time, the Soviet Union increased its own military spending in order to achieve strategic parity and improve the quality of its numerically superior conventional forces. Last year's defense budget was an effort to reverse these unhealthy trends. While H.R. 5970, as reported by the Senate Armed Services Committee, adds $127 million to the $35.7 billion recommended by the Carter administration, it is still $3.5 billion less than that recommended by President Ford. Furthermore, the budget impact of this bill on the entire defense function is $59 million less than what President Carter recommended. I would have preferred legislation closer to the proposals submitted to the Congress in January, and I would have preferred that there be no cuts in military manpower levels this year. Nevertheless, I urge my colleagues to support H.R. 5970.

As the ranking minority members of the R. & D. Subcommittee of the Armed Services Committee, I would like to comment in some detail on that portion of H.R. 5970. Before last year, military R. & D. in the United States had been reduced by 50 percent in constant dollars since 1965. During the same period, there is evidence that the Soviet effort may have tripled. What has been the congressional response to these trends? Since 1964, only once did the Congress fail to cut the administration's request for R. & D. funding. On two other occasions, original requests were exceeded when supplemental requests were approved. Again this year, the Research, Development, Test, and Evaluation—R.D.T. & E.—budget has been cut—reduced by 257 million despite major additions such as $75 million for the advanced attack helicopter. While authorizations for procurement and civil defense increased slightly, the R. & D. authorization alone was cut. There is no need to gold plate the R. & D. link in the defense chain, but neither should we permit R. & D. to become the weak link of the future. Fortunately, this year's R. & D. authorization does represent a real increase over last year's R. & D. funding.

More important, however, is the spirit reflected in the R. & D. report language. While our subcommittee recognizes that many Defense Department R. & D. management practices are inefficient, we also realize that it is not the role of Congress to take over the administration of the specifics of any program.

Our recommendations this year are designed to encourage innovation and keep options open while giving policy guidance based upon the best information available. For example, extensive hearings were conducted this year on the mechanized infantry combat vehicle—MICV—program. The committee has concluded that this trouble-plagued vehicle does provide a significant improvement in capability and is needed by our forces in Europe as soon as possible, but the committee also believes that the present MICV may not be the proper armored fighting vehicle for the battlefield of the future. Therefore, the committee has continued funding for the MICV program, but has provided additional money to begin a follow-on program. The committee was also seeking to expedite innovation when it added $11 million to the Defense Advanced Research Projects Agency's 75 mm solid propellant gun program. We are seeking to keep open the option of an earlier operational date if this weapon should fulfill its promise.

Mr. President, our report this year points out the committee's concern over

the military airlift and chemical warfare capabilities of our forces. I would have preferred to see more action taken to overcome recognized shortcomings. In airlift, for example, excellent programs such as the advanced tanker/cargo aircraft—ATCA and the advanced medium STOL transport—AMST will be available when the services agree upon the specific requirements. Hopefully, this will be soon. With respect to chemical warfare, the committee has added a requirement that armored fighting vehicles procured after fiscal year 1980 have a collective system to protect the crew against chemical and radiological attack. The Soviet Union has worked extensively to provide this protection to its combat soldiers, and the committee is aware of the chemical warfare threat to NATO. For that reason, I am less certain that it is wise to continue to deny funds for the development of binary chemical munitions. Binary chemical weapons are chemical warfare agents formed by the combination of two harmless substances. As such, they would give us a deterrent to the Soviet first use of chemical weapons, but would be safer to ship and store than present chemical agents.

Mr. President, again I wish to praise the members of the Senate Armed Services Committee for their work on this important legislation, and I urge my colleagues to support this legislation.

Mr. DURKIN. Mr. President, I want to go on record of supporting increased flexibility for the Department of Defense in the employment of industrially funded civilian personnel. In my State of New Hampshire, we have the Portsmouth Naval Shipyard which has a long and distinguished record of excellent work, particularly in the area of overhaul and conversion of nuclear submarines. The Portsmouth Naval Shipyard is the only shipyard which specializes with nuclear submarines, and has the outstanding accomplishment of overhauling more submarines than any other naval base on the east coast. These activities are financed through industrial funds. The Portsmouth Naval Shipyard has the capacity and the ability to handle more work if not for the limitation on industrially funded civilian manpower in the Department of Defense manpower ceilings. I, therefore, support allowing the Secretary of Defense additional flexibility in civilian manpower management in order to redress these types of inefficiencies.

Mr. President, I am terribly concerned that the civilian end-strength authorization unduly limits the efficient management of civilian manpower. Presently, the Secretary of Defense has the authority to exceed the authorized end-strength level for civilian personnel by one-half of 1 percent when he considers it in the national interest to do so. I would suggest that the Secretary's flexibility be increased to at least 1½ percent for fiscal year 1978, in order to provide ample flexibility to avoid efficiency which might be caused by an authorization ceiling.

The imposition of the end-strength ceiling has resulted not only in decreased efficiency of operation but also in a severe economic hardship for workers who may be dismissed periodically in order to meet the ceiling. Mr. President, I hope that when the Senate conferees sit down to work out the differences with the House bill, they seriously consider expanding the flexibility of the Secretary of Defense in civilian manpower management. It is only in this way that industrial installations such as the Portsmouth Naval Shipyard will be able to accomplish defense work whether it is the production of ammunition or the overhaul of nuclear submarines in time to meet schedules while providing the taxpayer with a more efficient expenditure of the defense dollar.

Mr. RIBICOFF. Mr. President, I rise to voice my deep disappointment over the Armed Services Committee's decision to cut $114.8 million from the Army's aircraft request, thereby reducing the initial procurement of the UTTAS utility helicopter from 56 to 24.

As many of my colleagues know, the UTTAS is a combat assault squad carrier which will eventually replace the UH–1 Huey. It is produced by Sikorsky Aircraft of Stratford, Conn.

During a 43-month period Sikorsky Aircraft developed and produced three prototype aircraft, a ground test vehicle and a static test item. These prototypes underwent extensive Government competitive tests from March through November 1976. I understand that UTTAS is the most tested helicopter prior to a production contract award. Over 1,300 flight hours were accumulated on the prototypes prior to the selection. Also, extensive ground/bench qualification of components and systems was accomplished prior to and during the flight test program. Defects were corrected in the engineering development phase of the program before competitive evaluation by the Government. I am informed that the Sikorsky UTTAS exceeded Army requirements.

The award of the UTTAS contract to Sikorsky is expected to have a significant impact on Connecticut's economy, particularly in helping to spur our State's financial recovery and growth. Should the procurement be reduced, I imagine that the program's impact on Connecticut's economic development will be diminished. Also. I understand that if the current UTTAS program is cut back for the first 3 years, total program costs may increase significantly as will the design to unit cost.

Mr. President, inasmuch as the House has approved full funding for the UTTAS procurement program, this issue will be discussed during the Senate-House conference. I urge the Senate conferees to very carefully assess the information which has been made available to them on the UTTAS program and thoughtfully weigh the impact of any reduction on the overall cost of the program as well as its impact on my State's economy. I am hopeful that, during the conference negotiations, the Senate participants will accept the House position.

(This concludes additional statements submitted on H.R. 5970.)

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

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

The second assistant legislative clerk proceeded to call the roll.

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

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

TIME-LIMITATION AGREEMENT ON SPECIFIED AMENDMENTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, and this has been cleared with Mr. STENNIS, Mr. TOWER, and the authors of the amendments which I shall refer to, that there be a time limitation on an amendment by Mr. GRIFFIN having to do with the XM tank of 1 hour, to be equally divided between Mr. GRIFFIN and Mr. STENNIS; that there be a time limitation on each of two amendments by Mr. STEVENS of 1 hour, to be equally divided and controlled in accordance with the usual form; that there be a time limitation on an amendment by Mr. PROXMIRE of 1 hour, to be equally divided in accordance with the usual form; that there be a time limitation on an amendment by Mr. BAKER of 1 hour, to be equally divided in accordance with the usual form; that there be a time limitation on the bill of 2 hours, to be equally divided between Mr. TOWER and Mr. STENNIS; that there be a time limitation on any amendment to an amendment of 30 minutes, to be equally divided in accordance with the usual form; that there be a time limitation on any debatable motion or appeal or point of order, if such is submitted to the Senate, of 20 minutes to be equally divided in accordance with the usual form.

This leaves the agreement open as to any other amendments which may be offered. We are not asking for any limitation at this time on any other amendments than those which we know about and have specified.

Mr. NUNN. Reserving the right to object, our distinguished Presiding Officer (Mr. CHILES) has an amendment, I understand, on the SIRCS weapons system. I do not know if he wants to have a time limitation on that, but, as I understand it, the unanimous-consent request would not in any way impinge on his right to call up that amendment without a time limitation.

Mr. ROBERT C. BYRD. Exactly.

Mr. NUNN. I have no objection.

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

Mr. ROBERT C. BYRD. Mr. President, I thank all Senators.

May I ask the Senator from Texas (Mr. TOWER) if he knows of any amendment that will be called up this afternoon?

Mr. TOWER. In response to the distinguished majority leader, I know of no amendments that are to be called up this afternoon. Senator STEVENS is not prepared, Senator DOLE has already been agreed to, and Senator BAKER would prefer to have his called up tomorrow. It is my understanding Senator GRIFFIN prefers to wait until tomorrow. That takes care of our side. Unless Senator PROXMIRE would be prepared to act this afternoon——

Mr. PROXMIRE. I would greatly prefer to call up my amendment tomorrow.

Mr. ROBERT C. BYRD. Very well.

Mr. TOWER. I misspoke myself. The distinguished Senator from Michigan says he is prepared to call up his amendment tonight.

Mr. GRIFFIN. Unless Senator STENNIS is opposed to that.

Mr. TOWER. I do not think he is.

Mr. ROBERT C. BYRD. I understand that Senator LONG and Senator CURTIS are ready to call up the conference report on the tax bill. It will only take a few minutes.

Shall I send for Senator LONG and let him proceed with that and then come back to your amendment tonight?

Mr. GRIFFIN. That will be fine.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

TAX REDUCTION AND SIMPLIFICATION ACT OF 1977—CONFERENCE REPORT

Mr. LONG. Mr. President, I submit a report of the committee of conference on H.R. 3477 and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. CHILES). The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3477) to provide for a refund of 1976 individual income taxes and other payments, to reduce individual and business income taxes, and to provide tax simplification and reform, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the RECORD of May 6, 1977, beginning at page 13901.)

Mr. LONG. Mr. President, the report on H.R. 3477, the Tax Reduction and Simplification Act of 1977, responds to two pressing problems facing the Nation today: The need in the economy to reduce unemployment and spur economic growth, and the need to simplify our tax system so that more Americans can file their tax forms without using commercial services. In addition, the conference agreement eliminates certain retroactive features of the 1976 Tax Reform Act which would otherwise cause undue hardship, and adds other provisions to the Internal Revenue Code which provide additional equity in our tax system.

The House version of the tax bill provided an overall tax cut of $12.6 billion in fiscal year 1977 and $17.4 billion in fiscal year 1978. The Senate bill involved tax cuts of $3.2 billion in 1977 and $20.1 billion in 1978. In view of the strong pace of the recovery in 1977 and foreseeable pressures on prices this year, the Senate conferees insisted that a smaller tax reduction be provided for 1977. Consistent with President Carter's request, the conferees thus eliminated the $50 rebate and moderated the size of the business tax reduction. Overall, the conference agreement provides for a $2.6 billion tax reduction in fiscal year 1978. Of the $2.6 billion reduction in fiscal year 1977, about three-fourths is for individuals, one-fourth for business. In fiscal year 1978, 80 percent of the tax reduction goes to individuals.

The economic stimulus in the bill results from the new jobs credit, as improved upon by the Senate, the extension of the 1975 individual and corporate tax cuts, and the revision of the standard deduction.

The bill achieves an important tax simplification by the revision of the standard deduction. Also, because the conference adopted a Senate amendment, the bill reduces the so-called marriage penalty below that existing under current law.

The conference bill moves forward the effective date of the sick pay and foreign income exclusion provisions of the 1976 Tax Reform Act and therefore considerably eases unexpected, retroactive tax burdens which were imposed last year.

Perhaps the most difficult issue facing the conference was the optional investment tax credit in the Senate bill. Many of you have been concerned that investment in the economy has not been as strong as it has previously been at this stage in the recovery. However, President Carter is expected to propose business incentives to provide capital formation as part of his tax reform package. Because we are going to undertake a comprehensive review of the whole structure of business taxation and consider additional business tax incentives for capital formation, it seemed prudent to the Senate conferees to recede on the extra investment credit.

The House and Senate were in basic agreement over the extension through 1978 of the 1975–77 individual and corporate tax reductions. The individual cuts are the general tax credit, which equals either $35 per person or 2 percent of the initial $9,000 of taxable income, and the refundable earned income credit. The House receded on its amendment to the earned income credit, modifying its availability to welfare recipients.

The provisions extending the 1975–77 corporate tax reductions were identical in both bills and thus were not in conference. These reduce the corporate rate to 20 percent on the initial $25,000 of taxable income and 22 percent on the next $25,000.

Finally, the provision changing withholding tables to conform to the new standard deduction were quite similar, although the House receded to a June 1977 start-up date in view of the lateness of the year.

The revision of the standard deduction is a tax change of which the Senate can be justifiably proud. Not only does it reduce the number of calculations taxpayers must make, it also encourages over 7 million persons not to itemize their deductions. It also permits 96 percent of all taxpayers to look up their tax in a tax table rather than have to calculate their tax from rate schedules.

Under the House bill, the revised standard deduction was $2,400 for single persons and $3,000 for married couples filing jointly. This meant that there would have been a decrease in the standard deduction of $1,800 for single persons who decide to get married. This is what is referred to as the so-called "marriage penalty." Current law creates a marriage penalty in the standard deduction of between $1,300 and $2,000.

The Senate standard deduction was $2,200 for single persons and $3,200 for married couples filing jointly. Under the Senate provision, the marriage penalty would be reduced to $1,200. The conference adopted the Senate position. We were, however, unable to persuade the House to accept the Senate provision which accords heads of households the same standard deduction as is available to joint returns.

Four provisions of the 1976 Tax Reform Act had a severe retroactive impact on taxpayers: the exclusions from income of sick pay and income earned abroad, the income phase out of the retirement income credit, and the imposition on taxpayers of penalties and interest resulting from retroactive tax increases in that act. Many of us have heard the hardships this would cause, and we provided relief in our version of the bill. The Senate position prevailed in the conference on all four of these provisions.

There are a number of other provisions which the Senate added to the tax bill on which we were able to prevail. First, the amendment which permits business use of a personal residence for day care services without the exclusive use test was kept. To get the House to agree, we added to our provision a requirement that, 90 days after enactment, facilities subsequently claimed comply with applicable State licensing requirements.

The House agreed to the Senate amendment on State legislators' travel expenses. The amendment extends the election in the 1976 Tax Reform Act to taxable years beginning in 1976. We hope soon to consider a House-passed bill to provide a better prospective solution to this problem.

The House conferees also agreed to the Senate amendment on intangible drilling costs. The amendment reduces the minimum tax preference for intangible drilling costs by an individual's income from oil and gas. Unfortunately, we were able to get the House to accept this only for 1 year. I am hopeful that when the energy bill comes over from the House, we will be able to act on this matter again, especially in view of the President's position on it.

The House agreed to our amendment on charitable contributions of conservation easements. This amendment pro-

vides deductions for charitable contributions used exclusively for conservation purposes if transfers are made prior to June 1981. The current law cutoff on transfers is June 1977. The House insisted, however, that the 1981 date be applicable only to permanent easements.

The conference report also includes the increased authorization for the WIN program. The Senate amendment added $435 million in fiscal years 1978 and 1979 for employment and supportive services without any State matching.

The House also accepted the Senate amendment extending through 1981 5-year amortization for expenditures by employers for child care facilities in their trade or business, which expired at the end of 1976.

The House conferees also accepted the Senate amendment which postpones for 1 year for certain chicken farms the effective date of the requirement that they use accrual accounting.

The House agreed to the Senate amendment on withholding of gambling winnings. The 1976 Tax Reform Act required the withholding of 20 percent of gambling winnings in excess of $1,000. The amendment modifies this withholding provision with regard to parimutuel pools involving horses, dogs and Jai Alai to require withholding on winnings of more than $1,000 if such winnings are at least 300 times as large as the amount wagered.

The House conferees adopted most of the Senate amendments to the new jobs credit. The conference agreement provides credit equal to 50 percent of the income in each employer's wage base under the Federal Unemployment Tax Act. The House bill had a 103-percent floor that the wage increase had to exceed; under Senator CHAFEE'S floor amendment, the 103-percent FUTA wage limitation would be reduced to 101 percent for a year for States with unemployment rates at or about 7½ percent in the previous year. The conference adopted a flat 102-percent floor rather than one which varies from State to State, which is more easily administered. The FUTA base for a year consists of wages paid up to $4,200 per employee. The total amount of the credit has four limitations: First, the credit cannot be more than 50 percent of the increase in total wages paid by the employer for the year above 105 percent of total wages paid by the employer in the previous year; second, the credit must be no more than 25 percent of the current year's FUTA wages; third, the credit for a year cannot exceed $100,000; and fourth, the credit cannot exceed the taxpayer's tax liability. Under the conference agreement, the employer's deduction for wages is reduced by the amount of the credit.

An additional 10-percent credit is allowed for the first $4,200 of wages paid to handicapped individuals—including disabled veterans—who were first paid FUTA wages by the employer during 1977 or 1978, and who have begun—or recently completed—vocational rehabilitation programs. The $100,000 limitation on the amount of the credit does not apply to the additional credit for handicapped employees.

To obtain the retirement income credit election I described earlier, the Senate had to recede on the tax credit for someone who houses a dependent 65 years of age or older.

The House conferees were concerned that it was not appropriate to include in a tax bill a sense of the Senate resolution on certain tax changes made by the Canadian Government which relate to U.S. broadcasters. Accordingly, the Senate receded on this amendment.

The Senate conferees also receded on the amendment which repeals the present law requirement for the Internal Revenue Service to maintain a public index. Although the Senate amendment provided the appropriate safeguards for purchasers who were unaware of tax liens on property which were inappropriately filed and the House conferees generally supported the amendment, the chairman of the Ways and Means Oversight Subcommittee, the sponsor of the provision last year, is very much concerned about this problem. He had requested that it not be agreed to at this time so that his subcommittee could review the matter. In view of this, we agreed to recede now but fully expect this matter to be reconsidered and dealt with very shortly.

The final Senate provision on which we had to recede was the amendment on investment annuities. The House conferees were quite strong in their view that the legislative postponement of the effective date of Revenue Ruling 7-85 until March 9, 1978, should be preceded by public hearings and greater study. The Treasury Department expressed the view that such a date would lead to "fire sales" in 1978.

Only one matter, countercyclical revenue sharing, was left in disagreement by the House conferees. The House conferees felt that since they were not from the House Committee of Jurisdiction, they should take the Senate countercyclical revenue sharing amendment back to the House and let the House decide on it separately.

The countercyclical provision passed by the House differs from the countercyclical provision in the Senate bill. The differences, however, are relatively minor and I think the Senate should vote for the House countercyclical provision. I will make a separate statement on this subject when the time comes to take the separate vote on countercyclical revenue sharing.

Mr. President, this bill is a significant feature of the President's economic recovery package and represents a significant simplification of our tax system. The Senate conferees have maintained the Senate position on most of the important isues. I therefore urge the Senate to agree to this conference report.

Mr. President, I believe Senators are familiar with what this conference report contains. It has been discussed in the press and the electronic media generally across the country. Unless Senators desire me to go into more detail about this matter, I will simply ask that the Senate vote on it.

Mr. CURTIS. Will the Senator yield?

Mr. LONG. I yield.

Mr. CURTIS. May I say to my chairman that the minority has no objection to the consideration of this conference report. We have had battles as far as the tax bill itself, but as far as the conference report is concerned we have no objection to disposing of it at this time.

Mr. LONG. I thank the distinguished Senator.

Mr. MUSKIE. Mr. President, I will support the conference report on H.R. 3477, the Tax Reduction and Simplification Act. This legislation is improved in a number of important ways from H.R. 3477 as it was passed by the Senate on April 29.

The level of fiscal year 1978 tax reductions provided in the conference report—$17.8 billion—is consistent with the revenue assumptions contained in the first budget resolution for 1978 as agreed to by the House and Senate budget conferees this past Wednesday. This resolution assumes net tax reductions of $17.6 billion—$17.8 billion of reductions offset by $0.2 billion in revenue increases from legislation affecting trust fund receipts.

I congratulate the Senate conferees for returning with legislation which eliminated $2.3 billion of revenue reductions from the $20.1 billion level of reductions provided in the bill passed by the Senate. This $20.1 billion level was too high. It was $1.7 billion over the level initially recommended by the Senate budget committee, as well as $1.7 billion over the level of reductions contained in the tax bill initially reported by the Senate Finance Committee.

As in the case of the Tax Reform Act last year, the Senate conferees have returned with a bill consistent with sound fiscal policy after the bill passed by the Senate provided excessive tax reductions. It is not sufficient for the Senate to rely on its tax bill conferees to return with legislation consistent with overall budget targets. The Senate must impose greater discipline upon itself in future tax legislation if the Congress is to adhere to responsible budget targets.

With respect to the specific major provisions of the Tax Reduction and Simplification Act, first, I support extension of the 1977 temporary tax reductions through calendar 1978. These reductions are necessary to maintain the steady economic growth that stems from congressional fiscal policies established through the congressional budget process.

Second, I support the simplification and tax relief provided by the uniform standard deduction rules established under this legislation.

Third, I am encouraged that the level of business tax relief provided by the conferees in fiscal year 1978 has been reduced by $1.3 billion from the $3.8 billion level provided in the Senate passed bill. Although this is a significant improvement, I still firmly believe the new employment tax credit provided in this bill at an annual cost of $2.5 billion will prove largely ineffective. Businesses simply will not hire adequate numbers of additional employees they would not otherwise have hired for an annual subsidy to an average corporation of only $1,092 per qualifying employee. More-

over, the employment credit will add unnecessary complexity to the tax code and will be unavailable to companies struggling in declining markets or regions to maintain employment at current levels.

Business tax relief is integrally related to the issues of capital formation and long range economic growth—matters requiring detailed analysis and long term goals. It would have been much more appropriate to have considered business tax relief in the context of the structural tax changes to be proposed by the administration in the coming months, than to have provided any business tax reductions in this legislation initially intended to provide only short term economic stimulus and tax simplification.

Finally, I support the amendment which authorizes countercyclical funds. Because there was no similar provision in the House-passed bill, the amendment, adopted by the Senate, was reported to the House in technical disagreement. The House has now receded and concurred with an amendment in the Senate position. Since the House substitute is nearly identical to the measure adopted by the Senate, I understand that Senator LONG will move to have the Senate concur in the House amendment. The parliamentary procedure will thus require two votes: One agreeing to the conference report, and a second one concurring in the amendment to the amendment reported in disagreement by the conference. I will vote favorably on both votes and will have more to say on the countercyclical issue at the time of the second vote.

In conclusion, despite the reservations I have expressed with respect to the business tax aspect of the legislation. I want to again congratulate the Senate conferees, and especially the chairman of the Finance Committee, Senator LONG, for returning with a conference report both consistent with the 1978 budget revenue target recently approved by the Senate, and much less costly than the legislation initially approved by the Senate. It is only with the cooperation of the members of the Finance Committee, its distinguished chairman, and the Senate as a whole, that the necessary discipline can be developed to make the congressional budget process work.

Mr. DOLE. Mr. President, the conference report on H.R. 3477, the Tax Reduction and Simplification Act of 1977 is before the Senate today. The bill has been improved since President Carter sent it to Congress by inclusion of a jobs tax credit and elimination of the $50 rebate; however, there have been important omissions such as the permanent tax cut and energy conservation provisions. Some of these important issues deserve further comment.

NO RELIEF FOR MOST TAXPAYERS

An amendment in the Senate to permanently reduce tax rates for most taxpayers was defeated in what was unfortunately mostly a partisan vote. President Carter opposes the adoption of any tax relief for lower and middle-income taxpayers at this time because he plans to propose the same thing this fall. The theory apparently is that when President Carter sends up his major tax reform package this fall, it will pass Congress next year.

This time schedule is plainly unrealistic. Congress spent almost 4 years in passing the Tax Reform Act of 1976. If the President's proposal does call for major changes in the tax law, the legislation will certainly be as controversial as the Tax Reform Act. Passage may even require more time than the Tax Reform Act.

The result is that for the next 3 or 4 years, in the face of rising inflation and increasing energy costs, American taxpayers will be denied any tax relief. The President is asking Congress to delay tax relief which he felt was so necessary in January when the ill-fated rebate was proposed. The economic future of more inflation and the artificially higher tax bills it causes is the same as in January. When the Democratic majority in the Senate defeated the tax rate reducation, they sentenced Americans to years of higher taxes. The Senator from Kansas is disappointed that this important reform was sacrificed to political considerations.

ENERGY NEEDS IGNORED

President Carter has made an eloquent case for the immediate necessity of energy conservation. I fully agree that actions should be taken rapidly to save our dwindling fuel sources. As part of the Tax Reform Act of 1976, the Senate passed a section designed to encourage conservation measures. After this was dropped in conference, the House later passed almost identical language in H.R. 6860. Because of time problems, this bill was not considered again by the Senate before the end of the 94th Congress.

Some of these same proposals that passed almost unanimously in both the House and Senate last year were defeated in the Senate as an amendment to H.R. 3477 now before us. Again the vote split on roughly partisan lines with the same expressed desire to have all energy proposals considered together. I realize the benefits of cohesiveness in a legislative area but I wonder if the equally compelling demands of energy conservation do not necessitate some action.

The amendment was carefully drawn to include only noncontroversial proposals. No one disagrees with giving a tax credit for home insulation. Yet, the failure of Congress to accept this amendment has raised the possibility that the first session of this Congress will go by without any energy legislation being enacted. If Congress and the President agree now as they do, I do not see the sense of delaying. The problems of energy conservation are too serious for Congress to deter from acting to promote conservation now.

INVESTMENT TAX CREDIT DROPPED

The Senate version of H.R. 3477 contained, as an option with the jobs tax credit, an increase in the investment tax credit of 2 percent. The investment tax credit has proven in the past to be an effective stimulus for the significant capital investments that are necessary for many new jobs. American industry is too diverse for any one incentive to be truly effective in stimulating each industry to place more workers on the payroll. The jobs tax credit addresses one aspect of employment by helping employers pay the salary of new workers. The investment tax credit is a device to help private industry have the facilities and machinery available to make these additional workers productive. The Senator from Kansas feels that the investment tax credit complemented the job tax credit well and should have been retained by the conference committee.

FINALLY A JOBS TAX CREDIT

Since 1965 when it was billed as a human investment credit, I have supported the idea of a tax credit for employers tied directly to increases in employment. During the last two sessions of Congress, I have proposed legislation to create an effective employment tax credit. I am pleased that the Congress has accepted this idea and included a jobs tax credit in this bill. I believe that the jobs tax credit will prove itself a powerful alternative to expensive and temporary public works programs which require massive Government subsidy. The private sector must be the one to provide the jobs that America will need to grow in the future.

The Senate increased the percentage of wages covered, reduced the employment base to allow more businesses to participate and raised the allowable credit per firm as compared to the House bill. These recommendations were essentially adopted by the conference committee.

HANDICAPPED AND LONG-TERM UNEMPLOYED AIDED

The conference committee also included an additional 10-percent credit for hiring handicapped workers. I cosponsored this amendment in the Senate and am pleased that the conference committee retained this extra incentive for putting handicapped workers on the payroll. The handicapped workers of America only want a chance to prove themselves This action by Congress will be a signal that we are committed to ending the economic second-class citizenship of these Americans.

The present jobs tax credit also focuses to a degree on the special problems of the long-term unemployed. My own legislation "targeted" the jobs tax credit even more on the workers who have been out of work the longest. The unique problems of structural unemployment require special consideration. While I support the extra assistance given, I would have preferred a more direct and specialized program for the long-term unemployed.

TAX ON SICK PAY DELAYED

The conference committee retained my amendment to H.R. 3477 to delay the new tax on sick pay for 1 year. More than a million retired and disabled taxpayers were severely hit by this retroactive tax, I had hoped that this retroactive imposition of taxes could be changed before April 15. In fact, both the House and the Senate did pass slightly different versions of the sick pay legislation. Until the

last moment, it appeared that differences could be worked out before tax returns had to be filed. However, the possibility of a veto by President Carter succeeded in holding the legislation until after April 15. The inclusion of the sick pay change in H.R. 3477 should save it from any possible veto by the President.

The PRESIDING OFFICER. The question is on the adoption of the conference report.

The conference report was agreed to.

The PRESIDING OFFICER. The clerk will report the amendment in disagreement.

The amendment in disagreement is as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 85 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed to be inserted by said amendment, insert:

TITLE VI—INTERGOVERNMENTAL ANTI-RECESSION ASSISTANCE

SEC. 601. This title may be cited as the "Intergovernmental Antirecession Assistance Act of 1977".

SEC. 602. (a) Subsection (b) of section 202 of the Public Works Employment Act of 1976 (42 U.S.C. 6722(b)) is amended to read as follows:

"(b) AUTHORIZATION OF APPROPRIATIONS.—Subject to the provisions of subsections (c) and (d) of this section, there are authorized to be appropriated for each of the five succeeding calendar quarters (beginning with the calendar quarter which begins on July 1, 1977) for the purpose of payments under this title—

"(1) $125,000,000, plus

"(2) $30,000,000 multiplied by the number of whole one-tenth percentage points by which the rate of seasonally adjusted national unemployment for the most recent calendar quarter which ended three months before the beginning of such quarter exceeded 6 per centum.".

(b) Subsection (c) of section 202 of such Act is amended to read as follows:

"(c) LIMITATION ON AUTHORIZATION.—In no case shall the aggregate amount authorized to be appropriated under the provisions of subsection (b) of this section for the five successive calendar quarters beginning with the calendar quarter which begins July 1, 1977, exceed $2,250,000,000.".

SEC. 603. (a) Section 203(b)(3)(D) of the Public Works Employment Act of 1976 (42 U.S.C. 6723(b)(3)(D)) is amended by striking out "for the one-year period beginning on July 1, 1975" and inserting in lieu thereof "for the most recently completed entitlement period, as defined under section 141(b) of such Act".

(b) Section 203(c)(1) of such Act is amended by striking out "paragraphs (3) and (5)" and inserting in lieu thereof "paragraph (4)".

(c) Section 203(c) of such Act is amended by striking out paragraph (3) and redesignating paragraphs (4) and (5) as paragraphs (3) and (4).

(d) Section 203(c)(3)(B) of such Act is amended by—

(1) inserting "or assigned" after the word "determined"; and

(2) striking out the parenthetical phrase and inserting in lieu thereof the following:

"(in the case of a local government for which the Secretary of Labor cannot determine a local unemployment rate, he shall assign such local government the local unemployment rate of the smallest unit or subunit of local government for which he has determined a local unemployment rate and within the jurisdiction of which such local government is located, unless—

"(i) the Governor of the State in which such local government is located has provided the Secretary of Labor with a local unemployment rate for such local government, and

"(ii) the Secretary of Labor finds that such local unemployment rate provided by the Governor has been determined in a manner consistent with the procedures and methodologies used by the Secretary of Labor in determining local unemployment rates,

in which case the Secretary of Labor shall assign such local government the local unemployment rate provided by such Governor)".

(e) Section 203(c)(3)(C) of such Act is amended by—

(1) striking out "for the one-year period beginning on July 1, 1975" and inserting in lieu thereof "for the most recently completed entitlement period, as defined under section 141(b) of such Act"; and

(2) striking out the parenthetical phrase.

(f) Section 203(c)(3) of such Act is amended by striking out subparagraph (D) and redesignating subparagraph (E) as subparagraph (D).

(g) Section 203(c)(3)(D)(i) of such Act is amended by striking out "Social and Economic Statistics Administration" and inserting in lieu thereof "Bureau of the Census".

(h) Section 203(c)(3) of such Act is amended by striking out "For the purpose of paragraph (4)(D), the Secretary of Labor shall, notwithstanding any of the provisions of law, continue to make determinations with respect to the rate of unemployment for the purposes of such title VI.".

(i) Section 206 of such Act is repealed.

SEC. 604. Section 204 of the Public Works Employment Act of 1976 (42 U.S.C. 6724) is amended by striking out "and for construction unless such supplies and materials or construction are to maintain basic services" and inserting in lieu thereof "or for construction, except for normal supplies or repairs necessary to maintain basic services".

SEC. 605. Section 207 of the Public Works Employment Act of 1976 (42 U.S.C. 6727) is amended to read as follows:

"NONDISCRIMINATION

"SEC. 207. (a)(1) IN GENERAL.—No person in the United States shall, on the ground of race, color, national origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity of a State government or unit of local government, which government or unit receives funds made available under this title. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in section 504 of the Rehabilitation Act of 1973 shall also apply to any such program or activity. Any prohibition against discrimination on the basis of religion, or any exemption, from such prohibition, as provided in the Civil Rights Act of 1964 or title VIII of the Act of April 11, 1968, commonly referred to as Civil Rights Act of 1968, shall also apply to any such program or activity.

"(2) EXCEPTIONS.—

"(A) FUNDING.—The provisions of paragraph (1) of this subsection shall not apply where any State government or unit of local government demonstrates, by clear and convincing evidence, that the program or activity with respect to which the allegation of discrimination has been made is not funded in whole or in part with funds made available under this title.

"(B) CONSTRUCTION PROJECTS IN PROGRESS.—The provisions of paragraph (1), relating to discrimination on the basis of handicapped status, shall not apply with respect to construction projects commenced prior to January 1, 1977.

"(b) ENFORCEMENT AND REMEDIES.—The provisions of subsection (a) of this section shall be enforced by the Secretary in the same manner and in accordance with the same procedures as are required by sections 122, 124, and 125 of the State and Local Fiscal Assistance Act of 1972 to enforce compliance with section 122(a) of such Act. The Attorney General shall have the same authority, functions, and duties with respect to funds made available under this title as the Attorney General has under sections 122 (g) and (h) and 124(c) of such Act with respect to funds made available under that Act. Any person aggrieved by a violation of subsection (a) of this section shall have the same rights and remedies as a person aggrieved by a violation of subsection (a) of section 122 of such Act, including the rights provided under section 124(c) of such Act.".

SEC. 606. Section 215 of the Public Works Employment Act of 1976 (42 U.S.C. 6735) is amended by adding at the end thereof the following new subsection:

"(c) ALTERNATIVE METHODS OF ALLOCATION.—The Secretary shall, in consultation with the Secretary of Commerce, conduct an investigation of—

"(1) the extent to which allocations of funds provided under this Act might be more precisely related to true economic conditions by the use of data on aggregate declines in private real wages and salaries;

"(2) the extent to which other factors, such as relative tax effort, should also be made part of the allocation system provided by this Act; and

"(3) the availability and reliability of data concerning Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands, and the extent to which such territories may properly be made part of the regular allocation system applicable to the several States.

The results of such investigation shall be submitted to the Congress not later than March 1, 1978, in order that such results may be available during congressional consideration of any extension of this Act beyond the fiscal year ending September 30, 1978.".

SEC. 607. Title II of the Public Works Employment Act of 1976 (42 U.S.C. 6721–6735) is amended by adding at the end thereof the following new section:

"AUTHORIZATION OF APPROPRIATIONS FOR PUERTO RICO, GUAM, AMERICAN SAMOA, AND THE VIRGIN ISLANDS

"SEC. 216. (a) IN GENERAL.—There is hereby authorized to be appropriated for each of the five succeeding calendar quarter (beginning with the calendar quarter which begins on July 1, 1977) for the purpose of making payments under this title to Puerto Rico, Guam, American Samoa, and the Virgin Islands, an amount equal to 1 percent of the amount authorized for each such quarter under section 202(b).

"(b) ALLOCATIONS.—

"(1) The Secretary shall allocate from the amount authorized under subsection (a) an amount for the purpose of making payments to such governments equal to the total authorized for the calendar quarter multiplied by the applicable territorial percentage.

"(2) For the purposes of this subsection, the applicable territorial percentage is equal to the quotient resulting from the division of the territorial population by the sum of the territorial population for all territories.

"(3) For purposes of this section—

"(A) The term 'territory' means Puerto Rico, Guam, American Samoa, and the Virgin Islands.

"(B) The term 'territorial population' means the most recent population for each

territory as determined by the Bureau of Census.

"(C) The provisions of sections 203(c)(4), 204, 205, 206, 207, 208, 209, 210, 211, 212, and 213 shall apply to the funds authorized under this section.

"(c) PAYMENTS TO LOCAL GOVERNMENTS.—The governments of the territories are authorized to make payments to local governments wtihin their jurisdiction from sums received under this section as they deem appropriate.".

Mr. LONG. Mr. President, this amendment has to do with the countercyclical revenue-sharing provisions. The Senate provided for $1 billion between April and Septembr 1977, and it provided for $2.25 billion for fiscal year 1978.

Mr. President, the House proceeded on the theory that it is really too late to do much about the period between April and September, except starting in July. Therefore, it provides that from July 1977 through September 30, 1978, the $2.25 billion would be available. It seemed to me, Mr. President, that under the circumstances, in view of the fact that most of the period for which the first $1 billion would be available has expired, we should go along with the House on its amendment.

The House added a nondiscrimination amendment which is patterned after and intended to be identical with the nondiscrimination amendment that is in the present revenue-sharing legislation. In view of the fact that the Senate has agreed to that type of an amendment, one almost identical to it, in the revenue-sharing bill, I do not see that there would be a problem. The formula for the revenue sharing in the House is the same as that provided by the Senate. The House would use the same formula as the Senate and the data would be collected in the same fashion as in the Senate. The only difference with regard to payments to territories would be that in addition to including Puerto Rico and the Virgin Islands, the House amendment would include American Samoa and Guam.

Mr. President, there was an error in the House committee report which was made clear on the floor. I have a statement explaining this error, as well as the excerpt of a discussion between Mr. WAGGONNER and Mr. BROOKS. I ask unanimous consent that the discussion of that matter be printed in the RECORD at this point.

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

Mr. WAGGONNER. Madam Chairman, I would like to ask a question of the distinguished floor manager of the bill, the gentleman from Texas (Mr. BROOKS). I am referring to page 8, section 6, entitled "Nondiscrimination" of the committee report. The purpose of the question is to try to be sure that the nondiscrimination provisions are made to coincide with those provisions which are a part of the revenue sharing legislation. This is the question that I would like to have clarified:

The committee report indicates that a recipient Government is exempt from the nondiscrimination provisions if it demonstrates with clear and convincing evidence that the program was not funded, directly on indirectly, with moneys allocated under this act.

Mr. BROOKS. Madam Chairman, will the gentleman from Louisiana (Mr. WAGGONNER) yield so that I may reply to him?

Mr. WAGGONNER. I would be most happy to yield to the gentleman from Texas.

Mr. BROOKS. Madam Chairman, the nondiscrimination provision included in H.R. 6810 incorporates the nondiscrimination provisions of the general revenue sharing statute passed last year. The section prohibits the use of funds made available under the countercyclical program in any discriminatory activity or program of a State or local government.

The nondiscrimination provision does not apply where any State or local government can demonstrate by clear and convincing evidence that the program or activity alleged to be discriminatory is not funded in whole or in part with funds available under this legislation. The words "directly or indirectly" do not appear in either this legislation or the general revenue sharing legislation. They were inadvertently included in the section-by-section analysis in the report on this legislation. That language is not intended in any way to affect the provision contained in the legislation itself.

Mr. WAGGONNER. Then it more properly should read "in whole or in part" since it was intended that we add that language, is that correct?

M. BROOKS. That is correct.

Mr. WAGGONNER. I thank the distinguished gentleman from Texas.

Mr. LONG. Mr. President, the House nondiscrimination provision is thus the same one as general revenue sharing has as a result of our action last year. The Senate amendment continued the current nondiscrimination prohibitions in the countercyclical legislation. Since the same agency, the Office of Revenue Sharing, administers both the general and countercyclical revenue-sharing programs, and the money goes to the same governments—States, counties, cities, and townships—I can see the logic of having the same set of nondiscrimination rules apply.

There are three other minor House countercyclical provisions which involve the formula, the use of most recent data, and payments to the Territories. The first two are the same as our provisions in these areas. With respect to the Territories, the House provision adds American Samoa and Guam to the list of Territories which can participate—this seems acceptable to me.

I would now like to return to the nondiscrimination provisions to clarify what is intended here.

The House change was made by Congresswoman BARBARA JORDAN, as I understand it. She and I worked out an agreement on the general revenue-sharing rules last year. At that time, the point of difference between the Senate and House was whether or not to apply the rules to programs or activities that were directly funded by revenue sharing, or directly and indirectly funded by revenue sharing. She and I both agreed that applying these rules—which involve the automatic cutoff of funds after a set period of time—to all programs or activities, that is the entire budget, would be overkill. And that we ought to look to just those programs funded directly with revenue sharing in terms of applying the rules, and thus use the money as a lever to get compliance. Let me quote you her statement from conference, then, because some people seem to think that we did not mean to apply those rules to just directly revenue sharing-funded programs:

Ms. JORDAN. I am certainly in agreement with that, Mr. Chairman. As I said, Senator Long, we can make it clear in the language of the report what we intended in terms of the direct application of those funds, and I would certainly vote for that amendment as altered by Mr. Horton. I would urge my colleagues to do the same.

The Statement of Managers did clarify this as she intended, but the Treasury regulations were much more vague. Since we are not going to have a conference document on this provision, I think it is important to remind everyone, including the people downtown, just what we mean here.

Mr. President, I think the House countercyclical provision is very similar to the Senate provision, and I urge its adoption.

Mr. MUSKIE. Would my distinguished colleague from Louisiana yield for an inquiry?

Mr. LONG. Yes, I yield to my distinguished colleague from Maine.

Mr. MUSKIE. I can see that putting the same language into similar bills makes a great deal of administrative sense, but I share Senator LONG's concern that we not engage in overkill. Limiting the application of these very tough civil rights rules and procedures seems to be a workable proposition, and one that will still result in a great deal of good. My questions involve when one would look for the application of these provisions.

In order to be under the exception clause of the civil rights provisions, would it be necessary to show that a particular tax, intergovernmental transfer, or other source of funds was initially dedicated to the program or activity?

Mr. LONG. No, it would not be as we intended it.

Mr. MUSKIE. Would it be sufficient to be under the exception clause to show that receipts from a particular tax, transfer, or other source or combination of such taxes, transfers, or other sources of funds, gave rise to all the funds for the program or activity which is alleged to involve discrimination?

Mr. LONG. Yes, that would be sufficient.

Mr. MUSKIE. Would it be sufficient to be under the exception clause to show that all the countercyclical revenue-sharing funds were spent for programs or activities other than the one in which discrimination was alleged?

Mr. LONG. Yes, that would be sufficent.

Mr. MUSKIE. I thank the Senator. That is how I would interpret these provisions. It seems a reasonable and proper interpretation. I would, therefore, join with my colleague from Louisiana in supporting this amendment.

Mr. President, this amendment which extends and expands the so-called countercyclical assistance program, has been

the subject of heated debate on the House side. Some of the arguments made against the current program and the Senate-passed amendment have been confusing and misleading. As the principal sponsor of this legislation from the beginning, I would like to clarify some of the questions that have been raised about the purpose and the operation of the program.

The first point I would like to make is that the countercyclical assistance program is and always has been an antirecession program. It was enacted as part of the jobs bill last year, and it was included in President Carter's economic stimulus package this year.

The underlying assumption of the program is that recession takes a severe, if uneven, toll on State and local governments throughout the country. This toll takes the form of shortfalls in revenues as well as increased demand for recession-related services. Because of these added pressures on their budgets, those State and local governments most affected by recession are forced to make restrictive budgetary adjustments—such as tax increases and service cutbacks—in order to make ends meet. Such budget adjustments, however, can work at cross purposes to Federal efforts—like tax cuts and jobs programs, for example—to stimulate national economic recovery.

Many economists believe that State and local governments now constitute such a significant part of our economy that their actions need to be weighed in the development of national economic policy. In time of recession, this means that their budgetary situations need to be stabilized so that restrictive budget actions do not become a drag on economic recovery.

That goal of stabilization is the primary purpose of the countercyclical assistance program. It is not intended to put large numbers of people to work, although it does have a substantial jobs impact. Nor is it intended to stimulate large amounts of new spending.

Countercyclical assistance can appropriately be described as unemployment compensation for State and local governments hard hit by recession. It is intended to put some breathing room into their budgets to enable them to get over the worst of recession with minimal reliance upon restrictive budget adjustments. In the long run, the program is intended to enhance the overall Federal goal of economic recovery.

The cost of recession to State and local governments is substantial. A 1975 report by the Joint Economic Committee estimated that because of recession State and local governments would be taking approximately $8 billion out of the economy in the form of restrictive budgetary adjustments, precisely at the same time that the Federal Government was trying to stimulate recovery through increased spending.

A more recent study by the Academy for Contemporary Problems at Ohio State University has estimated that during 1974 and 1975, the recession cost State and local governments roughly $24 billion, including actual budget adjustments as well as the unrealized change in potential budgets.

In view of the magnitude of these costs, countercyclical assistance is a modest response indeed.

In debate on the House side, much was made over the question of whether some of the major recipients of countercyclical assistance under the current program—places like New York and Detroit—were suffering from cyclical economic problems or from "secular" long-term economic difficulties, as if the two could be clearly separated.

The answer is clear, at least to my way of thinking. Obviously, places like Detroit, New York, or Newark are suffering from severe and chronic economic problems. But is is equally apparent that the recession has made things much worse. In fact, the two problems probably go hand in hand, in that long-term economic difficulties make communities much more vulnerable to economic downturn.

In the best of times, a place like Detroit may have unemployment that is well above the national average. But during the height of this recession, unemployment in that city rose to over 20 percent.

It is that recession-related increment that the countercyclical assistance program was intended to address, and nothing more. It is ludicrous to even suggest that a program the size of countercyclical assistance could have been intended to deal with long-term urban problems. If from no other evidence, that should be clear from the fact that the program is written to turn off automatically when recession is substantially over—not when "the urban problem" is solved.

A second major point I would like to make, Mr. President, concerns the use of unemployment as the targeting factor in the countercyclical formula.

Once again, this was a subject of much controversy in the House, on the grounds that unemployment is not a good measure of the recession's impact, and furthermore, that the unemployment data itself is not very reliable.

To these arguments, I would like to make several points.

In the first place, the JEC report to which I referred above found a strong correlation between high unemployment and budget difficulties. That study found that the distribution of the recession's impact was extremely uneven, with the least impact in the low unemployment energy and agriculture States and the greatest impact in the high unemployment industrialized States of the North and Midwest. It further found that the incidence of restrictive budget adjustments was markedly higher in the latter group.

A survey conducted by my Subcommittee on Intergovernmental Relations of about 400 State and local governments—though not a scientific sample like that of the JEC—also found a strong correlation between unemployment and the incidence of budget adjustments. Of those jurisdictions with unemployment over 8 percent, an astounding 96 percent responded that budget adjustments had been necessary over the last 2 years to deal with recession-related budget difficulties. Among lower unemployment jurisdictions, however, the percentage was far lower.

Of course, Mr. President, as is the case anytime one tries to apply a uniform factor to a very nonuniform population, there will be cases where high unemployment is not accompanied by budget problems. And critics in the House were very quick to point out an example or two where this was the case.

It is precisely because we knew such a situation might arise that we included in the original legislation a statement of assurances that each jurisdiction be required to complete, attesting to the fact that the countercyclical funds were needed. According to the Office of Revenue Sharing, a number of jurisdictions were honest enough to say that they did not need the money, even though their unemployment was high enough to make them eligible.

With regard to the reliability of the unemployment data, Mr. President, I have several comments.

Most importantly, neither I nor anyone else who has worked on this program has ever claimed that the unemployment data is all that we would hope. Of course, it is not perfect.

However—and it is a very important however—unemployment data is the best indicator that we have which is available for a large number of local governments on a regular and timely basis.

No other economic indicator is available for so many jurisdictions on a monthly basis.

So unemployment is the best that we can do at the present time. If it is not perfect, does that mean that we should abandon the program altogether? If so, then we should consider abandoning the public works and CETA programs—both of which we have just reenacted, and both of which allocate funds on the basis of the same unemployment data.

To sum up, Mr. President on this question of the targeting factor—First, there is a solid body of evidence indicating that as a general rule, there is a positive correlation between high unemployment and fiscal distress. Second, there is no other indicator which is available for a large number of individual jurisdictions and for which there is such a correlation. Tax effort, the most commonly suggested alternative, is a highly inconsistent measure, reflecting as it does both fiscal distress and affluence.

There is one additional issue I would like to address, Mr. President, which goes to the very heart of what this program is all about.

Throughout the debate in the House, there was the recurring suggestion that the formula is somehow unfair, because under it many jurisdictions receive no funds at all.

I must confess that I find this complaint rather astonishing.

We are talking about an antirecession program, not an add-on to general revenue sharing.

Those governments who have received no money under the program are those places with full employment—unemployment of 4.5 percent or less.

In a more perfect world where we had other economic indicators for State and local governments, I believe that reasonable men could disagree over whether unemployment is the best indicator of fiscal distress.

I do not believe, however, that any reasonable man could argue that a low unemployment rate is an indicator of fiscal distress.

Therefore, I find it both fair and reasonable that jurisdictions with full employment receive no funds under this program. To do otherwise is to totally distort the basic purpose of the program.

Mr. LONG. Mr. President, I move to concur in the House amendment to the Senate amendment No. 85.

The PRESIDING OFFICER. Without objection, the motion is agreed to.

Mr. LONG. I move to reconsider the vote by which the motion was agreed to.

Mr. CURTIS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a brief period now for the transaction of routine morning business, with statements therein limited to 5 minutes each.

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

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

MESSAGES FROM THE PRESIDENT

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

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 12:03 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its clerks, announced that the House has passed the bill (H.R. 6810) to amend and extend title II of Public Law 94–369, and for other purposes, in which it requests the concurrence of the Senate.

At 4:44 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3477) to provide for a refund of 1976 individual income taxes and other payments, to reduce individual and business incomes taxes, and to provide tax simplification and reform; and that the House recedes from its disagreement to the amendment of the Senate numbered 85 and concurs therein with an amendment in which it requests the concurrence of the Senate.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDING OFFICER laid before the Senate the following communications which were referred as indicated:

EC–1327. A letter from the Director of the Office of Management and Budget, Executive Office of the President, transmitting a corrected page to the May cumulative report on rescissions and deferrals; jointly, pursuant to the order of January 30, 1975, to the Committee on Appropriations; the Budget; Foreign Relations; Commerce, Science, and Transportation; Armed Services; Environment and Public Works; Energy and Natural Resources; Human Resources; the Judiciary; Agriculture, Nutrition, and Forestry; Finance; Governmental Affairs; Banking, Housing, and Urban Affairs; and the Select Committee on Small Business, and ordered to be printed.

EC–1328. A letter from the Secretary of Housing and Urban Development transmitting a draft of proposed legislation to provide authorizations for HUD housing and related authorities for fiscal year 1979, and for other purposes (with accompanying papers); to the Committee on Banking, Housing, and Urban Affairs.

EC–1329. A letter from the Secretary of the Interstate Commerce Commission transmitting, pursuant to law, a report of the Commission's determination to extend the time period for acting upon the appeal pending before the Commission in docket No. 35914, H & R Scrap Iron and Metal Company v. Chicago and North Western Transportation Company (with an accompanying report); to the Committee on Commerce, Science, and Transportation.

EC–1330. A letter from the Comptroller General of the United States transmitting pursuant to law, a report entitled "Examination of the Rural Telephone Bank's Financial Statements for the 15-Month Period Ended September 30, 1976" (FOD–77–02) (with an accompanying report); to the Committee on Governmental Affairs.

EC–1331. A letter from the Chairman of the Council of the District of Columbia transmitting pursuant to law, a copy of Council Act No. 2–35, "An Act to allow the celebration of Dr. Martin Luther King, Jr.'s birthday on Fridays when it falls on Saturdays" (with accompanying papers); to the Committee on Governmental Affairs.

EC–1332. A letter from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, four proposed new record systems reports, in accordance with the Privacy Act (with accompanying reports); to the Committee on Governmental Affairs.

EC–1333. A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, the second annual report on the Activities of the Health Maintenance Organizations (HMO) program (with an accompanying report); to the Committee on Human Resources.

EC–1334. A letter from the Secretary of Housing and Urban Development transmitting a draft of proposed legislation to amend the Disaster Relief Act of 1974 to provide for authorization of appropriations thereunder through fiscal year 1979 (with accompanying papers); to the Committee on Environment and Public Works.

EC–1335. A letter from the Chairman of the United States International Trade Commission transmitting, pursuant to law, a report on East-West trade entitled, "Implications for U.S. Trade of Granting Most-Favored-Nation Treatment to the People's Republic of China" (with an accompanying report); to the Committee on Finance.

EC–1336. A letter from the Assistant Legal Adviser for Treaty Affairs for the Department of State transmitting, pursuant to law, international agreements other than treaties entered into by the United States within the past sixty days (with accompanying papers); to the Committee on Foreign Relations.

EC–1337. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Restructuring Needed of Department of Defense Program for Planning with Private Industry for Mobilization Production Requirements" (PSAD–77–108) (with an accompanying report); to the Committee on Governmental Affairs.

EC–1338. A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report presenting the core of national standards for care provided by community mental health centers and their associated criteria for assessing the quality of care in the centers (with an accompanying report); to the Committee on Human Resources.

EC–1339. A letter from the Chief Justice of the United States transmitting, pursuant to law, a copy of the proceedings of the meeting of the Judicial Conference of the United States held in Washington, D.C., on March 10–11, 1977 (with an accompanying report); to the Committee on the Judiciary.

EC–1340. A letter from the Secretary of the Smithsonian Institution transmitting, pursuant to law, the annual report of the Smithsonian Institution for the fiscal year 1976 (with an accompanying report); to the Committee on Rules and Administration.

EC–1341. A letter from the Director of the National Legislative Commission of the American Legion transmitting, pursuant to law, statements of the financial condition of the American Legion as of December 31, 1976 (with an accompanying report); to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Under authority of the order of May 13, 1977, the following reports of committees were submitted during the adjournment of the Senate:

On May 13:

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

Without amendment:

S. 1520. An original bill to amend the Foreign Assistance Act of 1961, and for other purposes (Rept. No. 95–161).

On May 14, 1977:

By Mr. ABOUREZK, from the Committee on Energy and Natural Resources:

With amendments:

H.R. 5306. An Act to amend the Land and Water Conservation Fund Act of 1965, and for other purposes (Rept. No. 95–162).

By Mr. METCALF, from the Committee on Energy and Natural Resources:

With amendments:

S. 393. A bill to provide for the study of certain lands to determine their suitability for designation as wilderness in accordance with the Wilderness Act of 1964, and for other purposes (Rept. No. 95–163).

By Mr. RIBICOFF, from the Committee on Governmental Affairs:

With an amendment:

S. 826. A bill to establish a Department of Energy in the executive branch by the reorganization of energy functions within the Federal Government in order to secure effective management to assure a coordinated national energy policy, and for other purposes (Rept. No. 95–164).

By Mr. CULVER, from the Committee on the Judiciary:

With an amendment:

S. 1021. A bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974, and for other purposes (Rept. No. 95–165).

REPORTS OF COMMITTEES

The following reports of committees were submitted today:

By Mr. CRANSTON, from the Committee on Veterans' Affairs:

With an amendment:

H.R. 3695. An act to amend title 38 of the United States Code in order to revise and improve the program of making grants to the States for the construction, remodeling, or renovation of State home facilities for furnishing hospital, domiciliary, and nursing home care for eligible veterans, and for other purposes (Rept. No. 95–166).

By Mr. CRANSTON, from the Committee on Human Resources:

With an amendment:

S. 961. A bill to promote the healthy development of children who would benefit from adoption by facilitating their placement in adoptive homes and for other purposes (Rept. No. 95–167).

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

With amendments:

S. 1235. A bill to further amend the Peace Corps Act (Rept. No. 95–168).

By Mr. RIBICOFF, from the Committee on Governmental Affairs:

With amendments:

S. 1262. A bill to establish an independent consumer agency to protect and serve the interest of consumers, and for other purposes (Rept. No. 95–169).

With an amendment:

S. 555. A bill to establish certain Federal agencies, effect certain reorganizations of the Federal Government, to implement certain reforms in the operation of the Federal Government and to preserve and promote the integrity of public officials and institutions, and for other purposes (Rept. No. 95–170).

By Mr. ROBERT C. BYRD (for Mr. CANNON), from the Committee on Rules and Administration:

With an amendment:

S. 1072. A bill to establish a universal voter registration program, and for other purposes (together with minority views) (Rept. No. 95–171).

By Mr. NELSON, from the Committee on Human Resources:

With an amendment:

S. 1303. A bill to amend the Legal Services Corporation Act to provide authorization of appropriations for additional fiscal years, and for other purposes (Rept. No. 95–172).

S. 1242. A bill to provide employment and training opportunities for youth (Rept. No. 95–173).

H.R. 2992. An act to authorize appropriations for fiscal year 1978 for carrying out the Comprehensive Employment and Training Act of 1973, as amended (Rept. No. 95–174).

By Mr. PROXMIRE, from the Committee on Banking, Housing, and Urban Affairs:

Without amendment:

S. 1523. An original bill to amend the Housing and Community Development Act of 1974; to extend certain housing assistance and mortgage insurance programs; and for other purposes (together with additional views) (Rept. No. 95–175).

By Mr. MAGNUSON, from the Committee on Commerce, Science, and Transportation:

With an amendment:

S. 682. A bill to amend the Ports and Waterways Safety Act of 1972; to increase the use of vessels of the United States to carry imported oil; and for other purposes (title amendment) (Rept. No. 95–176).

Without amendment:

S. 1522. An original bill to increase the appropriations authorization for fiscal years 1977 and 1978 and to authorize appropriations for fiscal year 1978 to carry out the Marine Mammal Protection Act of 1972, and for other purposes (Rept. No. 95–177).

With an amendment:

S. 1184. A bill to amend section 7(e) of the Fishermen's Protective Act of 1967, as amended (Rept. No. 95–178).

By Mr. JACKSON, from the Committee on Energy and Natural Resources:

With an amendment:

S. 1340. A bill to authorize appropriations to the Energy Research and Development Administration for energy research, development, demonstration, and related programs in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes (title amendment (Rept. No. 95–179).

By Mr. TALMADGE, from the Committee on Agriculture, Nutrition and Forestry:

With an amendment:

S. 275. A bill to provide price and income protection for farmers and assure consumers of an abundance of food and fiber at reasonable prices, and for other purposes (Rept. No. 95–180).

My Mr. WILLIAMS, from the Committee on Human Resources:

With an amendment:

S. 717. A bill to promote safety and health in the mining industry, to prevent recurring disasters in the mining industry, and for other purposes (Rept. No. 95–181).

By Mr. WILLIAMS, from the Committee on Banking, Housing and Urban Affairs:

With an amendment:

S. 1311. A bill to amend the Securities Exchange Act of 1934 to authorize specified amounts to be appropriated for the Securities and Exchange Commission for fiscal years 1978–80 (title amendment) (Rept. No. 95–182).

S. 208. A bill to amend the Urban Mass Transportation Act of 1964 to extend the authorization for assistance under such Act, and for other purposes (Rept. No. 95–183).

By Mr. NELSON, from the Select Committee on Small Business:

Without amendment and without recommendation:

H.R. 692. An act to amend the Small Business Investment Act of 1958 to increase loan authorization and surety bond guarantee authority; and to improve the disaster assistance, certificate of competency and Small Business set-aside programs (No Report). With an amendment:

S. 1442. A bill to amend the Small Business Act and the Small Investment Act of 1958 to extend and increase loan and surety bond guarantee authorities, and for other purposes (Rept. No. 95–184).

By Mr. RANDOLPH (for Mr. CULVER), from the Committee on Environment and Public Works:

With amendments:

S. 1237. A bill to extend the authorizations for appropriations for the San Francisco Bay and Great Dismal Swamp National Wildlife Refuges, and the Tinicum National Environmental Center (Rept. No. 95–185).

With an amendment:

S. 1316. A bill to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out State cooperative programs under the Endangered Species Act of 1973 (Rept. No. 95–186).

By Mr. GRAVEL, from the Committee on Environment and Public Works:

With amendments:

S. 846. A bill to provide for a continuing program of water resources research and development (Rept. No 95– 187).

By Mr. RANDOLPH (for Mr. CULVER), from the Committee on Environment and Public Works:

With an amendment:

S. 1417. A bill to authorize appropriations for environmental research and development activities of the Environmental Protection Agency, and for other purposes (Rept. No. 95–188).

By Mr. RANDOLPH, from the Committee on Environment and Public Works:

Without amendment:

S. 1527. An original bill to amend the Marine Protection, Research and Sanctuaries Act of 1972 to authorize appropriations to carry out the provisions of such Act for fiscal year 1978 (Rept. No. 95–189).

S. 1528. An original bill to amend section 2 of the Safe Drinking Water Act (P.L. 93–523) to extend and increase authorizations provided for public water systems (Rept. No. 95–190).

By Mr. GRAVEL, from the Committee on Environment and Public Works:

Without amendment:

S. 1529. An original bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes (Rept. No. 95–191).

S. 1530. An original bill to amend section 401 of the Water Resources Planning Act of 1965 (79 Stat. 244), as amended (Rept. No. 95–192).

By Mr. SPARKMAN, from the Committee on Foreign Relations: With an amendment:

H.R. 6179. An act to amend the Arms Control and Disarmament Act to authorize appropriations for fiscal year 1978, and for other purposes (Rept. No. 95–193).

H.R. 6689. An act to authorize fiscal year 1978 appropriations for the Department of State, the United States Information Agency, and the Board for International Broadcasting, to make certain changes in the Foreign Services personnel system, and for other purposes (Rept. No. 95–194).

S. 1160. A bill to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act, and for other purposes (Rept. No. 95–195).

By Mr. HART, from the Committee on Environment and Public Works:

With amendments:

S. 1131. A bill to authorize appropriations to the Nuclear Regulatory Committee in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, as amended, and for other purposes (Rept. No. 95–196).

By Mr. MAGNUSON, from the Committee on Commerce, Science, and Transportation:

With an amendment:

S. 1283. A bill to authorize appropriations for the Federal Trade Commission, and for other purposes (Rept. No. 95–197).

By Mr. LONG, from the Committee on Commerce, Science, and Transportation:

With amendments:

S. 922. A bill to amend the Regional Rail Reorganization Act of 1973 to authorize additional appropriations for the United States Railway Association (title amended) (Rept. No. 95–198).

By Mr. MAGNUSON, from the Committee on Commerce, Science, and Transportation:

Without amendment:

S. 1325. A bill to amend section 406(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1376) to provide explicit statutory authority for the payment of "flow-through" subsidy pursuant to an experimental program administered by the Civil Aeronautics Board during the period August 1, 1973 through July 1, 1975 (Rept. No. 95–199).

With an amendment:

S. 1250. A bill to authorize appropriations for the Coast Guard for fiscal years 1978 and 1979 and for other purposes (title amended) (Rept. No. 95–200).

By Mr. PEARSON, from the Committee on Commerce, Science, and Transportation:

With an amendment:

S. 263. A bill to provide for interim regulatory reform as to certain independent regulatory agencies (Rept. No. 95–201).

By Mr. MAGNUSON, from the Committee on Commerce, Science, and Transportation:

Without amendment:

S. 1531. An original bill to amend the Toxic Substances Control Act to establish a program of assistance to the States for protection and indemnification of individuals injured in their business or person by chemical substances, to establish a chemical emergency respond team, to increase the authorization for appropriations, and for other purposes (Rept. No. 95–202).

S. 1532. An original bill to authorize appropriations for the Federal Maritime Commission, to require the Commission to recodify its rules, and for other purposes (Rept. No. 95–203).

S. 1533. An original bill to amend the Federal Trade Commission Act to authorize appropriations for the Federal Trade Commission, to require the Commission to recodify its rules; to require the Consumer Product Safety Commission to recodify its rules, and for other purposes (Rept. No. 95–204).

S. 1534. An original bill to amend the Interstate Commerce Act to authorize appropriations for the Interstate Commerce Commission, to require the Commission to recodify its rules, and for other purposes (Rept. No. 95–205).

S. 1535. An original bill to amend the Federal Power Act to authorize appropriations for the Federal Power Commission, to require the Commission to recodify its rules, and for other purposes (Rept. No. 95–206).

S. 1536. An original bill to amend the Communications Act of 1934 to authorize appropriations for the Federal Communications Commission, to require the Commission to recodify its rules, and for other purposes (Rept. No. 95–207).

S. 1537. An original bill to amend the Federal Aviation Act to authorize appropriations for Civil Aeronautics Board, to require the Board to recodify its rules, and for other purposes (Rept. No. 95–208).

By Mr. RANDOLPH, from the Committee on Human Resources:

S. 1538. An original bill to amend title IV of the Federal Coal Mine Health and Safety Act to improve the black lung benefits program established thereunder, to impose an excise tax on the sale or use of coal, and for other purposes (Rept. No. 95–209).

With an amendment:

S. 957. A bill to promote commerce by establishing national goals for the effective, fair, inexpensive, and expeditious resolution of controversies involving consumers, and for other purposes (title amended) (Rept. No. 95–210)

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation:

With amendments:

S. 1347. A bill to create a National Advisory Committee on Oceans and Atmosphere, and for other purposes (Rept. No. 95–211).

By Mr. STENNIS, from the Committee on Armed Services:

With an amendment:

S. 1339. A bill to authorize appropriations to the Energy Research and Development Administration for national defense programs for the fiscal year 1978, and for other purposes (title amendment) (Rept. No. 95–212)

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation and the Committee on Human Resources:

Without amendment:

S. 1350. A bill to amend the National Sea Grant Program Act, to extend the appropriation authorization thereunder, and for other purposes (Rept. No. 95–213).

By Mr. HATHAWAY (for Mr. INOUYE), from the Select Committee on Intelligence:

Without amendment:

S. 1539. An original bill to authorize appropriations for fiscal year 1978 for intelligence activities of the United States Government, the Intelligence Community staff, the Central Intelligence Agency Retirement and Disability System, and for other purposes (Rept No. 95–214).

By Mr. MAGNUSON, from the Committee on Commerce, Science, and Transportation; and the Committee on Environment and Public Works:

With amendments:

S. 790. A bill to authorize the rehabilitation or reconstruction of locks and dam 26, to establish a revolving fund from user fees to finance a portion of the future costs of the inland waterways of the United States, and for other purposes (title amendment) (together with additional views) (Rept. No. 95–215).

ORDER FOR STAR PRINT—SENATE JOINT RESOLUTION 46

Mr. CRANSTON. Mr. President, an error appeared in the printing of Senate Joint Resolution 46, to establish a national policy for the taking of predatory or scavenging mammals and birds on public lands, and for other purposes. In order that the error may be corrected, I ask unanimous consent that a star print be made of Senate Joint Resolution 46.

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

HOUSE BILL REFERRED

The bill (H.R. 6810) to amend and extend title II of Public Law 94–369, and for other purposes, was read twice by its title and referred to the Committee on Governmental Affairs.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BARTLETT:

S. 1521. A bill to amend the Federal Unemployment Tax Act to provide that recipients of unemployment compensation must be willing to accept any suitable work, and that such recipients must accept less suitable work after exhausting over 50 percent of such benefits; and to provide that students receiving Federal educational assistance may not receive unemployment compensation; to the Committee on Finance.

By Mr. MAGNUSON, from the Committee on Commerce, Science, and Transportation:

S. 1522. An original bill to increase the appropriations authorization for fiscal years 1977 and 1978 and to authorize appropriations for fiscal year 1978 to carry out the Marine Mammal Protection Act of 1972, and for other purposes; placed on the calendar.

By Mr. PROXMIRE, from the Committee on Banking, Housing, and Urban Affairs:

S. 1523. An original bill to amend the Housing and Community Development Act of 1974; to extend certain housing assistance and mortgage insurance programs; and for other purposes; placed on the calendar.

By Mr. CURTIS:

S. 1524. A bill for the relief of Martina Navratilova; and

S. 1525. A bill for the relief of Victoria Ann Berner; to the Committee on the Judiciary.

By Mr. BARTLETT:

S. 1526. A bill to establish an associate administrator for women's business enterprise within the Small Business Administration; to the Select Committee on Small Business.

By Mr. RANDOLPH, from the Committee on Environment and Public Works:

S. 1527. An original bill to amend the Marine Protection, Research and Sanctuaries Act of 1972 to authorize appropriations to carry out the provisions of such Act for fiscal year 1978; placed on the Calendar.

S. 1528. An original bill to amend section 2 of the Safe Drinking Water Act (P.L. 93–523) to extend and increase authorizations provided for public water systems; placed on the Calendar.

By Mr. GRAVEL, from the Committee on Environment and Public Works:

S. 1529. An original bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes; placed on the Calendar.

S. 1530. An original bill to amend section 401 of the Water Resources Planning Act of 1965 (79 Stat. 244), as amended; placed on the Calendar.

By Mr. MAGNUSON, from the Committee on Commerce, Science, and Transportation:

S. 1531. An original bill to amend the Toxic Substances Control Act to establish a program of assistance to the States for protection and indemnification of individuals injured in their business or person by chemical substances, to establish a chemical emergency respond team, to increase the authorization for appropriations, and for other purposes; placed on the Calendar.

S. 1532. An original bill to authorize appropriations for the Federal Maritime Commission, to require the Commission to recodify its rules, and for other purposes; placed on the Calendar.

S. 1533. An original bill to amend the Federal Trade Commission Act to authorize appropriations for the Federal Trade Commis-

sion, to require the Commission to recodify its rules; to require the Consumer Product Safety Commission to recodify its rules, and for other purposes; placed on the Calendar.

S. 1534. An original bill to amend the Interstate Commerce Act to authorize appropriations for the Interstate Commerce Commission, to require the Commission to recodify its rules, and for other purposes; placed on the Calendar.

S. 1535. An original bill to amend the Federal Power Act to authorize appropriations for the Federal Power Commission, to require the Commission to recodify its rules, and for other purposes; placed on the Calendar.

S. 1536. An original bill to amend the Communications Act of 1934 to authorize appropriations for the Federal Communications Commission, to require the Commission to recodify its rules, and for other purposes; placed on the Calendar.

S. 1537. An original bill to amend the Federal Aviation Act to authorize appropriations for the Civil Aeronautics Board, to require the Board to recodify its rules, and for other purposes; placed on the Calendar.

By Mr. RANDOLPH, from the Committee on Human Resources:

S. 1538. An original bill to amend title IV of the Federal Coal Mine Health and Safety Act to improve the black lung benefits program established thereunder, to impose an excise tax on the sale or use of coal, and for other purposes; placed on the Calendar.

By Mr. HATHAWAY (for Mr. INOUYE), from the Select Committee on Intelligence:

S. 1539. An original bill to authorize appropriations for fiscal year 1978 for intelligence activities of the United States Government, the Intelligence Community staff, the Central Intelligence Agency Retirement and Disability System, and for other purposes; placed on the Calendar.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BARTLETT:

S. 1521. A bill to amend the Federal Unemployment Tax Act to provide that recipients of unemployment compensation must be willing to accept any suitable work, and that such recipients must accept less suitable work after exhausting over 50 percent of such benefits; and to provide that students receiving Federal educational assistance may not receive unemployment compensation; to the Committee on Finance.

Mr. BARTLETT. Unemployment figures in this country have been unacceptably high for a number of years now, and while I am deeply concerned about the human and economic costs that they indicate, I am also very troubled that these figures include a large number of people who are taking advantage of our unemployment compensation system. Since the depression days of the 1930's, we have tended to equate "unemployed" with helpless men trying to feed starving families, and have legislated generous income support systems according to that equation. Happily, such desperation is no longer the typical condition of unemployment. An unemployment figure of 7 percent today reflects people in widely varying conditions: About half are new entrants into the labor market, reentrants, and people who have voluntarily left their former jobs. The other half have lost their jobs; but of these, 40 percent have been temporarily laid off and will return to the same jobs. Very few fit our depression-conditioned picture of unemployed people.

Our unemployment compensation policies today, geared as they are to the Great Depression conditions, actually encourage joblessness and inflate the unemployment statistics. Today people can look longer for the "right" job, and thus stay on unemployment rolls longer. One Bureau of Labor Statistics study, for example, found that 32 percent of the unemployed had turned down a job offer.

One obvious result of the high national unemployment rate has been a serious drain on the financing capabilities of our unemployment insurance system and a reliance upon Federal general revenue funds. Unemployment benefit payments increased from $7 billion in 1974 to over $19 billion in 1976. At the same time, however, revenues for the program increased from about $6.5 billion to only $7.5 billion. Federal advances to State trust funds by January of 1976 amounted to almost $2 billion, and were rising.

In order to counter this drain on the financing capabilities of the unemployment insurance system, the 94th Congress included in the Unemployment Compensation Amendments Act two provisions to help increase revenues. One provision raised the Federal taxable wage base from $4,200 to $6,000. The other raised the FUTA rate from 0.5 percent to 0.7 percent, as long as there are loans outstanding to the extended unemployment compensation account—EUCA. These changes to the financing system should help to correct the current imbalance of revenues and benefit payments. They should also decrease the need for cyclical borrowing from general funds. We should now turn our attention to benefit eligibility and administration of the program.

The unemployment insurance program is designed to provide cash benefits to regularly employed members of the labor force who become involuntarily unemployed and who are able and willing to accept suitable jobs. Today I am introducing a bill which will make two changes in the Unemployment Tax Act.

The first will clarify the definition of "suitable work." The second section of this bill will prohibit a full-time student from receiving Federal educational assistance and unemployment benefits concurrently.

This legislation amends the Federal Unemployment Tax Act to provide that recipients of unemployment compensation must be willing and available to accept suitable work. Suitable work is defined as employment which is in keeping with the individual's prior work experience, education, or training. If an individual has no prior work experence or special training, then suitable work will mean employment that is available in the general area. When an individual has exhausted 50 percent of the benefits available to him in his particular State, the definition of "suitable work" is then altered to mean any employment which the individual is physically and mentally able to perform.

This bill confronts the dual issues of eligibility for benefits and duration of benefits. These issues have prompted many criticisms of the unemployment insurance program. Whether or not individuals voluntarily quit their jobs, are not searching for a job, or have refused a job offer has brought charges of rampant abuse in the unemployment insurance program.

The potential for fraud exists because the law is not clear on the matter of actively searching for a new job. Passage of this legislation will essentially close a loophole and provide State employment agencies with accurate guidelines.

Figures from the Bureau of Labor Statistics show that more and more beneficiaries of unemployment insurance are exhausting all of their potential benefits—this often means 65 weeks of payments. No doubt, most of these exhaustees are unable to find suitable employment. By providing an income supplement, the UI system allows these individuals to search longer without experiencing undue financial strain.

But if individuals have unrealistic expectations about the probability of being recalled or about the quality and quantity of potential job opportunities, they will fail to accept prevailing wages or working conditions and continue to search much longer than is realistically justified. This process is harmful to the worker, and it delays the adjustments necessary to stimulate the economy.

Even if workers have realistic expectations about available opportunities, they may prefer to combine leisure and the income supplement from UI rather than actively search for new employment. A dramatic example of this effect was recently demonstrated in Massachusetts. In that State, the legislature tightened the eligibility standards for benefits. Unemployment in Massachusetts proceeded to drop from 299,999 in October 1975, to 160,500, though jobs in the State have increased by only 19,000.

In a study on public employment programs, Alan Fechter concluded that many of those who remained unemployed for more than 5 weeks do so, not because they cannot find a job, but because they prefer nontaxable unemployment compensation, food stamps, leisure, and time to search for a better job. Frank Morris, President of the Federal Reserve Bank of Boston, believes that employers are more likely to lay off workers during times of economic stress because of the present level and duration of unemployment benefits. Finally, Martin Feldstein, professor of economics at Harvard, finds that, by allowing people to be more selective in finding work, the present level of unemployment compensation adds about 1.25 percentage points to the rate of unemployment.

Individuals can presently be disqualified for failure to accept suitable employment. However, the difficulty has been in trying to administer a law which does not define "suitable employment." My bill will clarify the law.

Mr. President, the second provision of the legislation I am introducing today also amends the Federal Unemployment Tax Act. It provides that any full-time

student receiving Federal educational assistance may not also receive unemployment compensation.

Unfortunately, this practice is tolerated because the unemployment regulations do not disqualify an individual for receiving other forms of Federal assistance. However, it was not the intention of Congress to provide unemployment benefits to full-time students who are already the recipients of other forms of Federal aid. This is a form of "double dipping" which no one can defend, and I am recommending that it be eliminated.

Mr. President, implementation of these changes I recommend will have no effect upon those unemployed individuals who are attempting to rejoin the work force. In fact, fulfillment of these restrictions will benefit the entire economy while returning the unemployment compensation fund to its former economic stability.

The economy has been slow in achieving total recovery. The national rate of unemployment continues to be unsatisfactorily high. By eliminating the built-in work disincentives, which my bill will do, we can increase the work force and, in turn, stimulate the economy.

Recent passage of public works legislation, and the President's economic stimulus package will go hand in hand with this legislation. We can insure that those persons who have involuntarily lost their jobs will have every opportunity to return to the ranks of the employed. In the meantime, we can be sure that those deserving of unemployment benefits will be receiving financial assistance.

Mr. President, I ask unanimous consent that an article on unemployment, that appeared in U.S. News & World Report, be printed in the RECORD.

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

ALL AROUND THE COUNTRY, JOBS THAT AREN'T BEING FILLED

In almost every community, "Help Wanted" signs abound while people without jobs search fruitlessly for work.

This recession-era paradox, frustrating to worker and employer alike, can be seen to some degree even in such cities as Detroit, where unemployment now tops 20 per cent of the work force.

JOBS, JOBLESS DON'T FIT

Why aren't work and worker getting together? Too often, the worker is overqualified for the job he is offered, or the job is too demanding for the applicant. As an employment-company executive in South Carolina puts it, "There are lots of jobs and lots of jobless people, but the social problem of this country is that they don't fit."

Thus, a skilled worker in Detroit, unemployed since last November, can say, "The last thing I'll do is become a short-order cook or take something that offers no hope of advancement."

And in San Francisco, a recruiter of business executives can lament: "It's just as difficult to find key people in a recession as it is in good times. There aren't a lot of good people around."

Another factor is the nation's unemployment insurance, and the role it plays in the search for work. A cynical muffler-shop owner in Washington, D.C., blames his difficulty in filling job vacancies on lazy workers who take advantage of the benefits system.

"They come job hunting here, and one of the first questions is how long they have to wait before they can go on unemployment pay," says this employer. "I know couples who take their 'unemployment' with the kids' school vacation."

Just how many job openings exist across the country today, and how many of those go begging for takers, nobody knows. But in May, public employment services in 40 States reported that 72,000 jobs—or almost a fourth of those listed—went unfilled all 31 days. Meanwhile, 8.6 million persons were without jobs at midyear.

ABUSES OF THE SYSTEM

To what extent unemployment insurance creates or prolongs joblessness—and thereby keeps the "Help Wanted" posters on display—is sharply debated by economists.

Instances of outright abuse are rare, insist officials who administer this program. In the first six months of 1975, only four tenths of 1 per cent of the 157,000 persons who were receiving unemployment benefit checks in North Carolina refused to show up at job interviews suggested by State employment counselers, or rejected subsequent job offers.

In 32 States, job quitters are barred from all unemployment benefits, and the other States impose disqualification periods before such persons can receive benefits.

"The popular opinion is that people get on the unemployment rolls, wait to exhaust benefits—then look for a job," says William Pabler, who is with the Ohio Bureau of Employment Services.

"Here, at least, this is a myth—utter nonsense. Nearly 1 out of 5 unemployed people establish benefit rights and never draw a dime."

Brookings Institution economist Stephen Marston, after analyzing 1969 data for Detroit, estimated, however, that recipients of unemployment insurance stayed jobless 16 to 31 per cent longer than unemployed workers who were not eligible for benefits. He also noticed a sharp drop in unemployment among workers whose benefits had just expired.

LITTLE TO LOSE

Harvard economist Martin S. Feldstein notes that jobless benefits, while limited to 50 per cent of previous pay in most States, actually can be much more lucrative.

As an example, he cites a Massachusetts man earning $120 a week. Should he become unemployed, he loses $1,200 in earnings. But his unemployment benefits will bring him a total of $648, and he saves $325 in income and Social Security taxes. The result is a recovery of 74 per cent of his regular earnings.

"Because the cost to himself of additional waiting time and search time is so very low, the unemployed worker is encouraged to wait until there is almost no chance of a better job," Mr. Feldstein concludes.

One such holdout is Richard Hughes, 25, who quit his job loading printing products in Lawrence, Kans., several months ago to search for something better. After taxes, he had earned $96 a week. Unemployment insurance benefits now amount to $72 a week.

"I've disregarded all the janitors' jobs that pay $2.25 an hour," says Mr. Hughes, who holds a graduate degree in political science. "As soon as something that pays half-well comes up, I'll take it. It's not much fun living on unemployment benefits. Nobody gets rich on it."

In the Detroit area, Robert J. Loula, 28, a jobless accountant, says he turned down an offer to be department head of a chemical firm because "they offered less than the city garbage collectors receive—and I have my pride." Mr. Loula intends to wait as long as possible for a better opportunity.

"Sure, there are a million jobs for $2.50 an hour," concedes Tom McDonald, another unemployed Detroit man who did sales work in a drugstore. "But people aren't stupid any more. They won't work for ridiculously low wages unless they absolutely have to."

What correspondents of U.S. News & World Report discovered, however, is that a large proportion of the jobs hardest to fill these days are not those with low pay and bleak futures, but places offering above-average salaries. The hitch is that such jobs also require skilled, experienced workers. In too many instances, skilled, experienced job seekers are lacking.

Chicago's Cabrini Hospital now advertises on television for nurses. Several luxury hotels about to open in Atlanta have been unable to locate French cruisine chefs. The State employment service in Oreg. has looked in vain for an experienced cake icer and a journeyman butter maker.

BLUECOLLAR DEMAND

Skilled blue-collar workers are in demand almost everywhere.

"If any kind of experienced, good mechanic walked through that door, I could give him a job today," reports Charles Radford, office manager for the State employment service in Memphis.

New York City employers advertise for machinists, tool-and-die makers, television repairmen, sewing machine operators and foreign food chefs.

"It seems that the more specific the qualifications for the job, the longer it takes and the harder it is to find someone," says Eric Bergman, of the State employment service in Salem, Oreg. "We often have to go out and hustle like hell to find people for them."

Unfilled jobs also exists at the low end of the pay spectrum. An official of the Missouri department of labor describes most of the approximaely 5,000 job openings it lists at any one time as "low paying, low prestige"—telephone solicitor, car-wash attendant or commission salesman, for instance.

In many places, however, such jobs are the first to be filled. An auto dealer in the Detroit suburb of Gross Pointe advertised for someone to drive new cars off the delivery trucks and prepare them for sale. The pay: $2 an hour. Forty-five persons responded, and the dealer soon reported the job filled.

In some occupations, jobs go begging while sizable numbers of unemployed applicants for these positions are turned away. Sometimes this occurs because employers want new workers to perform more work at a given salary than would be the case in more normal times.

"Companies now want more for their money," says the owner of an employment service in Cleveland. "They want the executive secretary to answer the switchboard and keep the books."

JOBLESS OFTEN PARTICULAR

Job seekers can be equally demanding. Economist Miriam Ourin, of the New York State department of labor, says unemployed cooks will insist on working only in first class hotels, bookkeepers will reject jobs because the companies are not advertising agencies, and others will turn down offers in lower Manhattan because they want to work in midtown.

"I see so many people coming in here who have been laid off but want a new job with a higher salary," says Joe E. Lambeth, owner of an employment company in Greenville, S.C. "It's unrealistic. They don't have the flexibility I think they should have."

By Mr. BARTLETT:

S. 1526. A bill to establish an associate administrator for women's business enterprise within the Small Business Administration; to the Select Committee on Small Business.

Mr. BARTLETT. Mr. President, today

I am introducing a bill to establish the position of Associate Administrator for Women's Business Enterprise within the Small Business Administration. I feel that the creation of such a position will help resolve many of the problems which our growing numbers of women entrepreneurs face. In spite of overwhelming evidence that women are experiencing substantial and unique difficulties in small business, the Small Business Administration has never before developed specific programs for women. Indeed, this is the first time that a position of this importance has been considered to deal specifically with women's business enterprise. This bill will insure that the special needs of businesswomen are at last represented at the policymaking level of the SBA.

Over the past year the Small Business Committee has investigated the problems facing women in business, especially those problems which relate to the Small Business Administration. The result of this investigation, as well as of hearings held in Washington on "Women and the SBA" and in Oklahoma City on the same topic has shown that the special needs and concerns of women business owners have not been recognized fully. A 1972 Census Bureau survey on women's business enterprise reported that whereas women constitute a majority of the country's population, women owned less than 5 percent of all business enterprise and had a strikingly disproportionate share—only three-tenths of 1 percent—of the total dollar receipts. Another finding was that 98 percent of all women's businesses were sole proprietorships and that such business had sales below $25,000. Of the few corporations owned by women the average had sales below $100,000, with only four employees. With the rapid growth in the number of women entering the labor market, it certainly seems appropriate to institute the means for providing a well-coordinated effort necessary to improve the advocacy, accessability to markets, and ability of our fledgling female entrepreneurs.

The SBA currently has a women's business advocate at the GS-15 level. This advocate has limited responsibilities and does not take part in the policymaking process. Yet testimony in the hearings held last year strongly indicated the need for a more dynamic effort on behalf of businesswomen. The SBA, by its very mandate, should be in the forefront of this effort. Putting an Associate Administrator in charge of this effort is an important and a necessary first step.

I do wish to make clear that my bill would not, in any way, require the Small Business Administration to make loans under any of its programs solely on the basis of sex. The intent of this bill is very much in line with the Small Business Committee's increasing emphasis on management and technical assistance in general. The bill creates an Associate Administrator for Women's Business Enterprise who will report directly to the Administrator. The Associate Administrator will be charged with broad policy responsibilities in providing assistance to women within small business concerns. Other important functions of the Associate Administrator will be: To assist women's business enterprises in developing markets for goods and services; to help generate venture capital for women's business enterprises; to assist women in participating in all SBA programs; to assist women's business enterprises in complying with Federal, State, and local laws; and to insure that women and women's needs are appropriately included in all management assistance, marketing assistance, technical assistance, and training programs of the SBA.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD, and I urge that all of my colleagues support this measure.

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

S. 1526

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

SECTION 1. Section 4(b) of the Small Business Act is amended by adding after the last sentence, "One of the Associate Administrators shall be designated an Associate Administrator for Women's Business Enterprise, whose duties shall be to:

"(1) Increase participation of women in all Administrative programs by:

"(a) Organizing Administration seminars and workshops to inquire into the problems facing women's business enterprises and to inform operating and potential businesswomen of available assistance programs;

"(b) Assisting women's business enterprises in developing markets for goods and services;

"(c) Providing management assistance, marketing assistance, technical assistance, and training for such enterprises;

"(d) Assisting in the generation of venture capital for such enterprises;

"(e) Assisting such enterprises in complying with Federal, State, and local laws;

"(f) Providing information on economic and social developments which affect such enterprises;

"(g) Evaluating the efforts of Federal agencies which have programs, goals or objectives affecting such enterprises;

"(h) Evaluating the efforts of business and industry to assist such enterprises;

"(i) Doing such other things as may be appropriate to assist and strengthen the development of such enterprises; and

"(2) Report regularly to the Administrator on the findings from these inquiries and on proposals for implementing these policy objectives."

SEC. 2. The fourth sentence of section 4 (b) of the Small Business Act is amended by striking the word "four" and inserting in lieu thereof the word "five".

ADDITIONAL COSPONSORS

S. 107

At the request of Mr. PEARSON, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of S. 107, to avoid reductions in veterans' pensions concomitant with increase in social security benefits.

S. 717

At the request of Mr. WILLIAMS, the Senator from Ohio (Mr. METZENBAUM) was added as a cosponsor of S. 717, the Federal Mine Safety and Health Amendments Act of 1977.

S. 819

At the request of Mr. MATHIAS, the Senator from New Jersey (Mr. WILLIAMS) was added as a cosponsor of S. 819, the Interpreters for the Hearing Impaired Act.

S. 1284

At the request of Mr. HUMPHREY, the Senator from New Jersey (Mr. CASE) was added as a cosponsor of S. 1284, a bill to amend the Internal Revenue Code of 1954 to provide a tax credit for the purchase and installation of certain energy conserving devices in a taxpayer's principal residence and in other buildings.

S. 1307

At the request of Mr. THURMOND, the Senator from Alaska (Mr. STEVENS) and the Senator from California (Mr. HAYAKAWA) were added as cosponsors of S. 1307, to deny benefits to certain veterans.

S. 1361

At the request of Mr. HELMS, the Senator from Oklahoma (Mr. BELLMON) was added as a cosponsor of S. 1361, a bill to preserve the academic freedom and the autonomy of institutions of higher education.

S. 1453

At the request of Mr. HUMPHREY, the Senator from Minnesota (Mr. ANDERSON) and the Senator from Vermont (Mr. LEAHY) were added as cosponsors of S. 1453, to amend the Employment Act of 1946.

SENATE CONCURRENT RESOLUTION 15

At the request of Mr. WEICKER, the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of Senate Concurrent Resolution 15, to reduce the risk of chemical warfare.

SENATE CONCURRENT RESOLUTION 25—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO A STATUE OF THE LATE SENATOR ERNEST GRUENING

(Referred to the Committee on Rules and Administration.)

Mr. GRAVEL (for himself and Mr. STEVENS) submitted the following concurrent resolution:

S. CON. RES. 25

Resolved by the Senate (the House of Representatives concurring), That the statue of the late Senator Ernest Gruening, presented by the State of Alaska for the National Statuary Hall collection, is accepted in the name of the United States, and the thanks of the Congress are tendered to the State of Alaska for the contribution of the statue of one of its most eminent personages, illustrious for his distinguished civic services.

SEC. 2. The State of Alaska is authorized to place temporarily in the rotunda of the Capitol the statue of the late Senator Ernest Gruening referred to in the first section of this concurrent resolution, and to hold ceremonies in the rotunda on that occasion. The Architect of the Capitol is authorized to make the necessary arrangements therefor.

SEC. 3. (a) The proceedings in the rotunda of the Capitol at the presentation by the State of Alaska of the statue of the late Senator Ernest Gruening for the National Statuary Hall collection, together with appropriate illustrations and other pertinent

matter, shall be printed as a Senate document. The copy for such document shall be prepared under the direction of the Joint Committee on Printing.

(b) There shall be printed five thousand additional copies of such document which shall be bound in such style as the Joint Committee on Printing shall direct, of which one hundred and three copies shall be for the use of the Senate and three thousand copies shall be for the use of the Members of the Senate from the State of Alaska, and four hundred and thirty-nine copies shall be for the use of the House of Representatives, and one thousand four hundred and fifty-eight copies shall be for the use of the Members of the House of Representatives from the State of Alaska.

SEC. 4. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the Governor of Alaska.

AMENDMENTS SUBMITTED FOR PRINTING

ESTABLISHMENT OF A DEPARTMENT OF ENERGY—S. 826

(Ordered to be printed and to lie on the table.)

Mr. JAVITS. Mr. President, for myself and Senator MATHIAS, I submit our amendment which establishes a statutory procedure, now nonexistent, for administrative enforcement of remedial orders issued by the Secretary under the Emergency Petroleum Allocation Act. It would impose the same kinds of procedural due process requirements on these actions that are imposed in every other action brought to enforce the provisions of regulatory statutes within the Department, and in other agencies.

It would require that the Secretary exercise the executive functions of investigating and prosecuting administrative violations, but that the Board exercise the quasi-judicial function of determing whether in fact the violation has occurred. Under the current procedure, because of the emergency nature of some of the underlying statutes—Economic Stabilization Act and Emergency Petroleum Allocation Act—both of these functions are undertaken by the same executive officials. While this may be constitutional in an emergency, it is certainly not the separation of functions that should be incorporated into a permanent statute.

Under the amendment, if the party against whom an order is issued does not contest it, it becomes final without any Board action. But if the party does appeal to the Board, the party is entitled to a hearing at which the Secretary must prove to the satisfaction of the Board that a violation has been committed. The Board may affirm, modify, or vacate the Secretary's order. Under current practice, this determination is made initially in district courts throughout the country. The amendment would thus put all these original hearings in the same forum, resulting in consistency and the development of administrative expertise.

If the Board affirms the Secretary's order, the party against whom the order was issued can then utilize the processes of judicial review set forth in section 502. This involves an appeal to the district courts, which would review the record and where necessary, resolve disputed issues of fact, and an appeal to the Temporary Emergency Court of Appeals, based on the substantial evidence test. These provisions of judicial review are not altered.

Mr. President, I ask unanimous consent that the text of the amendment be printed in the RECORD.

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

AMENDMENT NO. 271

SEC. 501. (f) (1) The purpose of this subsection is to require separation of the prosecutorial and judicial functions relating to enforcement of the Emergency Petroleum Allocation Act and to impose minimal statutory due process requirements on such enforcement activities so that they conform to all other enforcement actions undertaken by the Department.

(2) If upon investigation, the Secretary or his authorized representative believes that a person has violated any regulation, rule or order promulgated pursuant to the Emergency Petroleum Allocation Act, he may issue a remedial order to the person. Each remedial order shall be in writing and shall describe with particularity the nature of the violation, including a reference to the provision of the rule, regulation, or order alleged to have been violated. For purposes of this section "person" includes any individual, association, company, corporation, partnership or other entity however organized.

(3) If within thirty days from the receipt of the remedial order issued by the Secretary, the person fails to notify the Secretary that he intends to contest the remedial order, the remedial order shall become effective and shall be deemed a final order of the Secretary and not subject to review by any court or agency.

(4) If within thirty days from the receipt of the remedial order issued by the Secretary, the person notifies the Secretary that he intends to contest a remedial order issued under subsection (f) (2) of this section, the Secretary shall immediately advise the Energy Regulatory Board of such notification. Upon such notice, the Board shall stay the effect of the remedial order except where the Board finds the public interest requires immediate compliance with such remedial order. The Board shall, when requested, afford an opportunity for a hearing, including, at a minimum, the submission of briefs, oral or documentary evidence, and oral arguments, and the right to conduct such cross-examination as may be required for a full and true disclosure of the facts. The Board shall thereafter issue an order, based on findings of fact, affirming, modifying, or vacating the Secretary's remedial order, or directing other appropriate relief, and such order shall become final agency action thirty days after its issuance.

MILITARY PROCUREMENT AUTHORIZATIONS, 1978

AMENDMENT NO. 272

(Ordered to be printed and to lie on the table.)

Mr. PROXMIRE submitted an amendment intended to be proposed by him to the bill (H.R. 5970) to authorize appropriations during the fiscal year 1978, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loans, and for other purposes.

AMENDMENT NO. 273

(Ordered to be printed and to lie on the table.)

Mr. GRIFFIN submitted an amendment intended to be proposed by him to the bill (H.R. 5970), supra.

AMENDMENT NO. 274

(Ordered to be printed and to lie on the table.)

Mr. BAKER submitted an amendment intended to be proposed by him to the bill (H.R. 5970), supra.

NOTICES OF HEARINGS

RESCHEDULING OF HEARING

Mr. JACKSON. Mr. President, the informational hearing on the analysis of the President's energy program by the Congressional Budget Office which had been scheduled for Friday, May 13, 1977, by the Committee on Energy and Natural Resources has been rescheduled for Thursday, May 19. This hearing will commence at 10 a.m. in room 3110 of the Dirksen Senate Office Building. Questions concerning this matter should be addressed to Betsy Moler or Ben Cooper at 224-0611.

ADDITIONAL STATEMENTS

METRIC CONVERSION: GIVE THE GOVERNMENT A MILLIMETER, AND IT WILL TAKE A KILOMETER EVERY TIME

Mr. HANSEN. Mr. President, 2 or 3 weeks ago, the Department of Transportation announced that it will propose rules and regulations to require the eventual conversion of all highway signs to the metric system.

According to DOT's announcement, the rules are being proposed because of the Metric Conversion Act of 1975. In that act, which was passed in the Senate by voice vote on December 8, 1975, Congress declared that it is the policy of the United States to "coordinate and plan the increasing use of the metric system." The act called for the establishment of a U.S. Metric Board to "coordinate the voluntary conversion to the metric system."

Everybody knows there is no such thing as a "voluntary" Federal regulation, so if the Transportation Department goes ahead with its plan to require metric highway signs, pavement markings, and so forth, we can be sure that State and local governments will "volunteer" to make the necessary changes or else suffer the consequences of some Federal sanction—probably the loss of a portion of their Federal aid highway funds.

The Transportation Department said in its notice that it was interested in receiving public comments on the metric conversion idea, so I have been forwarding to the Department all the letters I receive from Wyoming people. I have gotten quite a number of them—one expressing support for the idea and many

expressing opposition to it. Most people seem to feel the system we have is perfectly all right. They see no need to spend huge sums of money to change over to another system. Several people have expressed the opinion that metric conversion is just another case of the Federal Government forcing on people something the majority neither needs nor wants.

And what about the argument that the metric system is easier to learn and apply to everyday living? One of the people who disputes that theory is University of Denver Mathematics Prof. Herbert Greenberg. In a recent article on the metric system, Dr. Greenberg pointed out that the English words for measurement, such as inch, yard, mile, acre, and so forth, are much shorter and easier to spell and remember. They are easier to remember, he noted, because they are dissimilar and thus easily distinguished, one from another. Metric words, on the other hand, are longer, harder to spell, and are so similar that it is more difficult to distinguish one word from another—centimeter, centiliter, millimeter, milliliter, and so forth.

Dr. Greenberg pointed out:

What we encounter in daily life are problem situations; what is significant is the ability to reduce such problems to mathematical computation. This is called problem solving, and at the level we are discussing, it requires knowing what operation to use. Do you add, subtract, multiply or divide, to get the answer? A mere change of units does not simplify that problem at all.

Dr. Greenberg concedes that the United States probably will have to succumb and join the rest of the world in using the metric system—

The disadvantages of the metric as compared with the customary system of units—and I think they are clear—may seem to pale when compared with the disadvantages of continuing to use two different systems in a world that grows smaller every day.

Still, one cannot help but empathize with those who are perfectly content with our system and who see no reason to change it. As Dr. Greenberg put it:

Just think what we've lost—besides having to pay a bill (if you're a U.S. taxpayer) that, it is estimated, may go as high as $100 billion before the conversion is finished.

No more giving an inch, or fathoming the deep. No more proverbs like "An ounce of prevention is worth a pound of cure." No more coffee cups to measure out our lives.

Some people might express it this way: "Give the Federal Government a millimeter, and it will take a kilometer every time."

Mr. President, I believe other Senators might enjoy reading Dr. Greenberg's article from the March 27 Rocky Mountain News. It is entitled, "A Metric Man Is Coming Soon To Litre Your Future," and I ask unanimous consent that it be printed in the RECORD.

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

A METRIC MAN IS COMING SOON TO LITRE YOUR FUTURE

(By Herbert Greenberg)

With the passage of the Metric Conversion Act of 1975, the 94th Congress and the President of the United States committed Americans to one of the most far-reaching—and expensive—adventures ever undertaken in the country's history.

The debate about metric had been going on for nearly two centuries before this momentous decision was taken by America's leaders. The metric system originated in France in the 1790s, during the early years of the Revolution. France had supported the American colonies during their own revolution against Britain, and during the first decades of the 19th century there was considerable sentiment in the United States in favor of adopting the new, un-British system.

But tradition prevailed until 1968, when Congress directed the Secretary of Commerce to undertake a "U.S. Metric Study."

Its report was transmitted to Congress in 1971; entitled "A Metric America, A Decision Whose Time Has Come." It was an unqualified recommendation that the country go metric. Congress acted in 1975, and President Gerald Ford signed the bill with the remark that the main impetus for the legislation had come from the private sector. The implication was that ordinary people, like you and me, had at least seen the light.

There is some doubt, however, whether ordinary people had much to say about it, or whether they would have wanted metric if they had known what they were in for.

What are the main arguments that have been proposed in favor of the international metric system (SI, for Systeme International)? And how well do those arguments stand up to examination?

Basically, there are four arguments in favor of metric. The first is that metric is a more rational and convenient system, and more appropriate for the ordinary activities of everyday life. The second is that the metric system is easier to teach and easier to learn, and that its adoption will produce significant savings in educational time and money. The third is that there are major computational advantages of metric over customary units. And finally, it is said that by switching to metric the U.S. will join the rest of the world in an inevitable progress toward greater international communication and understanding.

Is metric more convenient? Metric units may be more rational than customary units, but are they more convenient? Ask for justification of metric and one is told that humans have 10 fingers and 10 toes, that most countries use a decimal number system and a decimal monetary system, and that it is untidy to suffer from such inconveniences as the fact that there are 5,280 feet to a mile. But these arguments seem to miss the point.

Perhaps the most basic objection to metric units is that they come in the wrong sizes for people. When we are engaged in the ordinary measurements of everyday life, the metric precision of hundredths (centi) or thousandths (milli) is seldom required, while the halves and quarters of the customary units, when absent, are sorely missed.

To appreciate the inconvenience that metric entails, imagine what it would be like if the only coins one had were the "decidollar" (1/10 of a dollar—the dime) and the "centidollar" (1/100 of a dollar—the penny). No nickel. No quarter. No half-dollar.

Yet, it is precisely this kind of inconvenience that metric measurements impose. A cubic centimetre, the metric building block of volume or capacity, is much too small to be useful (except in a chemistry lab), besides being hard to say and spell. It doesn't get easier when one knows that a cubic centimetre is a millilitre, that is, one-thousandth of a litre. Who in the home would ever want to divide a litre (about a quart) into 1,000 parts anyway?

The same difficulty exists for units of length. The SI units commonly used are the metre (about a yard), the centimetre (one-hundredth of a metre), and the kilometre (one thousand metres). The millilitre (one-thousandth of a metre) is admittedly for machinists.

But, even the centimetre is not convenient for humans. It's too small. Two and a half centimetres is not quite an inch. A person who is 5 feet 10 inches tall turns into 178 centimetres—a large number and certainly no easier to say or remember because it is the same as 1.78 metres. The metre is not useful for most home measurements. It's too large.

The most useful people-size measurement of all, the foot, disappears. The nearest thing to it is the decimetre (one-tenth of a metre—less than four inches), and this unit is not commonly used in the SI system.

The kilometre is a unit of a useful size for measuring large distances. But so is the mile, which is easier to say and spell. Nature regards neither as sacred. It is approximately 3,000 miles from New York to San Francisco, the Earth is approximately 8,000 miles in diameter, and the Sun is approximately 93 million miles away. It doesn't get easier in kilometres; one just gets larger numbers.

Temperature next. The scale Americans are used to is called Fahrenheit. Markings of temperature in Fahrenheit are on the stove, in the car, on the fever thermometer, outside the window, on the living room thermostat.

Metric temperatures are measured on the Celsius scale, which used to be called centigrade. On this scale, water freezes at 0° and boils at 100°. One of the big selling points of metric is that this is a lot simpler to remember than the Fahrenheit equivalents of 32° (for freezing) and 212° (for boiling). Perhaps for chemistry exams; but the gain doesn't seem to amount to much when we remember that in countries situated in the temperate zones of the Earth, like the United States, the temperature largely ranges between 0° and 100° Fahrenheit. When it's 0° it's cold, when it's 100° it's hot, and everything else lies pretty much in between.

The corresponding temperatures in Celsius are about —18° and 38°, not exactly catchy numbers to remember.

Another human dimension of the discredited customary units becomes apparent when one measures body temperature. Normal body temperature is 98.6° on the Fahrenheit scale. Not a very convenient number, to be sure. But look at it this way: normal body temperature is just under 100° Fahrenheit. Over 100° call the doctor, under 100° wait and see. Normal body temperature on the Celsius scale is 37°—a nondescript, hard-to-remember number if there ever was one.

The situation, as far as ordinary humans are concerned, gets even worse when one asks for the metric unit of weight. Alas, there is no metric unit of weight, or at least none that will be taught to schoolchildren or used by ordinary people.

"What about the kilogram or gram?" one may ask. "Aren't these units of weight?" The answer, sadly, is no. Neither the kilogram nor the gram is a unit of weight. Both are units of mass.

In SI one measures the mass of an object rather than its weight. Why? Because mass is the more basic physical unit. The mass of an object doesn't change from place to place in the universe. Weight does, being a measure of the gravitational attraction present. So astronauts always have the same mass whether they are on the Earth, on the moon, or in orbit. But they only weight one-sixth their Earth weight on the moon and are weightless in orbit.

To be frank, it is simply absurd to insist on a concept like mass because of its invariance from place to place in the universe, when our concerns about weight never get any farther from home than the neighborhood store and the gym! And even if one gets used to thinking like a physicist, the units of mass are still inconvenient for ordinary use. From gram to kilogram is a huge jump, with nothing useful—like the ounce—in between.

The pedantry of metric measurement is also apparent when we deal with smaller amounts of substance, used by people most commonly in medicines. Take, for example, the vitamin pill in metric terms we do not say that we are taking a half gram pill of vitamin C, nor does the label on the bottle tell us that. No, each pill is 500 milligrams. And since a milligram is one-thousandth of a gram, each pill contains 500/1,000 of a gram—which, as everyone should know, is just one-half. One-half gram is three syllables to say, 500 milligrams is six. Which conveys meaning more readily? Which is easier to spell? Unfortunately, fractions like one-half, one-third, one-fourth are considered to be "unmetric."

Is metric easier to learn? Proponents of metric are unanimous in maintaining that the metric system is easier to teach and to learn. The U.S. educational establishment is especially vociferous on this point, going so far—as reported in a U.S. Metric Study Interim Report (1971)—as to claim that savings of substantial amounts of time spent teaching in educational costs, would result from the adoption of metric.

But, aside from the fact that there is absolutely no hard evidence to support these claims, there are also good reasons for thinking the claims are not true. The main reason is that there are serious psychologicl obstacles to learning the metric system, especially for English-speaking people.

If a number of objects are assigned code names, the more similar the names are (in the absence of other clues), the more difficult it is for the human mind to learn to associate the names with the objects. There is a mathematical basis for this psychological fact. "Information theory" tells us that to reduce errors in communication, we must make the words of a code as dissimilar as possible.

One further mathematical point. Information, theory also tells us that, for maximum efficiency of communiction, symbols should be as short as possible. Why only three digits to a telephone area code? Since each digit can be any of the ten numbers 0 to 9, the area codes can range theoretically from 000 to 999, so a total of 1,000 different areas can be labeled.

That is more than enough to blanket the Bell System. More than three digits would be redundant and would add to the memory and system burden.

Now back to metrics. Listed in the left hand column below are the most-used units of length, area, capacity, and weight of the customary system. In the right hand column are an equal number of most-used units in the metric system.

inch	millimetre
foot	centimetre
yard	metre
mile	kilometre
acre	hectare
ounce	millilitre
cup	centilitre
pint	decilitre
quart	litre
ounce (weight)	gram
pound	kilogram

The first thing that becomes obvious is that the English words are much shorter than the metric ones. Next, except in one case (the word ounce has two meanings), the English words are dissimilar to each other, while many similarities exist among the metric terms. Both the short word length and the dissimilarity are distinct advantages of the customary system for communication. And, of course, the English words are easier to say and spell.

There is a pattern to the metric terms, which is the basis for the claim that they are preferable to the customary terms. The metric terms for length all end in "metre" and differ only in prefix. The same holds true for the metric terms for capacity, where the ending is "litre," and for mass, where the ending is "gram." The prefixes are the same in each case, those most used being milli (603 one-thousandth), centi (603 one-hundredth), deci (603 one-tenth), and kilo (603 one thousand).

Superficially, the pattern in metric names seems to give them an advantage over the totally unrelated words of the customary system. The catch is that for English-speaking people, especially children but probably for the majority of adults as well, the prefixes milli, centi, deci, and kilo can only be considered as nonsense syllables. So to remember the association between these syllables and the sizes of things—or, more precisely (where computation is required), the collection of multiples 1/1,000, 1/100, 1/10 and 1,000 which they represent—must be an exercise in pure memory and a difficult one at that.

Proponents of the metric system often ridicule the rods, furlongs, square perches, poles, chains, cords, fathoms, cables, nautical miles, leagues, pecks, gills, drams, hogsheads, and barleycorns of the customary system.

Yet, these are specialized units, which most people never use or have to learn, but which make good sense and are familiar and appropriate to (and even beloved by) the sailor, horse trainer, farmer, or whoever lives with them.

But, if one thinks customary units are a laugh, get a load of the metric prefixes—tera, giga, mega, kilo, hecto, deka, deci, centi, milli, micro, nano, pico, femto, and atto. The only things missing are chico, harpo, zeppo, and groucho.

Also, psychologically, one should not forget the intimate connections that exist between customary units and the dimensions of the human body. This is not only significant for learning, it is also important for the way we view ourselves and our relation to the universe or, more humanly, the relation of the universe to us. But the entire metric system is independent of any human dimension. It is really a disadvantage for the human mind, and isn't it significant to the human spirit, that the adult foot is about a foot in length, that the first joint of the thumb is about an inch in length, that a man's stride is about a yard?

Does metric simplify computations? Turning from pedagogy to arithmetic, what about the claim that metric units will simplify computation?

It is easier to divide by 1,000 to go from metres to kilometres, one is told as a typical example, than to divide by 5.280 to get from feet to miles. If one merely compares two division problems this may be true. The rule of dividing by 1.000—move the decimal three places to the left—is, for some, simpler than the rule for long division. But both rules have to be learned anyway, and in fact division problems as such are seldom encountered! Only in classrooms and textbooks are we asked to divide one number by another.

What we encounter in daily life are problem situations; what is significant is the ability to reduce such problems to mathematical computation. This is called problem solving, and at the level we are discussing it requires knowing what operation to use. Do you add, subtract, multiply, or divide to get the answer? A mere change of units does not simplify that problem at all.

Moreover, in everyday problem situations, exact answers are seldom required, only estimates. We usually round numbers to the nearest ten, hundred, thousand, million, or billion before we compute, regardless of the system of measurements we are using. For example, it would be absured to use an "exact" figure for the mileage between Chicago and Denver and an "exact" airspeed of a plane to compute the "exact" time required to fly a jet between the two cities.

Instead, we estimate the distance at 1,000 miles, the air speed at 500 miles per hour, and divide in to 1,000 to come up with an estimate of two hours' flying time. Newer schoolbooks recognize this and devote considerable attention to estimation, approximation, and rounding. The importance of emphasizing these skills becomes even more evident when it is realized that inexpensive hand-held electronic calculators are now available to do exact computation, whereas the human mind is uniquely suited for the reasoning that underlies estimation.

In 1975 the National Assessment of Educational Progress published a report on problem-solving competence of U.S. children and adults in several age groups. Simple word problems were posed and required translation into one-step arithmetical problems. On the average, these problems were missed by about one out of three adults and two out of three 13-year-olds. But, interestingly enough, it was found that only a very small percentage of those who set up the problem correctly (that is, knew what to do) were then unable to do the computation (that is, failed to know how to do it). This suggests strongly that the arithmetic itself is not where the trouble lies.

Indeed, the developing disputes and difficulties over the curriculum and teaching of metric reminds many of the situation during the 1960s that surrounded the imposition of the "new math" on teachers, students, and parents. The cost to the United States of the "new math" has not yet been tallied, but it was undoubtedly high. Estimates range from tens to hundreds of millions of dollars, to say nothing of the subsequent violent backlash against any innovation in math teaching.

Would a metric U.S. join rest of world? The argument here, of course, is familiar. By switching to metric, the United States will join the progressive, enlightened rest of the world, leaving only presumably backward nations like Liberia, Yemen, and Burma as holdouts. Even the United Kingdom, that last bastion of tradition, has given up the English or customary system of units. Of course, the U.K. no longer had the power to resist.

It may be that even the United States, with its secure geographic position and its enormous wealth and power, was unable to resist. Certainly the world of American business has felt that way. Hearings held prior to the passage of the 1975 act revealed that the larger the business and the more international its scope, the more fervently it supported metrication.

The disadvantages of the metric as compared with the customary system of units—and I think they are clear—may seem to pale when compared with the disadvantages of continuing to use two different systems in a world that grows smaller every day.

In the last analysis, it is a matter of the majority having won. The majority of nations, large and small, have devoted the metric system over the last two centuries, and now the richest and strongest nation must join the rest.

I have no quarrel with the idea that the majority should rule. There isn't any other principle that works, so long as persons and nations disagree. But in this case I wish the majority had joined the minority.

Just think what we've lost—besides having to pay a bill (if you're a U.S. taxpayer) that, it is estimated, may go as high as $100 billion before the conversion is finished.

No more giving an inch, or fathoming the deep. No more proverbs like "An ounce of prevention is worth a pound of cure." No more coffee cups to measure out our lives. As the language changes, so will we change

from variegated human being to universal metricated man.

NATIONAL OBSERVER REPORTS ON COMPUTER CRIME

Mr. RIBICOFF. Mr. President, computer-related crime is a serious threat to government and private industry. The staff of the Senate Governmental Affairs Committee reported on this subject in a staff study entitled "Computer Security in Federal Programs." This document was issued February 2, 1977.

Many of the issues examined in the staff study are discussed in an article in the National Observer May 23, 1977, by August Gribbin. Mr. President, I ask unanimous consent that the National Observer article be printed in the RECORD.

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

[From the National Observer, May 23, 1977]

BEWARE! COMPUTERNIKS AT WORK

(By August Gribbin)

It is approaching midnight. In a darkened office at one of the University of Illinois' computer centers, four pale, rumpled young men sit engrossed before consoles linked to one of the nation's most advanced computer systems. Their fingers flash expertly over the terminal keyboards, and the display screens' illumination glows eerily on their faces.

Most nights they might be working on arcane, personal computer-programing projects or playing computer "games" until the cleaning crews routs them at 6 p.m. They refer to themselves as "computer freaks." They say they're "addicted" to working with computers. And they aren't entirely joking.

Others know their kind as "computer bums," "computerniks," "computer groupies," or "systems hackers" because they're victims of history's first computer-produced compulsion. Whether they're basically engineers, biologists, or philosophers, computerniks can program computers, and they spend spectacular amounts of time doing it.

As a group, computerniks are brilliant, aloof, obsessive, and almost always male. Their compulsive need to display their programing virtuosity sometimes leads them to bend ethical rules. Computer experts and a recent Senate study contend that such programmers are potential pawns of criminals. One lawyer specializing in the law of technology, August Becqual of Washington, D.C., estimates that computer crime now costs the nation $100 million a year.

Just for the challenge of it, computerniks have been known to crack security codes set up by other programmers to prevent access to confidential material. Some have gone further, stealing and selling the information. In a case now awaiting trial, criminals allegedly persuaded computer programmers to alter Penn Central Railroad programs to divert 200 loaded freight cars to a remote siding. The crooks allegedly unloaded the goods and sold them for about $100 million. Moreover, because computer time itself is so expensive, computerniks have occasionally "stolen" thousands of dollars worth of it for their unauthorized personal projects—such as handicapped horses.

Prof. Joseph Weizenbaum of the Massachusetts Institute of Technology, author of the recent *Computer Power and Human Reason* (W. H. Freeman and Co., San Francisco; 300 pages; $5.95), says in an interview that he is a reformed compulsive programmer. His book provides somewhat florid but widely accepted explanation of the term:

"Wherever computer centers have become established . . . bright young men of disheveled appearance, often with sunken glowing eyes, can be seen sitting at computer consoles, their arms tensed and waiting to fire their fingers . . . at the buttons and keys on which their attention seems to be as riveted as a gamblers' on the rolling dice. When not so transfixed, they often sit on tables strewn with computer printouts over which they pore like possessed students of a cabalistic text. They work until they nearly drop, 20, 30 hours at a time. Their food, if they arrange it, is brought to them: coffee, Cokes, sandwiches. If possible they sleep on cots near the computer. But only for a few hours. . . . They are oblivious to their bodies and to the world in which they move. They exist at least when so engaged, only through and for the computers."

An ordinary programmer might work marathon stints on occasion and seem intoxicated by the challenges, but he addresses himself to the problem, does lengthy preparatory paper work, records his proress, and lets others operate the computer. Compulsive programmers rarely allow that. And they seldom keep notes or charts, says Weizenbaum.

A CONTRAST IN REALITIES

Other programmers explain that computerniks excel in the technical aspects of programing. They learn each nuance of their computer, its peripheral equipment, and its programs. They work extremely fast—mainly to "interact" with the machine. It's the computernik's speed and ingenuity, in fact, that makes him invaluable to computer-center managers.

Generally the compulsive programmer communicates better with machines than with humans, some observers say. Programing also allows the computernik to create a "world" that he can rule, and he gains a feeling of ultimate power by doing so, according to Weizenbaum.

The four youths at the University of Illinois agree. They speak rapidly, constantly fingering the terminal keyboards and inventing excuses to call up information that flashes obediently onto the screens. "Working with these things isn't a compulsion; we just have to do it, one quips. Another explains: "In the computer world I have control; in the real world I don't. It's a contrast in realities. I sometimes think it's like I try to live inside the computer."

The four youths say the computer gives them a sense of power and prestige, and they concede that the delusion might be dangerous. One confesses that he has created a program to stop computer operations at the campus and has used it twice, once for fun and again after a faculty member angered him.

(PLATO, the huge, innovative time-sharing computer system at Illinois, primarily is a "robot" teacher serving certain colleges, high schools, and elementary schools in 23 states. It also performs crucial operations for a local blood bank and at least one military installation.)

The youths say that attempting to learn the codes that would permit unauthorized access to sensitive data stored in the computer's memory is a "game" among their peers. And they say it's almost routine to obtain and alter others' programs—somewhat as an artist might borrow another's painting, change part of it, and sign it as his own. Moreover, the youths say that although they believe such actions are wrong, many of their peers don't question the ethics involved.

A NEED TO SHOW OFF

The computer center's managers say codes yielding access to guarded information have been stolen. A student in a high school about 90 miles away did it once, and a youth working in a junior-college computer center tapped a phone line, recorded the computer signals transmitted on it, and thus obtained access code that let him obtain relatively sensitive data from the computer. "Like all computerniks, he just had to demonstrate that he could do anything with the system," comments Paul Tenczar, head of PLATO's programing staff.

Compterniks' compulsion to show off worries computer-security experts. They contend that computerniks, believing that feats of virtuosity will gain them recognition in their low-key, esoteric domain, can't refuse challenges. This can make them easy marks for persuasive white-collar thieves, extortionists, and other crooks.

ESSENTIAL TO THE GOVERNMENT

The magnitude of the crimes a computernik can commit is astounding. In one example, a programmer gained unauthorized access to a computer's data bank and extracted an *Encyclopaedia Britannica* mailing list. Sale of the list netted the thieves $3 million. And the legendary Equity Funding Corp. scandal couldn't have occurred without the computer programmers who set up some 60,000 bogus insurance policies and subjected them to fictitious claims. The money from the claims went to the thieves, who milked Equity of $300 million.

The Government utilizes about 10,000 computers. And the Government Accounting Office says automated, "decision making" computers annually issue at least $26 billion in checks, not counting pay checks. These computers send out bills totaling $10 billion and requisitions for goods costing more than $8 billion. The bills, checks, and orders are issued, signed, and mailed by computer; no human examines them to see if they're correct.

One study states flatly that the Federal Government could not function without computers. It's significant, then, that in a recent study titled Computer Security in Federal Programs (Government Printing Office, Washington, D.C. 20402; 298 pages; $2.80), the Senate's Government Operations Committee staff reports that only the computers of the FBI and CIA can be considered "secure." The report adds: "Some Government personnel, particularly in the area of national defense, are troubled by the possibility that 'systems hackers' and 'compulsive programmers' could cause problems. . . . Whether through the desire to make mischief or to create genuine damage, such persons, working in an academic environment where Federal contracts are also being executed, could, it is feared, compromise, gain unauthorized access to, surreptitiously alter, or otherwise render ineffective computer systems supporting Government programs."

VULNERABLE TO TINKERING

Roughly 60 per cent of America's banks could not function tomorrow if their computers or programs were seriously damaged tonight, the report states. It says 80 per cent of the nation's businesses are dependent on some 140,000 computers that are privately owned and less than secure.

Programs in those and in the Government's computers are vulnerable both to computerniks' deliberate tinkering and to accidental alteration, says Donn Parker of the Stanford Research Institute, and an authority on computer security. "Changing a minus sign to a plus sign or the digit 3 to a digit 4, say, might, instead of causing a transfer of data into the computer's memory, wipe the information out," Parker explains.

Computerniks are especially error-prone at times, Parker adds. Professor Weisenbaum, concurring, describes such an occasion: "The compulsive programmer's excitement rises to its most feverish pitch when . . . everything ought to work but the computer nevertheless reproaches him by misbehaving in a number of mysterious, apparently unrelated ways. . . . Then . . . the system the programmer has himself created gives every evidence of

having . . . slipped from his control. . . . His mood and his activity become frenzied. . . . Should his time at the console be nearly up at that moment, he will take enormous risks . . . making substantial changes . . . in minutes or even seconds. . . . He can, under such circumstances, rapidly and virtually irretrievably destroy weeks and weeks of . . . work."

There are ways to head off computerniks' mischief. Many people in the industry advocate strict ethical standards that would be taught to programmer trainees and enforced by industry.

Before working on national-security projects, programmers generally must undergo full background investigations and earn a security clearance. Programmers ought to have similar Government or private clearances before working on programs involving important corporate secrets, computer-security specialists say Finally, they add, computers and programs should be modified to incorporate technical safeguards that are now available but aren't widely used.

Do this, security specialists say, and computer crime and abuses might be drastically reduced.

ZERO-BASED BUDGETING COMES TO WASHINGTON

Mr. GOLDWATER. Mr. President, a lot has been made and a lot is being said of zero-based budgeting. I have naturally, been interested in this approach and have discussed it with a number of prominent economists in whom I have great confidence. It seems that zero-based budgeting has a chance of working if it is started with a new business and the business follows it, but when you try to apply it to government it seems virtually impossible to make it work. President Carter has made quite a bit to do about the success of zero-based budgeting in Georgia, but my inquiry of people in that State who understand State budgeting tell me that it did not do anything, the budget problems continued, et cetera. I am, frankly, skeptical that anything can ever come of it at the government level, but I think we will learn more about it as the discussion continues. I would like to use a rather humorous report written by Dr. James Q. Wilson who is the Henry Lee Shattuck professor of government at Harvard, and he entitles his report, "Zero-Based Budgeting Comes to Washington." I ask unanimous consent that it be printed in the RECORD.

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

ZERO-BASED BUDGETING COMES TO WASHINGTON

(By James Q. Wilson)

Charles Pettypoint, the newly-installed efficiency expert in the White House, was eager to see at firsthand how Zero-Based Budgeting was working. He decided to drop in on an agency getting ready to use it, and selected the National Park Service in the Department of the Interior.

He arrived to find the entire senior staff of the Park Service seated around a big table. The Director seemed pleased to have so distinguished a visitor, and asked Mr. Pettypoint to explain ZBB to his aides.

"Well, the idea is to get the most out of the taxpayer's dollar by making sure that every cent we spend is justified."

Everybody around the table nodded. "Hear, hear," one said,

"What we do," Pettypoint continued, "is to assume that the agency—in this case, the Parker service—has no money at all and then . . ."

Murmurs of outraged disbelief erupted, but the Director silenced the room with a firm glare.

"As I was saying," Pettypoint went on, somewhat stiffly, "we then ask the Park Service to justify each dollar of its budget and every activity it carries out. You will have to show us how much of your product or service you can produce for a given amount of money."

Only after a pin dropped noisily to the floor did everyone realize how quiet the room had become. Two older Park officials had turned pale, and the hands of another began to shake uncontrollably.

"Justify *everything?*" the Director asked.

"Everything," Pettypoint replied.

"This year?"

"This year. In fact, within the next three months."

A long pause.

"Men," the Director finally said, "I think we ought to cooperate 100 percent with this splendid idea."

"Sir, you can't be serious . . ." An aide started to rise, but was waved back to his seat by the Director.

"Of course I am serious. Mr. Pettypoint is serious. The President of the United States is serious. We will all be serious."

"Here is what we will do," the Director continued. "Smith, you tell Senator Henry Jackson, the chairman of the Interior Committee, that we are considering what would happen if we closed all the national parks."

"Even those in the state of Washington?" Smith asked incredulously.

"Especially those in Washington," the Director replied. "But stress to the Senator that it is just a mental experiment, a planning exercise. We probably won't *really* close any of the parks in his state."

Suddenly, a beatific expression of sudden enlightenment spread across Smith's face. "Gotcha, chief."

"Gorstwinkle, I want you to get right to work on making up a list of national parks in the order of their importance, so we will know which ones to leave open if we can't reopen all of them," the Director said.

Gorstwinkle started to giggle uncontrolably. "Right away. Of course, I won't be able to keep the list secret, chief. You know, Freedom of Information and all that. . . ." He broke up in laughter.

"I understand," the Director replied, allowing a thin smile to crease his stern features. "Nothing's ever secret any more, I suppose the Sierra Club is bound to find out that we are thinking of closing Yellowstone."

"The Audubon Society will suspect that we might be cutting back on bird sanctuaries," someone remarked.

"Wait until the Daughters of the American Revolution finds out that we are . . ." the speaker gasped for breath, as he shook convulsively with laughter, "that we are analyzing whether it makes sense to leave Independence Hall open!"

Howls rang through the room. One man staggered to the drinking fountain, and another had to loosen his tie to avoid choking.

Pettypoint bristled. "You are not looking at this constructively."

"Oh, but we are, Mr. Pettypoint," the Director replied. "I firmly believe that, as a result of this ZBB exercise, the public will realize that we need more money for more parks."

"But that isn't the purpose," Pettypoint rejoined.

"Isn't it?" the Director asked innocently.

Smith, wiping his eyes, shouted: "Hey, Pettypoint, did you know that some of those women in the Garden Club can hit a moving White House staffer at twenty paces with a potted geranium?" He collapsed back in his chair, overcome with hilarity.

Crestfallen, Pettypoint said plaintively, "Well, maybe the Park Service is not the place to begin. I suppose ZBB would work best if applied to a program that didn't have this kind of organized public support."

The Director stared at him for a long moment.

"Name one."

PROPOSED ARMS SALES

Mr. SPARKMAN. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million or, in the case of major defense equipment as defined in the act, those in excess of $7 million. Upon such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent to have printed in the RECORD at this point the notification I have just received.

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

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., May 12, 1977.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith. Transmittal No. 77-37, concerning the Department of the Army's proposed Letter of Offer to Greece for major defense equipment, as defined in the International Trade in Arms Regulations (ITAR), estimated to cost $48.4 million and support costs of $12.9 million for a total estimated cost of $61.3 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. FISH,
Lieutenant General, USAF, Director, Defense Security Assistance Agency and Deputy Assistant Secretary (ISA), Security Assistance.

TRANSMITTAL NO. 77-37: NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(B) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Greece:

(ii) Total Estimated Value:
Major Defense Equipment*, $48.4 million.
Other, $12.9 million.
Total, $61.3 million.

(iii) Description of Articles or Services Offered: Ten (10) CH-47C cargo helicopters, support equipment and spare parts.

(iv) Military Department: Army.

(v) Sales Commission, Fee, etc. Paid, Offered or Agreed to be Paid: None.

(vi) Date Report Delivered to Congress: May 12, 1977.

*As included in the U.S. Munitions List, a part of the International Traffic in Arms Regulations (ITAR).

PERSONAL FINANCIAL DISCLOSURE

Mr. DECONCINI. Mr. President, pursuant to longstanding commitment and belief that all public officials should make full financial disclosure, I am submitting for the CONGRESSIONAL RECORD this date a financial report dated December 31, 1976, of Senator DENNIS DECONCINI and Mrs. Dennis (Susan) DeConcini. Having supported the new Senate Code of Conduct and believing in strict financial disclosures, I urge all colleagues to comply immediately with such disclosure. It is my hope that the public will have confidence in its public officials when there is an overwhelming effort by all Members of Congress to make such disclosures without reservation.

It is important in our American way of life for public officials to reach out to the American constituency with total candidness such as exhibited by the new Code of Conduct and the exemplary efforts of many Members of Congress with their willingness to make financial disclosure a way of life.

Mr. President, I urge the executive branch to impose upon itself, as well as the judicial branch of Government, a requirement to make similar financial disclosure. No one should be afraid of the American people, who we all profess to represent.

I ask unanimous consent that this statement and the accompanying financial report be printed in the RECORD.

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

SENATOR DENNIS DECONCINI AND MRS. DENNIS (SUSAN) DECONCINI BALANCE SHEET, DECEMBER 31, 1976

ASSETS

Current assets	
Cash in banks	$145,300
Account receivable Committee for DeConcini for Senate (Note 2)	110,500
Prepaid rental tax	602
Total Current Assets	256,402
Income properties—Schedule I	
Buildings	269,685
Less accumulated depreciation	71,752
Total	197,933
Land	103,226
Total Rental Properties	301,159
Other investments	
Stocks and bonds (Schedule II)	58,484
Undeveloped land	65,631
Real estate mortgages and contracts receivable	24,745
Real estate partnerships (Schedule III)	167,756
W. M. Investments, an investment club	2,892
Roadrunner T. V., a partnership	15,000
Cash surrender value, life insurance	60,979
Residence, Arizona	$63,920
Residence, Virginia	157,338
Personal property	26,766
Assets owned by Susan DeConcini (Schedule IV)	445,649
Total Other Investments	1,089,160
Total assets	1,646,721

LIABILITIES AND NET WORTH

Current liabilities	
Note payable, secured by savings account	27,000
Note payable, Valley National Bank (Note 2)	20,000
Note payable unsecured for campaign expenses	35,000
Current portion of long-term debt	8,849
Total Current Liabilities	90,849
Long-term debt	
Mortgage notes, secured by rental property (Schedule I)	194,685
Mortgage notes, secured by residences	131,027
Mortgage notes, secured by land	6,488
Notes payable, unsecured	121,442
Mortgage notes secured by real estate owned by Susan DeConcini	41,494
Total	495,136
Less current portion above	8,849
Total Long-Term Debt	486,287
Net worth	1,069,585
Total liabilities and net worth	1,646,721

SCHEDULE I

SCHEDULE OF INCOME PROPERTIES, DEC. 31, 1976

	Land	Improvements	Accumulated depreciation	Net book value	Mortgages	Mortgagee
Standard Station, Country Club Manor, Pima County, Ariz.	$16,322	$22,019	$21,991	$16,350	None	
Tijuana Taco, National City Annex, Pima County, Ariz.	3,000	27,000	12,179	17,821	$16,663	I.DeC Trust.
Circle K and Ages Laundry, National City Annex, Pima County, Ariz.	1,000	35,070	24,043	12,027	None	
Salem Street Parking Lot, Mission Beach, Calif.	27,500			27,500	16,561	Beth V. Paynter.
Sunset Cliff, business rental. Ocean Beach, Calif.	26,830	85,170	8,517	103,483	63,690	First Federal Savings (1st).
					24,759	Marie Krause (2d).
Crystal Drive, residential. Pacific Beach, Calif.	28,574	100,426	5,022	123,978	58,872	American Savings (1st).
					14,140	James Dunlap (2d).
Total	103,226	269,685	71,752	301,159	194,685	

SCHEDULE II: SENATOR DENNIS DECONCINI SCHEDULE OF STOCKS AND BONDS, DECEMBER 31, 1976

Number of shares and name		Cost
80	Anaconda	$2,432
200	Brunswick Corp.	3,025
100	Banco de Las Americas	2,040
687	Diamond Life Insurance Co.	1,000
20	E-Systems	420
119	Fidelity Trend	2,500
40	Homestake Mining Co.	$1,440
10	IBM	2,692
100	Inter-Island Resorts, Ltd.	516
100	Liberty Corporation	1,772
300	National Airlines	3,750
100	Pan American World Airlines	1,600
8	Southwestern Research and General Investment Co.	54
2	Southwestern Research Corporation	20
500	Tucson Properties	$10.200
100	U.S. Filter	1,459
653	Valley National Bank	15,509
1	State of Israel Bond	1,000
24	Monterey Water Co.	5,400
64	Royal Inns	712
100	Baron Industries	1,143
	Total	58,484

SCHEDULE III

SCHEDULE OF REAL ESTATE PARTNERSHIP INTERESTS, DEC. 31, 1976

	Total	3-D properties	2-D properties	4-D properties	DeConcini-Hurley	2-D Larriva	3-D Niles	4-D Gallo	Demby properties	L. & D properties
ASSETS										
Real estate (at cost or tax basis):										
Depreciable assets:										
Buildings	$1,705,521	$331,878	$88,755		$95,551		$33,052		$152,733	$1,003,552
Other improvements	59,577	1,515							56,836	1,226
Furnishings	12,406	3,273			5,179				3,399	555
Total	1,777,504	336,666	88,755		100,730		33,052		212,968	1,005,333
Less accumulated depreciation	654,611	138,498	58,578		16,120		13,433		7,848	420,134
Net depreciable assets	1,122,893	198,168	30,177		84,610		19,619		205,120	585,199
Land	855,191	155,820	108.043	$295,447	48,835	$26,000	8,615	$22,344	100,000	90,087
Total real estate	1,978,084	353,988	138,220	295,447	133,445	26,000	28,234	22,344	305,120	675,286

SCHEDULE III—Continued

SCHEDULE OF REAL ESTATE PARTNERSHIP INTERESTS, DEC. 31, 1976—Continued

	Total	3–D properties	2–D properties	4–D properties	DeConcini-Hurley	2–D Larriva	3–D Niles	4–D Gallo	Demby properties	L. & D. properties
Other assets:										
Shopping Center, Inc., stock	$400,000			$400,000		$8,000		$20,708		
Mortgage notes receivable	77,148			48,440						
Accounts receivable	669	$6,669		(6,000)						
Prepaid expense	122,590	169	$76,615							$45,806
Cash	39,745	10,329	7,078	422	$7,038	1,611	$1,174	7,366	$421	4,306
Total other assets	640,152	17,167	83,693	442,862	$7,038	9,611	$1,174	28,074	421	50,112
Total assets	2,618,236	371,155	221,913	738,309	140,483	35,611	29,408	50,418	305,541	725,398
LIABILITIES AND CAPITAL										
Long-term debt:										
Mortgage notes due financial institutions	1,559,053	193,110	35,600	4,875			22,750		234,400	1,068,318
Notes due individuals	575,062	70,572		444,490	60,000					
Total long-term debt	2,134,115	263,682	35,600	449,365	60,000		22,750		234,400	1,068,318
Other liabilities	130,009		[1] 101,324	[2] 27,681	453		147		190	214
Partners' capital:										
Dennis DeConcini	167,756	35,517	42,494	63,683	40,015	8,966	1,104	8,403	8,863	(41,289)
Other partners	186,356	71,956	42,495	197,580	40,015	26,645	5,407	42,015	62,088	(301,845)
Total partners' capital	354,112	107,473	84,989	261,263	80,030	35,611	6,511	50,418	70,951	(343,134)
Total liabilities and capital	2,618,236	371,155	221,913	738,309	140,483	35,611	29,408	50,418	305,541	725,398

[1] Condemnation award, deferred gain.

[2] Installment sale, deferred gain.

SCHEDULE IV: SUSAN DECONCINI STATEMENT OF FINANCIAL CONDITION, DEC. 31, 1976

ASSETS

Current assets:		
Cash in banks		$52,183
Mortgage receivable, Maricopa County property		76,910
Securities		57,590
Total current assets		186,683
Real estate investments:		
Buildings and improvements, California rentals	48,800	
Less accumulated depreciation	31,470	17,330
Buildings and improvements, Arizona rentals	46,000	
Less accumulated depreciation	9,671	36,329
Land, California rentals		39,355
Land, Arizona rentals		110,557
One-half interest in 12 acres, Maricopa County, Ariz		5,220
One-half interest in 5 acres, Maricopa County, Ariz		2,175
One-half interest in 120 acres, Maricopa Garden Farms		48,000
Total real estate investments		258,966
Total assets		445,649
LIABILITIES AND NET WORTH		
Liabilities:		
Mortgage payable, California rentals		41,494
Net worth Susan DeConcini		404,155
Total liabilities and net worth		445,649

DENNIS DE CONCINI

Notes to Balance Sheet and Schedules for year ending December 31, 1976

Note 1: Assets are reported at that basis which would be used in computing gain or loss for Federal income taxes. No attempt has been made to determine the fair market value of the assets.

Note 2: The receivable of $110,000 from the Committee for DeConcini for Senate represents loans made by Dennis DeConcini to the Committee. In March 1977 the receivable was reduced by a payment of $37,000, leaving a balance of $73,000. It is impossible as of this date to determine whether the balance or a portion thereof will be paid. In March 1977 the not payable to the Valley National Bank was paid. A payment of $15,000 was made during March 1977, thereby reducing to $20,000 the amount of the unpaid balance of the note payable to Evo DeConcini.

Note 3: Senator and Mrs. Dennis DeConcini have obtained an extension to file their Federal and State income tax returns for the calendar year 1976. Their returns are due on June 15, 1977, and the returns are expected to be filed on or before that date. Approximately $40,000 has been paid, through withholding or estimated taxes, toward the 1976 Federal tax liability and it is believed that said payments will exceed the tax liability for 1976.

BALANCING THE 1985 ENERGY ACCOUNTS

Mr. HATCH. Mr. President, as we approach consideration of S. 7, the Surface Mining Control and Reclamation Act of 1977, I think it is crucial to keep in mind the President's declared policy of dramatically increasing production of coal as a keystone of his energy plan. The President's own figures show that our country must increase production of coal from the 665 million tons in 1976 to more than 1,200 million tons in 1985. In all the testimony on this bill the administration has never made clear how this increased production is to be achieved. All the obstacles to increased coal production have never been addressed in any of the President's speeches or in his detailed remarks. There is an assumption that since we will need and demand increased coal production that we will automatically get it. The administration is on record in favor of not only the version of S. 7 reported out of the Energy Committee, but it is also backing restrictive proposals to limit coal mining further on so-called alluvial valley floors and prime agricultural lands. I do not believe that this body should consider this legislation in a vacuum. The Senate must relate the impact of the Surface Management Act on coal production to the goals enunciated by the President in his energy message. I would strongly recommend that my colleagues read the excellent article in the May 16 Washington Post entitled "Balancing the 1985 Energy Accounts" by Dr. Hans H. Landsberg, an economist and senior research fellow at Resources for the Future. His incisive analysis reveals the gap between the wish of the President's energy proposals and the realities of likely production, not only in coal, but in all of our major energy sources. I ask unanimous consent to have the article printed in the RECORD and urge every Member of this body to read it before we take up and consider this year's strip mining bill.

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

BALANCING THE 1985 ENERGY ACCOUNTS

(By Hans H. Landsberg)

Only now that the government has released its pamphlet entitled "The National Energy Plan" is it possible to learn how the energy accounts are to come into balance by 1985. While it is a highly readable booklet, those in a hurry can go to the 96th of its 103 pages and find it all spelled out in a handy little statistical table. What they will discover is not quite what the government presentations, beginning with the President's April 18 television address, had led them to expect.

Three noteworthy findings emerge. First, while widely proclaimed as relying mainly on conservation, the plan is not all that conserving. Without it, energy consumption by 1985 would rise by 31 per cent; with it, by 25 per cent. The difference could be made good by importing an extra 2 million barrels of oil per day.

Second, the soul of the plan is not so much to shift from using more to using less energy, as from burning oil and gas to burning coal.

Third, while one would expect it to stress measures to boost coal production, the plan contents itself with the statement that coal production is principally demand-limited and directs most of its effort at reducing oil and gas use.

Now let us dig a little deeper. The administration's statistics show energy demand to rise from 74 quadrillion Btu's, or "Quads," to 93 Quads in 1985—an average annual rate of growth of just over 25 per cent. That's not an implausible figure, given long-term historic growth rates around 3.5 per cent, though in exponential growth, given enough time, even fractions of 1 per cent have quite a kick. Thus small differences in assumptions can have large consequences, especially when so much turns on hitting the plan's 1985 bull's eye: oil imports held down to 7, or hopefully 6, million barrels per day.

On the supply side, the plan's center ring is occupied by coal. Between 1976 and 1985 production is expected to increase to about 1,225 million tons, up from 665 million tons in 1976; probably by more, if, as is likely, the share of low-Btu Western coal increases substantially. Raising coal output in the next nine years by 560 million tons will require more than ordering utilities and industry generally to burn coal or making it costly for them not to do so.

Similar past efforts have come to naught in the fact of the companies' resistance, based on environmental, technological, and economic grounds. The plan hopes to cope with this by reversing the burden of proof; that is, the utilities must show cause why they cannot shift to coal. It is easy to foresee that enough of them will engage in prolonged and quite possible successful efforts to show such cause as to frustrate the objective.

It is worth noting that in its long history the bituminous coal industry has never produced more than it did in 1976. Its previous peak output year was 1947 when it mined 631 million tons of coal. Now every added ton produced sets a new record. Consequently, not only must mining companies grow, but all facilities associated with coal, including, prominently, transportation and manpower, must grow apace. State/federal conflicts must be resolved, the aspirations of the Indian tribes controlling large amounts of Western coal have to be reconciled, land-use and restoration practices must be established, and so on.

That in this context the coal industry can raise output by an annual average of 60 million tons is highly unlikely, if not outright impossible. That the energy plan fails to even address these issues is a major flaw. That its success rides on achieving something close to the announced goal is certain.

Three more domestic supply items are specified to help meet 1985 demand. Domestic oil production, in decline since reaching a peak in 1970, must rise by 12 per cent; natural gas production, in decline since 1974, must not dip by more than 7.5 per cent; and nuclear energy must nearly quadruple. What are the chances of all this coming true?

For oil, the hopes are pinned on output from Alaska, from the Outer Continental Shelf, and from so-called enhanced recovery, that is, squeezing out oil from old reservoirs. The top Alaskan oil supply cannot be more than the pipeline can carry, that is, 2 million barrels per day. Net additions from Outer Continental Shelf reservoirs will depend on the pace and volume of leasing in the next two or three years. Leasing beyond that time will not produce much by 1985. Expectations from enhanced recovery have traditionally been high and achievements low. There are some 300 billion barrels of oil left over in old reservoirs, but technology has for decades failed to come to their rescue.

For natural gas, the principal source to supplement depleting gas reservoirs is the Outer Continental Shelf. Therefore, the postulated decline of less than 8 percent appears optimistic. We will do well to slip no faster.

President Carter's Energy Plan in Numbers

	1976 Quads*	1985 Quads*
Demand	74.0	92.8
Supply		
Domestic:		
Oil, including NGL	19.4	21.2
Natural gas	19.0	17.6
Coal	15.8	29.0
Nuclear	2.0	7.6
Hydro, refinery gain, etc.	3.8	4.6
Total	60.0	80.0
Imports (net):		
Oil	14.6	14.0
Natural gas	1.0	1.2
Coal	−1.6	−2.4
Total	14.0	12.8

*1 Quad=1 quadrillion British Thermal Units. Converted from million barrels of oil per day as in "The National Energy Plan," p. 96.

The plan's nuclear objective is not within reach. It takes 10 years or more to get a nuclear power plant on the line. Thus, no plant not now at least on the order books of the equipment manufacturer can be counted into the 1985 capacity. At most, 130,000 megawatts (up from 42,000 at the end of 1976) is a reasonable guess. The plan figure is high by 20 to 25 per cent, or about 1.5 Quads.

In summary, the chances of achieving domestic targets so that the account can be balanced by oil importation of no more than 14 Quads—7 or, if demand can be further compressed, 6 million barrels per day—are about nil. Coal and nuclear are bound to fall short of their targets perhaps by as much as a combined 6 Quads, and lagging oil production is almost sure to raise that figure by another Quad or two. Thus, the plan will easily need an extra 7 to 8 Quads. Barring much more drastic conservation measures, such as import quotas and/or rationing, they can come only from additional oil imports: 3.5 to 4 million barrels per day of oil above and beyond the target, or total 1985 oil import volume of 10.5 to 11 million barrels—if we are lucky, that is.

Once the proposed 1 billion barrels of oil have been placed into strategic storage, this is not a "wrong" outcome. Rather, what is wrong is not to face the near certainty that the target cannot be reached within the plan's time frame and with the measures proposed.

If Congress can stop staring at the gasoline tax, it might usefully focus on the demand/supply balance sheet of 1985. In the process it might decide that 7 million barrels a day is not an immutable objective and, equally important, that 1985 is awfully close, especially since much of 1977 will be consumed in writing legislation. Though curbing demand might get tougher after the mid-80s when the short-term conservation measures have been put in place, supply expansion calls for a longer time perspective.

The 1985 time frame coupled to the 7 million barrel import target is a self-imposed straitjacket. Loosening it could lead to a more realistic assessment.

A CALL FOR SUBSTANCE OVER SHADOW

Mr. McGOVERN. Mr. President, on Saturday, May 7, I addressed the National Convention of the Americans for Democratic Action at the International Inn in Washington.

As is customary for the president of ADA at the beginning of a new administration, I offered a critique of the opening months of the Carter administration. It is not easy to criticize the President of one's own party, but it is important to the Nation and to the administration that we express our views honestly, openly, and bluntly. That is what I tried to do.

I ask unanimous consent that the text of my remarks be printed in the RECORD.

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

A CALL FOR SUBSTANCE OVER SHADOW

(By Senator GEORGE MCGOVERN)

Last year we campaigned for the Democratic Party and for the principles which it pledged. Now we meet not merely to celebrate the success of that party, but to continue the struggle for those principles.

The effort may be lonely for a while. A strange silence has descended on our political life. We all seem mesmerized by image, taken by symbol. We seem to count the ratings of polls far more than the content of policy. Only the first hundred days of this new administration have passed, but these early days may be setting the shape of the next thousand. I believe it is imperative to talk plainly of the concerns which many have, but most are reluctant to speak.

First of all, let us mark the signs of progress. A partial amnesty has begun to heal the internal wounds of the Indochina war. Improved relations with Cuba are clearing another cloud of the cold war. We will not again veto Vietnam's desire to join the United Nations. This President is proposing youth employment instead of opposing school lunches. The Government is prosecuting official lawbreakers instead of pardoning them. There is an atmosphere of openness—of a less imperial, more accessible leadership.

For the first time in 10 years, we have the happy opportunity of being hopeful about a national administration.

But as we knew a decade ago, when the Great Society was made meager for Vietnam, we have the harder obligation of being honest about the defects as well as the good deeds of democratic power. Many can be found to praise every measure of any president of their own party. By our name we express the different nature of our role. We are Americans before we are Democrats—and we are committed to certain kinds of action. We reject the easy partisanship of the satiricial verse: "I always voted at my party's call and never thought of thinking for myself at all."

Marching in mindless lockstep is the lowest form of party loyalty. Americans for Democratic Action have given democratic administrations our best support by calling on them to become better. In 1961, John Kennedy asked an ADA delegation to dissent publicly from his economic timidity—to mount the pressure and contribute to a constituency for expansion and full employment.

Today we dare not forget or forsake that tradition. For this administration, like others, will be partly the product of the pressures on it.

The agents of the status quo are pushing relentlessly to influence the direction of policy. The advocates of change must not be content with labels, symbols, and small consolations. We must not trade full employ-

ment for a town meeting. Those who talked back to John Kennedy should not be afraid to speak up to Jimmy Carter. His democratic campaign took him 200,000 miles to the Presidency; but now that President, that party, and all of us have more miles to go to keep the promises that won the power.

Let us keep the promise of economic justice. If the Democratic Party betrays that goal, which is our oldest pledge and the greatest difference between the parties, then our success will become mere office-mongering for ourselves. A new administration was not elected in order to hand out 2,500 Schedule C jobs to politicians, but to provide jobs for unemployed millions of Americans.

Yet in reviewing economic policy this spring, it sometimes seems difficult to remember who won last fall. In the words of George Meany, whose voice has been one of the few heard amid the sounds of liberal silence, the economic stimulus plan was "shameful" and a "bitter disappointment to everyone who looked to this administration for economic justice for the poor."

The corporations have cried the wolf of "business confidence" and the administration has run scared. Retreats from the President's original economic plan have reduced it from $16 billion to $4 billion this year. The projections of GNP growth have declined sharply. The official prediction is nearly 6 percent unemployment in 1980; the probable outcome may be closer to 8 percent. Last year Jimmy Carter said that full employment was his first priority. Then it should not be postponed until a second term.

When President Kennedy faced the blackmail of "business confidence," he denounced it as economic mythology. A month after he cracked down on the steel price increases, with the whining coming from every bank and board room, he replied that "lack of confidence in the national administration . . . is a false issue . . . business had full confidence in the administration in power in 1929!"

Once again, it is time for Democrats to talk such economic sense to the American people. Not only can we afford full employment, but we cannot afford continued unemployment. The difference between today's jobless rate and the 4 percent goal costs the National Government $53 billion a year in social programs and lost taxes as well as $120 billion of lost output. We do not have to accept the endless repetition of half recovery and half recession.

We are told that it is better that millions should be kept idle for the sake of price stability. It is a curious double standard which tells only the worst off among us to ask what they can do for the economy. Thus a tax cut for individuals was withdrawn as inflationary while a tax credit for industry was defended as expansionary.

We are warned that government must not limit the price spiral. Richard Nixon gave that good idea a bad name. We did not stop having Presidents because Nixon abused the office; we do not have to abandon reasonable wage and price policies because Nixon's controls were unfair, uneven and politically manipulated. The special interests which lavishly financed his election now invoke his bad example to block even token restraints. Then they can raise their prices at will. And a Democratic administration resorts to Republican economics of tolerating unemployment to temper inflation. The uncomfortable fact is that unemployment is not curing inflation. We continue in stagflation—that worst of all combinations of high inflation and low employment; of postponed housing and delayed tax justice. This morning's press tells us that unemployment is 7 percent while wholesale prices rise at an annual rate of 13.1 percent and consumer prices go up 10 percent.

This is not the promise we have made. Franklin Roosevelt stated our principle during the great depression.

Now let us remember and repeat his demand for "economic plans that build from the bottom up, not from the top down, that put their faith once more in the forgotten man at the bottom of the economic pyramid." Let us insist that we will not balance the Federal budget on the backs of the poor, the hungry and the jobless.

And let us apply the same standard of fairness in solving the energy problem. "Trickle-down" prosperity may be senseless, but it is more absurd to have a torrent of energy overcharges flowing upwards to a few corporations at the top of the economic pyramid. This administration favors new nature gas prices triple the rate that a Federal court found to be reasonable last year—and the producers would reap $5½ billion extra over the next 10 years. If the energy industry refuses to invest without bloated prices, then let us tax excess profits. If they hoard supplies or buy up alternative sources, then let us break their monopoly over our marketplace. Such matters are questions not just of management, but of social morality. The answers will not be found in James Schlesinger's energy computers any more than the answers to Vietnam could be found in his Pentagon computers. The conglomerates may lobby and complain, the executive branch may bend to their pressure, but we must say: no gasoline taxation without antitrust legislation.

Business appeasement at full tide threatens to sweep away another basic democratic commitment—one which was reiterated over and over during the campaign—that we would change a tax system which is "a disgrace to the human race." Reportedly the Treasury Department is now preparing new tax credits for business in the guise of tax reform. But that is not what the Democratic Party meant at all. We did not mean just to simplify the disgrace and throw in token redistribution; we did not mean to multiply the loopholes and relabel them reform. We thought the disgrace was not mere inefficiency but vast inequities. Today the most privileged 5 percent of our population owns over 50 percent of our national wealth—and nearly one-half of our people have only one-fiftieth of it. They did not expect—they did not vote for—tax injustice in the name of justice. So let us keep our pledge—not technically and in title only but truly and in substance.

The Democratic promises were not made to be postponed. Welfare reform should not be delayed until 1981. The country did not think that the new President's plan would be 4 more years of the same old mess. And national health care must not be offered repeatedly and put off indefinitely. The class discrimination of medicine in this Nation kills thousands of our citizens and keeps thousands of others sick.

Except for race discrimination, it is the most shameful domestic blot on our ideals. We are told that we lack the funds to finance the elementary human right of health care. But what is really missing is the will to withstand the special interests of the medical establishment and the insurance companies. Last month doctors pressured HEW into exempting them from its proposed price restraints. Instead, a Democratic administration ought to be resisting vested influence and reorganizing the whole wasteful structure of medicine for hire. Then perhaps even in dollars and certainly in lives, national health care would be less expensive than the present non-system of national health neglect.

If our promises are impractical now, they were impractical last year and our party should never have made them. At every turn we are told that they cost too much. But cost, cost, cost has been the litany of opposition to every social justice since the new deal. The opposition is a sometime thing: It all depends on whose welfare is at stake. Why didn't the Lockheed loan cost too much? Why didn't the Penn Central bailout? Why isn't the investment tax credit too expensive?

In fact, we cannot afford to keep our promises selectively. They are a seamless web. We can have the revenues for welfare reform if tax reform does not become more loopholes or lower rates for the higher brackets. And we can have enough resources for other initiatives only if we keep one other pledge—that in power a Democratic President will challenge the excesses of the Pentagon budget. We can serve human rights here and abroad by reducing military aid to Korea. But the administration wants to raise the appropriation by 77 percent. That money could pay for hundreds of narcotic clinics, expanded preventive health measures, or millions of school books.

Similarly, we need not wait for SALT to cancel the B–1 bomber which may add billions to military spending but nothing to national security. The President's compromise of building five of the bombers this year would consume $500 million. With that wasted $500 million, we could expand the job-creating housing construction so urgently needed in both urban and rural America.

This is an old, a wearisome and an essential matter. The clearest lesson of the last decade is that we cannot be both a Garrison state and a just society. America cannot be both Sparta and Athens.

If we had that promised $5 to $7 billion reduction in the military budget instead of a Pentagon lobbying for more, we could begin reversing the decline of New York, Philadelphia, Boston, Detroit, all the great cities of the industrial northeast, all of them centers of civilization and commerce. In those cities the urban crisis is not a cliche, but a burning issue—and the fire next time could flare up next summer or next year.

And again, if we had realized that promised $5 to $7 billion reduction in military waste, it would not have been necessary for an embarrassed Secretary of Agriculture to tell the farmers of America that the minimum wage for them should be only 50 percent of a fair return. When farm families are forced off the land, rural America declines and the urban crisis worsens.

Long ago Heywood Broun defined "a liberal as a man who leaves the room when the fight begins." A.D.A. has never followed in that man's footsteps. We have never chosen the course of least resistance. We have fought to hurry the history of America toward justice and peace. We know that winning the Presidency is only another phase of the fight. We have been in the room with Harry Truman, John Kennedy and Lyndon Johnson, fighting for them and with them to fulfill Democratic promises.

Now we are in the room with Jimmy Carter—we are Americans for Democratic Action, and we intend to keep on fighting.

We want to be able to applaud the President's record as strongly as we approved the platform on which he ran. But we will not be a cheering section for tinkling symbols signifying nothing. We will not agree to substitute cold technocracy for compassionate values. We will never be, as one Carter advisor wrote of some other Democrats, among "the easiest to dominate." We do not happen to have what that advisor called "a willingness to accept any status quo that provides—power and patronage." Rather we seek to call our party to a higher standard.

We want this administration to return to the historic mainstream of the Democratic Party. Nine years after Robert Kennedy, too many yet "see things as they are and say why?" We want this administration to "see things which never were and say: Why not?"

FINANCIAL STATEMENT OF SENATOR LEAHY

Mr. LEAHY. Mr. President, during my first year in the Senate I said:

I realize that, with the exception of my distinguished senior colleague Senator Stafford, members of the Vermont delegation have not made a practice of making public their financial statements. Senator Stafford, however, for years has made available complete disclosure of his own personal finances. During the years I was in public office in Vermont, I also made available similar information.

I commend Senator STAFFORD for his totally voluntary openness and his strong sponsorship of legislation that would require Members of Congress to follow his lead. As the junior Senator from Vermont, I have followed Senator STAFFORD'S lead and published a financial statement each year that I have been in the Senate I will do so again this year.

I include the following in the RECORD at this time:

Net assets of Patrick J. Leahy and Marcelle P. Leahy on May 15, 1977

Equity (appraised value less outstanding mortgage balance) in Vermont residence at Middlesex	$13,700
Equity (appraised value less outstanding mortgage balance) in Washington residence at McLean, Va.	11,400
Amount paid in and on deposit in Federal Retirement System as of April 30, 1977	8,532
Life insurance cash value	2,000
Total of all personal property (furniture, savings accounts, car, clothing, etc.) after deducting personal liabilities in the form of nonmortgage loans outstanding to Vermont banks	9,500
Total Net Assets	45,132
Total income in addition to Senate salary (reported in detail with the Secretary of the Senate)	2,246

Comparison—1976 and 1977 statements:

	1976	1977
Net worth	$52,633.39	$45,132.00
Taxes paid previous year (Federal, State and local)	[1] 14,914.00	[2] 10,240.00
Outside income (previous year)	[1] 14,149.00	[2] 2,246.00

[1] 1975.
[2] 1976.

As always, my income tax return, Mr. President, is available for inspection by anyone who wants to bother to see it and has nothing better to do. It should rank in interest with reading last year's Washington Redskins' football scores.

THE CLASS OF 1977

Mr. HARRY F. BYRD, JR. Mr. President, the college of William and Mary in Virgina held its commencement ceremonies yesterday in this, the 284th year of its existence.

More than 1,300 degrees were awarded, and approximately 10,000 persons attended the ceremonies.

I spent parts of 2 days on the William and Mary campus at Williamsburg and was much impressed with the students, the faculty, and the hundreds of alumni who returned for the occasion.

I was tremendously pleased and highly honored to have received an honorary doctor of laws degree. This means much to me, coming as it does from the oldest college in the United States and one which means so much to Virginia and Virginians. I am most grateful to the board of visitors, whose chairman is John R. L. Johnson, Jr., and to the president of the college, Dr. Thomas A. Graves, Jr.

But my purpose in rising in the Senate today is to express both pride and confidence in the young people graduating from our high schools and colleges in this summer of 1977. I have been on several campuses recently, and I am much impressed with the young men and women—and with their seriousness of purpose.

The college of William and Mary in Virginia typifies, I think, the high caliber of the Nation's youth. If, indeed, that is the case, and I believe it to be, then one has cause for optimism for the future of our country.

SOIL EROSION

Mr. HUMPHREY. Mr. President, although nearly $15 billion has been spent on conserving our soil since the mid-1930's, erosion remains one of the most pervasive environmental problems the nation faces. More than one-third of all cropland is suffering soil losses too great to be sustained without an ultimately disastrous decline in productivity.

I have asked the Office of Technology Assessment to make a thorough study of our current soil losses and the technologies available to arrest current trends. I have asked OTA's board chairman, our colleague Senator KENNEDY, to act as quickly as possible on this issue.

Luther J. Carter has written a perceptive article, "Soil Erosion: The Problem Persists Despite the Billions Spent on It," in a recent issue of Science magazine. In this article Mr. Carter cites a number of reasons for the persistence of the soil erosion problem. Most disturbing, he reports a recent General Accounting Office report indicating that soil erosion losses on farms participating in USDA conservation programs have been as large as those losses on nonparticipating farms. Losses from both groups of farms were above a tolerable level if current productivity is to be maintained.

Mr. President, I ask unanimous consent that Mr. Carter's article, which appeared in the April 22 issue of Science, be printed in the RECORD.

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

SOIL EROSION: THE PROBLEM PERSISTS DESPITE THE BILLIONS SPENT ON IT

The dust storms that have swept part of the Great Plains in recent months have been for many people a surprising reminder of the 1930's, when such storms were so devastating as to drive thousands of people from their farmsteads. And, in truth, conditions of the kind that produced the "Dust Bowl" in the southern Great Plains 40 years ago have in some areas reasserted themselves ominously.

Yet, while drought, high winds, and blowing dust have brought severe hardship and even ruin to many farmers this year, the chief significance of the dust storms does not lie in their immediate effects, however distressing. Rather, the dust storms are especially significant as spectacular if redundant evidence that effective soil conservation of the kind necessary to sustain the agricultural productivity of the Great Plains and other farming regions over the long term simply has not been achieved.

Indeed, although nearly $15 billion has been spent on soil conservation since the mid-1930's, the erosion of croplands by wind and water (in most of the United States, erosion is caused chiefly by water) remains one of the biggest, most pervasive environmental problems the nation faces. The problem's surprising persistence apparently can be attributed at least in part to the fact that, in the calculations of many farmers, the hope of maximizing short-term crop yields and profits has taken precedence over the longer term advantages of conserving the soil. For, even where the loss of topsoil has begun to reduce the land's natural fertility and productivity, the effect is often masked by the positive response to heavy applications of fertilizer and pesticides, which keeps crop yields relatively high.

This complacency on the part of a large part of the farming community helps explain why, in all the public and political furor over environmental problems during the last decade, soil erosion has received so little attention. Yet water pollution can never be eliminated as a serious national problem until the flow of farm sediments into rivers and streams is drastically reduced

In fairness to the farmer, his tendency to put short-term profits ahead of conservation is not simply a matter of greed, for he has been feeling the effects of inflation and sharply rising costs for tractor fuel, pesticides, labor, and equipment. Many farmers struggle under a growing indebtedness, and their need for increased returns is often very real. Nevertheless, a failure to reduce erosion to acceptable levels—or to where soil losses are not much greater than accretions—could lead sooner or later to a major decline in crop yields.

FAMILIAR REMEDIES

Soil specialists generally agree that erosion can be reduced to tolerate levels by long-familiar engineering and biological methods and practices. These include contour plowing; terracing; strip-cropping (with strips of wheat or other grain crops that give little soil protection alternating with strips of grass or legumes); rotating crops to improve soil structure; leaving harvest residues or litter on the soil surface; converting marginal erosion-prone land from crop production to pasture; planting shelterbelts or windbreaks; and—of increasing importance—practicing "minimum tillage," or disturbing the soil as little as possible in planting operations and thereby leaving strips of sod between crop rows.

(According to estimates of the U.S. Department of Agriculture (USDA), if minimum tillage practices were extended to 80 percent of all U.S. croplands—as compared to the 10 percent covered at the end of 1974—this in itself would reduce soil erosion by 50 percent or more. The continuing spread of minimum tillage, which offers the further

advantage of reducing labor costs and loss of soil moisture, is said to be one of the few encouraging new developments with respect to soil conservation.)

The seriousness of the soil erosion problem was pointed out 2 years ago in a little-noticed report prepared for the Senate Committee on Agriculture and Forestry by the Council for Agricultural Science and Technology (CAST), which is made up of representatives of about a dozen professional groups having to do with soil science, animal husbandry, seed improvement, agricultural engineering, meteorology, and the like. The CAST report said, among other things, that "five problem conditions are evident which could trigger a dust bowl" in the Great Plains and perhaps a part of the Corn Belt if a sustained drought were to occur.

One was that Great Plains farmers were reported to be changing from wheat-fallow or wheat-sorghum-fallow rotations to continuous planting of wheat in order to take advantage of high wheat prices, even though this was eliminating strip-cropping for wind erosion control. Also, by plowing with moldboard plows to bury the seed of downy bromegrass (a pest that reduces yields when wheat is grown continuously from year to year without rotation), many farmers were leaving the surface bare of harvest residues that help hold the soil in place.

The other conditions cited were the extensive leveling of fields (in some cases creating) barren patches of erosion-prone sand) to permit the installation of the new wheeled irrigation systems that turn in a wide arc from a center pivot; the conversion of rangeland to grain production in response to high prices for grain and low prices for cattle, an unfavorable development from the standpoint of soil conservation because of the greater susceptibility of cropland to wind erosion; and the increasing practice in the Corn Belt of plowing cropland in the fall and turning under the stubble or harvest litter that would otherwise have helped protect the soil from winter and spring winds.

Addressing the soil erosion problem nationally, the CAST report said more than a third of all cropland was suffering soil losses too great to be sustained without a gradual, but ultimately disastrous, decline in productivity. It is generally accepted among soil scientists that even "deep soils" cannot sustain a loss of more than 5 tons an acre per year without hurting productivity. Such scientists therefore see real cause for alarm in the fact that erosion losses nationally have been variously estimated at about 9 or 12 tons an acre per year, and that, in extreme cases, losses of 60 tons or more are recorded. Under normal farming conditions—discounting erosion losses—new topsoil forms at a rate of about 1.5 tons an acre per year. As noted in the CAST report, the Soil Conservation Service's most recent *Conservation Needs Inventory* (published in 1967), reported that farmers in 7 of the 12 Corn Belt states were doing a better job of protecting highly erodible cropland in 1958 than they were a decade later, and that, furthermore, only 36 percent of the some 472 million acres of cropland existing in 1967 had been adequately "treated" against soil erosion through such practices as strip-cropping and terracing.

PROGRAM FAILURES

In February, the General Accounting Office (GAO) issued a report that helps explain why past soil conservation efforts have not GAO visited a total of 283 farms, chosen at random, in the Corn Belt, the Great Plains, and the Pacific Northwest and found that 84 percent of them were losing more than 5 tons of soil an acre per year on those croplands for which measurements were made. Even more disturbing was the fact that there was no evidence that the soil losses were consistently smaller for the farmers who had been participating in USDA conservation programs than for those who had not. Losses for both groups were found to be "well above the maximum tolerable level."

The GAO said that USDA, which has been spending several hundred million dollars annually on various soil conservation programs, had not been actively seeking out those farmers most in need of help; that in the case of the farmers the department had helped, it had not done enough to encourage them to carry out their conservation plans effectively and over the long term; and that less than half of the money in the big cost-sharing program administered by the Agricultural Stabilization and Conservation Service (ASCS)—$190 million has been appropriated for this program for fiscal year 1977—had been used for measures primarily oriented toward conserving the nation's topsoil and that most of it had gone for improving crop yields. The GAO said that because of this, Iowa—the first state to establish a cost-sharing program for soil conservation—had withdrawn from the ASCS program after only 1 year. The GAO indicated that Congress as well as USDA was responsible for this situation because recent appropriations measures had allowed farmers and the local soil conservation districts wide discretion as to which practices to follow.

A particular criticism which the GAO made of the Soil Conservation Service (SCS) was that its some 2750 district conservationists spend a substantial part of the time preparing elaborate conservation plans for individual farms which are seldom followed and soon become out of date. Less than half of the 119 farmer "cooperators" whom the GAO visited were using the plans the service had prepared for them.

Thomas Barlow, a member of the Washington staff of the Natural Resources Defense Council (NRDC), a private activist group, says that the fundamental weakness in the soil conservation programs is that they are not effectively linked to USDA programs to which farmers look for economic security, namely those that provide price supports, farm loans, crop insurance, and disaster relief. In his recent testimony before the Senate Committee on Agriculture, Barlow recommended that Congress enact legislation to withhold financial assistance until the farmer shows that he has put into effect, and is properly maintaining, an appropriate program of conservation for his land.

Actually, there has been a linkage between farm price supports and conservation practices going as far back as 1935, the year that the SCS was created as a part of Franklin D. Roosevelt's New Deal. But during most of this 40-year period, the farm commodity markets have been plagued with surpluses, and it has been relatively easy to persuade farmers to withdraw substantial acreages from crop production and convert them to pasture, shelterbelts, or other uses consistent with soil conservation.

In more recent years, however, as farm surpluses have been eliminated with the growth of overseas markets, farmers have felt a strong incentive—both because of the rising commodity prices and (in many cases) their growing indebtedness—to put as much of their land into production as possible. The Barlow proposal, which is sure to arouse controversy if it begins to gain currency, is designed to make the farmer a soil conservationist for all seasons, for the periods of high commodity demands as well as for the periods of crop surpluses.

James W. Giltmier, a senior staff member of the Senate Agriculture Committee, does not believe the Barlow proposal is acceptable. In his judgment, neither the farmers nor Congress will sit still for the idea that the government should have that much say-so about how farmers manage their land.

But if this is true, what can be done? Giltmier says that the Senate has already taken a major step in response to the soil erosion problem by passing the Land and Water Resources Conservation Act of 1977. This measure, now pending action in the House Committee on Agriculture, would require USDA to prepare an appraisal of land and water conservation problems—and an action program and statement of policy to go with it—by the end of 1979. But, because the pending bill contemplates a 2-year deferral of major initiatives and calls for a continuation of the strictly voluntary approach to soil conservation, it will not satisfy Barlow and others who believe that the soil erosion problem cries for early and much stronger action.

M. Rupert Cutler, USDA's new assistant secretary for conservation, research, and education, told *Science* that the most promising new approach to the soil conservation problem will be through section 208 of the Clean Water Act of 1972. Under this section, each state is required to submit to the Environmental Protection Agency (EPA), by 1 November 1978, an enforceable plan for abating pollution from all identifiable sources, including such "nonpoint" sources as farmland.

According to the section 208 strategy currently under development by EPA and USDA, the development by EPA and USDA, the some 3000 soil conservation districts—there is one in virtually every farming county—will be used as the local "delivery system" for making sure that the plan objectives are met with respect to controlling erosion from croplands and farm woodlots. Although these districts are state-chartered local government entities, they typically look to the local and regional employees of USDA agencies such as the SCS, the ASCS, and the Farmers Home Administration to do necessary fieldwork, such as giving farmers technical assistance on erosion problems.

CHANGE THE BUZZWORDS

What this means, then, is that it will fall to USDA personnel to persuade farmers to do whatever must be done if needless erosion is to be stopped. An obvious advantage of proceeding in this way is that, because of the comfortable, friendly relationship that exists between USDA field personnel and farmers, the latter presumably would not feel that they are being visited by some heavy-handed federal enforcers. Also, in light of the backlash against EPA and "pollution control" which is manifest in some quarters, including the farming community, there may well be an advantage in putting the rhetorical emphasis on protecting the agricultural resource base. "If you are going to get the job done, you've got to change a few buzzwords, and 'pollution' is one of them," observes one USDA soil conservation specialist.

But a question that EPA and USDA have not yet seriously dealt with is what to do about those farmers—and there could be many—who prove unwilling to adopt essential soil conservation practices. Section 208 leaves it to the states to provide the sanctions needed to bring recalcitrants into line. Yet, while some 18 states have enacted sedimentation control laws, Joseph Krevac, EPA's branch chief for "nonpoint" water pollution sources, says that in all but two of these states—Pennsylvania and Iowa—erosion associated with farming activities has been exempted.

Congress may find that, just as Barlow has suggested, the most readily available sanction for enforcing compliance with 208 plan objectives is to make the adoption of adequate soil conservation practices a condition for participation in USDA financial assistance programs. And, since Congress has required floodplain zoning and the floodproofing of buildings as a condition for federal flood insurance, one can certainly argue that it would make equally good sense to insist on soil conservation practices as a condition for future farm loans, crop insurance, disaster relief, and maybe price supports.

The very idea of such a thing may be upsetting to farm groups, and Barlow—who is something of a red flag to the farm groups because of his activist role on issues such as stream channelization and wetlands drainage—readily concedes that his proposal will go nowhere unless it is taken up by Carter Administration officials. "I'm a gadfly," he says. "The leadership is going to have to come from the Administration."

Secretary of Agriculture Bob Bergland acknowledges that the soil erosion problem is severe, and his office has a policy review of it now underway. "We are losing 15 tons of topsoil out of the mouth of the Mississippi River every second," he observed at his Senate confirmation hearing. "We know we cannot do that forever. And yet we have only begun to scratch the surface in our conservation activities."

If the Administration does take up the Barlow proposal, there will be some other circumstances that may work in its favor. One is that farmers and the senators and representatives who speak for them in the Congress may conclude that, to obtain passage this year of the kind of farm bill the agricultural community favors, they had better not get at cross-purposes with the Administration and the environmentalists on a major issue of land stewardship. Another is that, with the scenes of billowing clouds of dust blowing in the wind on the Great Plains still fresh in everyone's memory, the public will know that the past stewardship leaves plenty to be desired.

LUTHER J. CARTER.

"VILLA ALEGRE"

Mr. CRANSTON. Mr. President, I would like to bring to the attention of my colleagues California Senate Joint Resolution No. 3 urging the President and Congress of the United States to maintain adequate Federal funding for the bilingual children's television program "Villa Alegre."

The "Villa Alegre" series—which made its debut in the fall of 1974—is now seen over 260 stations across the United States by an estimated audience of 10 million viewers, in school and out of school. In the short period of its existence, bilingual television programing has already become recognized as one of the most effective means available to combat racial isolation for both the nonEnglish speaking and the English speaking child.

Most recently, "Villa Alegre" was nominated for an Emmy award by the Academy of Television Arts and Sciences. This is certainly a tribute both to the producers of "Villa Alegre" and to the U.S. Office of Education for its uninterrupted support.

I hope my colleagues will share this enthusiasm for the educational contributions made by "Villa Alegre" and support its continued Federal funding. I ask unanimous consent that the full text of California Senate Joint Resolution No. 3 be printed in the RECORD.

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

(Senate Joint Resolution No. 3)

RESOLUTION CHAPTER 18

Senate Joint Resolution No. 3—Relative to bilingual television programming.

[Filed with the Secretary of State April 19, 1977.]

LEGISLATIVE COUNSEL'S DIGEST

SJR 3, Garcia. Bilingual television. "Villa Alegre."

This measure would memorialize the President and the Congress of the United States to enact legislation to assure the continuance of the bilingual children's television program, "Villa Alegre."

Whereas, In the fall of 1974, an innovative bilingual children's television program known as "Villa Alegre" made its debut nationally; and

Whereas, "Villa Alegre" is produced by Bilingual Children's Television, Inc., a California nonprofit corporation based in Oakland, California; and

Whereas, Utilizing the most singularly powerful medium in existence today, "Villa Alegre" is aimed for children at the formative years where its impact can be of most value to the viewer; and

Whereas, "Villa Alegre" provides a sense of identity as well as understanding and appreciation of the Spanish and English languages, instills a sense of pride and confidence in the heritage of the Spanish-speaking community, introduces monolingual children to a new linguistic melody, and broadens curriculum experiences, while celebrating cultural diversity; and

Whereas, The program helps to create a linguistic and cultural bridge within the home, school, and total community and can serve as an effective educational tool in complying with recent United States Supreme Court decisions involving bilingual education; and

Whereas, Bilingual Children's Television, Inc., producers of "Villa Alegre," has developed invaluable expertise in bilingual children's television programming, has compiled extensive research data on bilingual children, and has gained a keen insight into the educational needs of children during the formative years; and

Whereas, The value and impact of "Villa Alegre" on all children in the United States is manifest in its institutional, civic and community support and its utilization in homes and classrooms nationally; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to enact legislation to assure the continuation of "Villa Alegre" for all children; and be it further

Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

USDA ASSESSES AGRICULTURAL TRADE POSSIBILITIES WITH CUBA

Mr. McGOVERN. Mr. President, the lead article in this week's Foreign Agriculture, published by the U.S. Department of Agriculture, provides a timely assessment of agricultural trade possibilities with Cuba.

The article, written by U.S. Department of Agriculture's Roger Neetz, is entitled "Cuba Could Again Become A Major U.S. Farm Market."

As seen by the U.S. Department of Agriculture, here is what is in the offing:

Once the seventh largest U.S. farm market—as well as a top U.S. supplier of sugar, tobacco, and fruit—Cuba could again become a major importer of U.S. farm products should relations between the two countries be normalized and Cuba's foreign debt situation improve.

Current analyses indicate that under such circumstances the United States might gain at least a third of Cuba's farm imports. (In 1976, Cuba's food imports stood at $760 million out of total imports of $3.5 billion, for a 150 percent increase over such imports in 1972.) And a U.S. share of at least two-thirds of this trade is possible considering the commodity composition of Cuba's imports—wheat, rice, corn, flour, lard, canned milk, cotton, and vegetable oil.

Mr. President, I wanted to bring this article to my colleagues attention because of its obvious relevance to the recent action taken by the Foreign Relations Committee to permit U.S. exports of "agricultural and food commodities" to Cuba.

I ask unanimous consent that the full text of the article be printed in the RECORD, including a companion piece entitled "Sugar's Price Decline Hurts Cuban Trade."

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

[From Foreign Agriculture, May 16, 1977]

WITH NORMALIZING RELATIONS CUBA COULD AGAIN BECOME A MAJOR U.S. FARM MARKET

(By Roger Neetz)

Once the seventh largest U.S. farm market—as well as a top U.S. supplier of sugar, tobacco, and fruit—Cuba could again become a major importer of U.S. farm products should relations between the two countries be normalized and Cuba's foreign debt situation improve.

Current analyses indicate that under such circumstances the United States might gain at least a third of Cuba's farm imports. (In 1976, Cuba's food [1] imports stood at $760 million out of total imports of $3.5 billion, for a 150 percent increase over such imports in 1972.) And a U.S. share of at least two-thirds of this trade is possible considering the commodity composition of Cuba's imports—wheat, rice, corn, flour lard, canned milk, cotton, and vegetable oil.

All of these products rank as important exports for the United States and can be delivered to Cuba at highly competitive prices. However, Cuba, since the breakoff in trade relations with the United States in 1959, has developed strong trade ties with other nations, including Canada, Argentina, and other Western nations in addition to the USSR and Eastern Europe. Cuba also has a $4.6-billion debt with the USSR, which might hinder trade with Western countries, and a more than $1-billion hard-currrency debt with Western countries, which poses even greater potential problems.

Nonetheless, Cuba holds potential as an importer of a number of U.S. farm products. Among them:

Wheat. Cuban wheat and flour imports are expected to hold at current levels of about 900,000 metric tons a year. Canada now has the largest share of this market, which could complicate U.S. re-entry, but the United States would be competitive given its freight advantage and ability to offer the same quality wheat as Canada.

Rice. These imports total 250,000–300,000 tons annually, helping keep Cuban per capita rice consumption the highest in Latin America. The Chinese and Soviets have been supplying much of this rice in recent years, but U.S. long-grain varieties have been preferred in the past.

Coarse grains. These imports, which consist mainly of corn, have reached an annual level of more than 300,000 tons, with the bulk of them coming from Argentina. The U.S. freight advantage should make U.S. corn highly competitive in this market.

[1] Cotton, vegetable oils, and other raw materials also account for a sizable portion of Cuban trade, but are not broken out from total trade.

Pulses. As a onetime major supplier of pulses to Cuba, the United States is believed capable of selling 20,000–80,000 tons there today.

Vegetable oils. These imports, estimated at about 65,000 tons, annually, now consist mainly of USSR sunflower oil. They could be replaced by U.S. vegetable oils.

Cotton. The United States is believed capable of obtaining a sizable share of this market, which is estimated at 100,000 bales annually.

Other products. U.S. exports to Cuba of lard, cured pork, cheese, butter, and processed milk averaged about $14.2 million a year in 1955–59—a trade that has been taken over by Canada and other suppliers. In addition to the possibility of resuming sales of these products, there exists in Cuba a new market for breeding cattle, poultry breeding stock, and hatching eggs.

Historically, there is a strong precedent for U.S. farm trade with Cuba. Prior to the partial and full embargoes on trade with Cuba in 1959 and 1962, the two countries counted one another as key trading partners. Until 1959, the United States was Cuba's largest trading partner, accounting for about 65 percent of the country's total trade turnover.

Agriculture's share in this trade—on both the import and export sides—was significant. In the 1950's Cuba ranked as the largest Latin American market for U.S. farm products and the seventh largest market worldwide, while the United States was Cuba's top farm market. During 1955–59, the United States supplied 68 percent of Cuban farm imports, and took 69 percent of Cuba's agricultural exports, which were dominated by sugar, tobacco, and fruit for an average dollar value of $405 million annually.

Cuban imports of U.S. agricultural products during that same period averaged $131 million annually.

Following the United States 1959 partial embargo on trade with Cuba, Cuba and the USSR concluded the 1960 Bilateral Trade and Payments Agreement, redirecting trade to Communist countries. By the end of 1962, Eastern Europe and the USSR comprised 83 percent of Cuba's total trade turnover, and in 1976, Cuban trade with Communist countries totaled $4.6 billion, or 71 percent of the country's total trade.

Trade with Western countries—Japan, Spain, West Germany, and Canada—has made slow but observable gains since 1961, although the product exchange remains principally sugar for machinery, manufactured goods, and agricultural products from both Communist and market economies.

Since late 1975, there have also been some modifications in the U.S. embargo to permit foreign companies owned or controlled by U.S. firms to trade with Cuba in nonstrategic foreign-made products. Export licenses issued by the U.S. Treasury Department for $334 million of nonstrategic products were approved between October 1975 and June 1976—$233 million of which was foreign grains sold by subsidiaries of U.S. firms.

Almost as dramatic as Cuba's trade shift has been the rapid growth in its total trade. Between 1959 and 1975, the country's total trade turnover grew from $1.9 billion to $7.2 billion, dipping in 1976 to an estimated $6.5 billion.

This trade expansion gives a new dimension to normalization of commercial ties, especially since much of the growth has occurred in imports of farm products. Rice imports, for instance, rose 43 percent between 1957 and 1975 to 275,000 tons; wheat imports soared more than fourfold to 405,000 tons; wheat flour imports gained by almost fourfold to 350,000 tons; corn imports shot from negligible quantities in 1957 and 160,000 tons in 1968 to 330,000 in 1975; and raw cotton imports rose more than threefold to 30,000 tons.

Cuba's main interest in the U.S. farm market, of course, would be to resume sugar shipments, which in the 1950's earned about $335 million a year in the United States alone. However, current political concern over Cuban sugar imports without equivalent concessions precludes any immediate imports. Also Cuba's interest in the U.S. market may not be strong right now given the low world price for sugar and Cuba's agreement to supply some 3.5 million tons this year to the USSR at a fixed price equivalent to around 66 U.S. cents per kilogram—more than double the current price.

That agreement with the USSR has been both a boon and a burden to Cuban trade during the last few years of widely fluctuating world prices for sugar. As world prices for sugar began to move upward during the early 1970's, the pact became increasingly onerous, since world prices were above those offered by the USSR. Cuba consequently began diversifying trade away from the USSR to countries like Japan and Spain, where it could earn much-needed hard currency. But following sugar's steep price decline of 1975–76, the agreement once again became a plus factor, and Cuba responded by relying more heavily on the Soviet market.

Cuba has, in fact, agreed to supply 1 million tons more to the USSR this year over the 2.5 million reportedly sold in 1976. Because of this, the Government has announced that no additional sugar will be sold until July 1977, and after that supplies also could be tight.

With a population of nearly 10 million and an average per capita income of $820, Cuba needs agricultural trade. Whether some of this will shift to the United States—with the attendant advantage to Cuba of earning hard currencies—depends on Cuba's willingness to comply with provisions of Title IV of the 1974 U.S. Trade Act. This would include entry into a bilateral trade agreement and assurances on free emigration, both subject to Congressional approval. Without such agreement, most-favored-nation tariff status, as well as Eximbank (Export-Import Bank of Washington) and Commodity Credit Corporation credits, would continue to be denied Cuba.

CURRENT U.S. TARIFF SCHEDULE FOR SELECTED PRODUCTS

Commodity	Column 1, MFN tariff	Column 2, non-MFN tariff
Sugar	1.987 cents per pound.	1.987 cents per pound.
Cigars	95 cents per pound plus 5 percent ad valorem.	$4.50 per pound plus 25 percent ad valorem.
Rum	$1.75 per gallon	$5 per gallon.

There is also a debate about Cuba's tariff preferences that existed at the time of the U.S. embargo and currently remain in a suspended status. One point of view is that the Trade Act supersedes these rights, and Cuba would be subject to the higher Column 2 U.S. tariff rate. This would not, however, affect sugar sales, since U.S. tariff rates are currently the same for all countries (except for those developing countries receiving tariff preferences under the Generalized System of Preferences). And since the expiration of the Sugar Act, the United States has imported sugar from any source—except Cuba, Rhodesia, and North Korea—under a nonrestrictive annual global quota set at 7 million short tons.

President Carter recently announced a sugar support program and rejected restrictions suggested by the International Trade Commission. Cuba could become price competitive in the U.S. market under a lifting of the embargo since tariff rates are the same for all countries excluding GSP nations.

For other commodities, a lifting of the embargo would not give Cuba any additional advantages because the Column 2 tariff would prevail. Cigars, a premium export item for Cuba in the pre-embargo period, would face strong competition from other suppliers in the U.S. market.

Another important factor is Cuba's enlarged debt. Estimates indicate a debt with the USSR of $4.6 billion, which has been deferred until 1986. Payment in hard currency is not required. However, Cuba's capacity to import from the West could be affected by the need to divert a portion of its export capacity to the Soviet Union in order to effect repayment to the Soviets.

Credit lines of $3 billion reportedly have also been extended by several Western countries but have not been used extensively. Currently, Argentina, Spain, the United Kingdom, France, and Canada are the principal sources of credits.

Finally, there is the question of U.S. national claims to $1.8 billion worth of property in Cuba, expropriated after the 1959 revolution—as well as Cuban claims to $60 million in assets frozen in the United States.

SUGAR'S PRICE DECLINE HURTS CUBAN TRADE

(By Linda Bernstein and Howard Hall)

Declining world prices for sugar, plus continuing drought in sugarcane areas of eastern Cuba, have dimmed Cuban export prospects and returned the country to the protective trade folds of the USSR and other Communist countries. This move—reversing earlier trade-diversification efforts—reflects the rapid depletion of Cuba's hard-currency reserves and points to further cutbacks in import trade with Western nations.

With f.o.b. Caribbean prices for raw sugar declining from a 1975 average of 44 cents per kilogram to less than 27 in 1976, Cuba last year saw its sugar exports fall to 5.1 million metric tons, raw-equivalent, valued at about $2.9 billion, compared with 5.7 at $3.5 billion in 1975.

The value decline would have been even greater had not Cuba kept shipments of above-market-price sugar to the USSR near the record 1975 level of 3.2 million tons. It also increased exports to East European nations somewhat from the 520,000 tons of 1975. Sugar exports to most other nations declined, however. Those to the People's Republic of China (PRC) totaled only about 183,000 tons, less than half shipments in the early 1970's: Japan took only 100,000 tons in contrast to peak sales there of 1.2 million in 1974; and Spain purchased nearly two-thirds less than the 327,000 tons of 1975.

In the future, sales to Japan and Spain will continue, but at levels far below those recorded in the early 1970's.

Following lengthy negotiations, Japan has agreed to import 1 million tons of Cuban raw sugar during 1977–80, including 100,000 tons in 1977 and 300,000 annually in the following 3 years. Exports to Spain also have been renegotiated at 140,000 tons for 1977 and 75,000 for 1978.

Because of smaller sugar exports last year, Cuba's December 1976 sugar stocks were up sharply from the 1975 level. But in January 1977 Cuba concluded an agreement to sell the USSR 1 million tons of raw sugar in addition to the yearly 2.5 million tons specified under current trade agreements. At the same time, it announced withdrawal from the international free market until August.

Partially offsetting the 17 percent decline in sugar earnings last year were small gains in Cuban exports of minerals, tobacco, and some foodstuffs, including citrus fruit and fish. Still, total exports declined 17 percent from the 1975 high of $3.5 billion while imports dipped only slightly from $3.8 billion as Cuba maintained purchases of essential foods and raw materials. Petroleum and some food imports were among the gainers, while machinery, transportation equipment, and other less-essential products bore the brunt of the trade belt-tightening.

Among the agricultural imports, purchases of wheat and flour—mainly from Canada—declined slightly in 1976 to 850,000 tons, while corn purchases from Argentina—presumably financed all or in part on USSR account—were increased. In addition, some corn reportedly was imported from Hungary.

At the same time, Cuba had increased difficulty obtaining supplies of imported rice as imports from the PRC continued low for the second straight year, totaling 50,000 tons in 1976, compared with more than 200,000 in previous years. Cuba thus had to turn to Argentina, Colombia, Italy, and Spain for rice, and even received some via the USSR, which is a net rice importer itself. Presumably, those imports from the USSR are being purchased from Western Hemisphere sources on USSR account.

The country also has taken measures to curb consumption of some imported items. Coffee imports, for instance, were reduced last year, and the per capita weekly ration was cut from 43 to 30 grams, while the Government moved to rejuvenate domestic coffee production. And about half a kilogram of the per capita monthly rice ration was eliminated, to be replaced by just under 1 kilogram of cornmeal. However additional corn imports may be needed to meet the new rationing requirements since Cuban corn production is limited.

As a result of the reduced sugar prices in Western markets and consequent shift to increased trade with Communist nations, Cuba's exports to non-Communist countries last year plunged more than 40 percent from the 1975 level. Imports from these nations were 30 percent below the unusually high 1975 level.

The country's hard currency reserves were seriously reduced by larger 1975 and 1976 deficits in its trade with Western nations. To alleviate the problem, Cuba reportedly restricted imports from Japan beginning in August and recently requested a year's delay in Japanese delivery of contracted capital goods.

These trade setbacks have prompted alterations of Cuba's economic plan for 1976–80. When originally drawn up in 1975, the plan called for increased imports of capital goods from nonsocialist countries, but a September 1976 announcement suggests that the country has returned to giving first consideration to trade with the USSR and other Communist nations.

In addition to its trade problems, Cuba now is confronted with potential drought damage to the 1976/77 sugarcane crop. This is the third year of drought in Eastern Cuba—reportedly the most severe in several decades—and the final outcome could be an even lower cane production than the current estimate of 5.7 million tons. Because of the drought, the 1975/76 harvest also was below expectations, totaling around 6 million tons, compared with 6.4 million in the preceding year.

Increased production of other export crops, such as tobacco, should help compensate in part for the sugar setback. But with sugar accounting for over 85 percent of the value of Cuban export trade, the total impact of gains in other crops is still small.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, on January 12, 1951, 26 years ago, the International Convention of the Prevention and Punishment of the Crime of Genocide went into effect. There are presently over 80 nations party to the treaty, including almost all of our NATO and SEATO allies.

Speculation on the possible effects of the Genocide Convention on the United States has been rampant. Yet, it is unnecessary—the answers have long been evident. The countries that have ratified the treaty provide a ready picture of what the Genocide Convention actually does and does not do. Many of these nations are democracies; some have federal forms of government. Their experience with the convention should give us the basis for making a realistic assessment of the probable effects of the convention on the United States.

Has any citizen of any of these nations been tried by an international court on charges of genocide? No. Has any citizen of these countries ever been extradited to a Communist country to stand trial for genocide? No. Has this convention abridged the freedoms of speech and assembly of the citizens of these countries? No. Has this convention disrupted the federal structure of those federated nations which have ratified it? No. Nor will the Genocide Convention do any of these in the United States either.

American ratification of the Genocide Convention puts this nation formally on record as opposed to the crime as mass murder. It is unquestionable proof of our belief in human rights for all mankind. It is our statement affirming every man's unalienable right to life. That is what the Genocide Convention does. It does not destroy a nation's sovereignty nor abridge its citizens' individual freedoms.

Ratification of this treaty is a good, constructive action which we have long avoided. Let the United States become one of those nations condemning genocide. Let us ratify the Genocide Convention without further delay.

THE SALZBURG CONFERENCE FOR A NONNUCLEAR FUTURE

Mr. GRAVEL. Mr. President, on the dates of April 29 through May 1 of this year, a very important event took place in Salzburg, Austria. The event, of course, was the Salzburg Conference for a Nonnuclear Future, organized by the European Environmental Bureau, Friends of the Earth International, Gensuikin—Japan congress against A and H bombs—Natural Resources Defense Council—U.S.A.—and Osterreichische Naturschutzbund. The result of that conference, among other things, was the Salzburg declaration. In that declaration is a message for all of us—a message some of us have been trying to convey for some time. The message is not negative but positive in emphasis. Both the industrialized and the developing nations can meet their energy needs in a more efficient manner by reducing energy waste and by developing alternative sources of energy. These sources either are currently available or can be developed if we but focus our attention on them. By doing so, we can avoid following the unnecessarily dangerous and unhealthy patch of nuclear energy. Some see nuclear energy as the answer to our future energy needs. I believe the reading of the Salzburg declaration will convince those that the answer lies with a nonnuclear future.

Mr. President, in order to provide this body and the American public with the benefit of the Salzburg Conference for a Nonnuclear Future, I ask unanimous consent that the text of the declaration be printed in the RECORD.

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

DECLARATION OF THE CONFERENCE FOR A NONNUCLEAR FUTURE

We are citizens from 20 countries throughout the world. We differ widely in wealth, in political opinion, in religion and in cultural experience.

But we share a common concern and a common hope.

Our concern is that the present and future wellbeing of mankind is being needlessly endangered by the decisions of governments to continue the use and development of nuclear power.

Our hope is that mankind will act in time to prevent further irrevocable commitments to a nuclear future. We are part of a global wave of opposition to nuclear power which is growing in force and which has recently moved some governments to review their nuclear policies. We therefore feel a responsibility both to explain our cause for concern and to demonstrate the availability of a non-nuclear world.

Listening to the voices from Hiroshima, Nagasaki and Micronesia, we share the widely held belief that the proliferation and indeed the continued existence of nuclear weapons threatens the future of all people, and that current progress towards general disarmament is totally inadequate. Moreover, nuclear proliferation is only one aspect of this global problem.

Nuclear weapons can be made from a few pounds of plutonium or uranium. Since the purpose of the breeder and the reprocessing of spent fuel is to separate plutonium or equivalent fissile materials, access to these technologies is access to the capacity to manufacture nuclear weapons. The increasing deployment of these technologies will dramatically increase the risks of nuclear warfare.

New technologies involving lasers and centrifuges are being developed for the purpose of reducing the cost and increasing the efficiency of enriching uranium. The commercial development of these technologies represent a danger to world security, as does the absence of adequate safeguards on the production, storage and international shipment of natural and low-enriched uranium.

No level of international safeguards which is remotely feasible can prevent a determined government from diverting fissile material into weapons manufacture. Thus the development of these technologies will inevitably facilitate the proliferation of nuclear warfare.

Weapons proliferation is unlikely to be confined to national bodies. The relative ease with which stolen plutonium could be fabricated into a weapon adds a new dimension to terrorism. The measures necessary to prevent thefts, recover stolen plutonium and respond to credible threats must lead to the erosion of human rights with repercussions for the social and political fabric of our societies.

These and other considerations lead us to reject the breeder reactor and the use of plutonium or other bred fissile materials as nuclear fuels. Reprocessing of spent fuel is therefore unnecessary, uneconomic and undesirable, and all spent fuel has to be securely stored.

Thermal reactors, which form the heart of the present nuclear program, pose major unresolved problems of proliferation, safety, environmental protection, occupational health and radioactive waste disposal. It is these hazards which have generated the growing public distrust of thermal reactors.

Moreover, the economic case for their

further deployment does not stand critical examination. Nor are nuclear reactors essential to the creation of full employment: indeed, they may be inimical to it.

In order to achieve a non-nuclear future as soon as possible, we believe that the building of any further nuclear facilities should be strongly resisted, and that all governments should forthwith adopt energy policies which provide for the replacement of nuclear power by alternative energy sources as soon as possible.

Those governments, institutions and individuals who assert the necessity of nuclear power do so on the basis of a fundamentally mistaken conception of energy policy, which confuses costs and benefits and neglects to consider the end uses of energy.

We believe that energy policies should be conceived in terms of doing more useful work with less energy, of matching production means to end-use needs, and of reducing vulnerability to interruption. Such policies do not require the use of nuclear power, yet they would be adequate to the needs of the whole world.

In the developed nations such policies would rely primarily on the reduction of energy waste (for instance by actively supporting the introduction of cogeneration and stopping inappropriate uses of electricity) together with the forceful development of alternative energy sources, in particular diverse forms of solar energy. This must involve diminishing the energy growth of these nations and in the long term stabilising their per-capita energy use.

In the developing nations centralised electricity generation is no more a priority than in the developed world, and will tend to exacerbate rather than ameliorate the problem of meeting basic energy needs, especially in the villages of the Third World where half of humanity lives.

The energy needs of the developing nations could be met primarily by solar energy, biogas and other decentralised technologies.

Furthermore, nuclear power increases rather than decreases the dependence of developing countries on the industrialised world, while widening the disparity in wealth between them. We cannot see that any global energy strategy which fails to assist a more equitable distribution of wealth could, or should, succeed.

Such a highly centralised and capital-intensive technology as nuclear power leads to a further concentration of economic and political power in all nations.

Compared to nuclear power, the technologies we propose are—for all nations—cheaper, more reliable, easier to deploy, less disruptive of existing social and cultural patterns, more equitable, less damaging to the environment and more amenable to democratic control.

We are unanimous in our convictions that a non-nuclear future, based on the policies we are advocating, offers people a more secure and a more humane world. We believe that such a future is not only possible but widely desired throughout the world, and to this end we call upon concerned citizens everywhere to demand by non-violent means that international institutions and governments shall—

Immediately close down all fast breeder reactor and fuel reprocessing facilities, and end the development and sale of such facilities.

Immediately develop specific programmes for phasing out all thermal reactors as soon as possible.

Immediately halt development of technologies for enriching uranium by means of lasers and small and efficient centrifuges, and add an international escort service for shipments of all nuclear materials between nations to the safeguards functions of the IAEA and EURATOM.

Divert the funds and human energies released by all these shifts of priorities into the deployment of those alternative technologies which are already available.

Establish a substantially funded international energy organisation charged with the development, promotion, and transfer of non-nuclear energy technologies, which should not be based on the existing IAEA (although the IAEA and EURATOM should continue to strengthen and perform their safeguards function for as long as necessary).

Redirect development assistance in favour of non-nuclear energy technologies.

Develop widespread mechanisms for public participation at al levels of energy policy decision-making. Such mechanisms should pay special attention to the needs of workers, women and other groups who have uniquely valuable perspectives to contribute.

Emotional and personal involvement have been defined as "unscientific" and "irrational". In fact, issues which concern the lives of human beings must be defended with emotion and personal commitment: they must not any longer be only the subject of abstract calculations. In questions of this magnitude, we may not be detached. We must be partisan.

This declaration represents the common ground of agreement between the delegates of many nations. Inevitably differences in political tradition and national circumstance create differences in emphasis on some arguments and differences in approach to the handling of the issue. These differences should not be interpreted as any weakening of our resolve to pursue by all possible non-violent means the early arrival of a non-nuclear world.

SIGNATORIES TO THE DECLARATION OF THE SALZBURG CONFERENCE FOR A NONNUCLEAR FUTURE

Afghanistan

Zalmay Khalizad

Australia

Joseph Camilleri
Noel Nunan

Austria

Cheryl Benard
Freda Meissner-Blau
Paul Blau
Robert Jungk
Ruth Jungk
Arthur Sikora
Peter Weish

Belgium

Petra K. Kelly

Canada

Gordon Edwards
Barry Spinner
Ralph D. Torrie

Denmark

Siegfried Christiansen
Tarjei Haaland

EEC countries

Hubert David

Finland

Pekka Suominen

France

Brice Lalonde
Yves Lenoir
Vincent Richet

German Fed. Rep.

Klaus Batjer
Rainer Beeretz
Brigitte Toni Lerch
Martin Mombaur
Holger Strohm
P-Ch Thurnagel
Benne Trautmann
Hans Heinrich Tucker
Siegfried de Witt

Israel

David Kretzmer

Italy

Emma Bonine
Giorgio Nebbia
Mario Signorino

Japan

Sadao Ichikawa

Malaysia

Gurmit Singh

Netherlands

Daan W. Everts
Erik van der Hoeven
Klarissa Nienhuys
Rien Rense
R. J. Sijmons
W. A. Smit
Pieter Jan Stallen
H. J. M. de Vries

Sweden

Sven Gergström
Ingemar Skarp

Switzerland

Brigitte Fankhauser-Zurbrügg
Konradin Kreuzer
Hanswerner Mackwitz
R. Schleicher

United Kingdom

Tom Burke
Brian Johnson
Walter Patterson
Jon Tinker

U.S.A.

Dean Abrahamson
Robert Fleisher
Jane B. Grant
Jeffrey W. Knight
David Lenderts
Paul Leventhal
Amory Lovins
S. Jacob Scherr
Katherine D. Seelman
Mary P. Sinclair
Thomas B. Stoel Jr.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. ROBERT C. BYRD. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Michael D. Hawkins, of Arizona, to be U.S. attorney for the district of Arizona for the term of 4 years vice William C. Smitherman, resigned.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Monday, May 23, 1977, any representations or objections they may wish to present concerning the above nomination with a further statement whether it is their intention to appear at any hearing which may be scheduled.

A REGIONAL IMPACT ANALYSIS OF PENDING FOOD STAMP REFORM LEGISLATION

Mr. LEAHY. Mr. President, last week, after months of studies, hearings, discussions, and deliberation, the Senate Agriculture, Nutrition, and Forestry Committee voted to report the 1977 Food and Agriculture Act. Included in this

comprehensive measure is a proposal designed to streamline, overhaul, and tighten up the food stamp program. This proposal will substantially improve the administration of the program, and will have significant effects on the program's operation. Moreover, it will have vastly different impacts on various regions of the country.

I think it is important for us to be aware of the implications of this proposal and the other options while we deliberate the reform measure. Consequently, I was most pleased to learn that the Northeast-Midwest Research Institute published on May 1, 1977, a complete history and analysis of the food stamp program reform proposals, entitled "A Regional Impact Analysis of Pending Food Stamp Reform Legislation." I have read the report and found it very useful. I think that it would also be very valuable to my colleagues and therefore ask unanimous consent that the institute's study along with its appendixes be printed in the RECORD.

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

A REGIONAL IMPACT ANALYSIS OF PENDING FOOD STAMP REFORM LEGISLATION

EXECUTIVE SUMMARY

At a time when the food stamp program has come under increasing public criticism, Congress is faced with the task of reforming it.

Three alternative general policy options are now pending before the Congress: standardizing the deduction system, eliminating the purchase requirement, and cashing out. A fourth implicit policy option is maintenance of the status quo.

There are five major food stamp reform bills—the S. 275 (Talmadge), S. 845 (Dole-McGovern) and H.R. 4484 (the original Richmond Bill), the Administration bill and the House Agriculture Subcommittee Bill. In addition, three amendments or proposals—amendments by Representative McHugh and Senator Leahy and an option by the House Subcommittee staff are being considered by Congress. These bills adopt one, two, or a combination of the general policy options.

In simple terms of dollars gained or lost to the Northeast and Midwest region:

The original Richmond Bill is the most advantageous to the region with a net loss of $1 million,

The Dole-McGovern bill is next most advantageous with a net loss of $49 million.

If a budget constraint of $200 million above current program costs is assumed, the Leahy amendment to the Administration Bill is the most advantageous to the region.

I. INTRODUCTION

At a time when the economies of the Northeast and Midwest are facing serious, continuing difficulty, the food stamp program has become a social welfare program of vital importance to the poor of the region and of some significance to the health of the regional economy.

In 1976, alone, the food stamp program provided nutritional assistance to seven million people in the Northeast and Midwest and contributed $1.2 billion to their states' economies. The program is scheduled to expire in fiscal year 1977 unless the 95th Congress acts to reauthorize it.

On April 5th, Secretary Robert Bergland outlined the Administration's proposal to the House Agriculture Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition. Three additional bills seeking to make significant changes in the food stamp program have also been introduced.

Concerned with the impact each bill would have in redistributing food stamp aid, the Welfare Reform Task Force of the Northeast Midwest Congressional Coalition has requested that the Institute review the present program and the major food stamp reform proposals now before the Congress.

This paper examines the development of the food stamp program, reviews three policy options for reforming it, and analyzes the regional impact of eight legislative approaches.

II. HISTORY

The food stamp program began on an experimental basis in early 1961. President Kennedy's first Executive Order directed the Secretary of Agriculture to expand and improve government programs for distributing surplus food to needy families by initiating 8 pilot food stamp projects. In 1964, President Johnson requested that the food stamp program be established on a permanent legislative basis. The resulting Food Stamp Act of 1964 declared it to be a policy "to raise the levels of nutrition among low-income households . . . [and to] provide such households with an opportunity more nearly to obtain a low-cost, nutritionally adequate diet."

The food stamp program established by the Act was designed to subsidize eligible households in buying food through normal commercial channels. Any household meeting the basic eligibility requirements—an income test, an asset test, and a work requirement—was able to purchase food stamps at a price below their market value. The difference between the market value of the stamps (the "allotment") and the amount paid for the stamps (the "purchase requirement") represents the "bonus value" of the stamps.

The program has been largely state-administered. The responsibilities for establishing the purchase requirements for the full food stamp allotment and paying for the bonus value of the stamps reside with the federal government. The responsibilities for determining the eligibility standards and administering the program were left to the individual states.

A number of problems resulted from having states establish the income and asset criteria. The widely varying eligibility standards and the low participation rates caused by state Administration of the program precipitated major programmatic changes in 1971.

The 1971 Amendment mandated national uniform income and resource eligibility standards. The food coupon allotment provision was amended to broaden the reach of the program and the purchase requirement was reduced from an amount "determined to be equivalent to a household's normal expenditures for food" to an amount representative of "a reasonable investment on the part of the household's income."

As a result, food stamp recipients were able to receive more food stamps for less money. Previously, the 4 person household with a $60 monthly income had to pay $20 for $65 worth of stamps. Under the revised program, recipients only had to pay $10 for $108 worth of stamps. In addition to these changes, special deductions from a household's gross income were allowed.

The 1971 amendments established the major structural characteristics of today's food stamp program. The food stamp program became the first federal welfare program to have national eligibility standards based on need and not on particular household characteristics. Additional amendments in 1973 mandated that all states provide food assistance through the food stamp program by the beginning of fiscal year 1975.

The effect of these programmatic changes was increased participation, increased benefits, and increased costs. Between 1971 and 1976, the average number of monthly participants increased from slightly under 15 million to slightly over 18 million. The average monthly bonus value for an individual increased from about $13.55 to approximately $23.90. Total program costs increased from slightly under $1.7 billion to approximately $5.9 billion; and administrative costs went from $57 million to nearly $370 million.

This growth in the food stamp program, however, was not due solely to the programmatic changes. Almost coincidental with the amendments was a growth in food and housing prices and in unemployment. These factors greatly magnified the impact of the amendments. A recent CBO study points out that a one percentage change in the overall unemployment rate will cause the number of people participating in the food stamp program to change by approximately 628,000 persons.

Yet the rapid growth in the food stamp program—its participation, benefits and costs—over the last 5 years has caused increased public concern. As a result, major food stamp reform legislation was considered in the 94th Congress and is now being addressed by the 95th Congress.

III. POLICY OPTIONS

There are three programmatic options pending before Congress: standardizing the system of deductions, eliminating the purchase requirement, and "cashing out." A fourth implicit alternative is to maintain the status quo.

A. Maintaining the status quo

The food stamp program has two major components: income eligibility standards, including a definition of income and deductions from income, and benefit levels, including purchase requirements and allotment levels.

Eligibility is based on a household's ability to meet an income test, an asset test, and the work requirements. In computing income for food stamp purposes, a household's anticipated monthly net income, rather than gross income, is used to measure how much of a household's income is actually available for food expenses. There is no cap on gross income allowed eligible households. Rather, the household is allowed to deduct various household expenses from its gross income and a limit on its net income is set. The current net income limit for a four-person household is $6,636 a year.

Households also may not have liquid resources exceeding $1500 and any able-bodied adult who is not employed or caring for children must register for work and accept suitable employment.

The benefits a household will receive—its bonus stamps—are based on its net income level and are reduced proportionately with increasing income; that is, for every $3.00 increase in income, bonus food stamps are reduced by $1.00. The bonus stamps represents the difference between the allotted and purchased stamps.

The allotment level represents the amount of money which a given size eligible household needs to buy a nutritionally adquate diet. The purchase requirement represents the amount of cash which the government feels a household can afford to put up for food, based on its net income.

Table I shows that in 1976 4.0 million people participated in the program in the Northeast and, 3.2 million in the Midwest. The national average bonus coupon value was $21.41 per person compared to $18.0 in the Northeast and $20.2 in the Midwest.

B. Standardizing the deductions

This option has the advantage of reducing administrative complexities and costs. However, there is a regional bias inherent in using

a uniform standard deduction. It costs more to live in some parts of the country than in others. Table II shows that the average total deduction nationally is $74 per household. In New England, the average total deductions is over $123; in the industrial Northeast, it is $84; and in the Northwest it is $83. Anything less than the prevailing state's average deduction means that states with high average deductions—those of the industrial belt—will have many recipients who will lose significant amounts of food stamp bonus value.

All the major food stamp reform provisions currently under consideration have replaced the current "itemized" deduction system with a standardization of the deduction system. S. 845 (Talmadge) sets a standard deduction of $70; S. 275, (Dole-McGovern) a deduction of $100; H.R. 4844 (Original Richmond bill) a deduction of $75; the House Agriculture Subcommittee a deduction of $60; and the Administration proposal a deduction of $80. This approach benefits certain regions and penalizes others.

Table II illustrates that while the national average deductions for recipients below the poverty line is $58, it is $88 in New England, $66 in the industrial Northeast, and $62 in the Plains states.

In Urban areas, the average deduction is $83. Yet, in New England the average urban deduction is $132 and in the Industrial Northeast, the average urban deduction is $86. The national rural deduction is $63. However, in New England, the industrial Northeast, the Plains states, and the Northwest, the average rural deduction is $112, $77, $71, and $80 respectively.

Almost all of this variation can be explained by varying shelter costs in the regions. Simply stated, shelter costs reflect regional variations in cost of living.

The regional bias inherent in the standard deduction can be tempered with a variable shelter deduction. This dual deduction is responsive to the regional cost-of-living differentials without establishing an artificially high national standard which would hold harmless high-cost state recipients while giving low-cost state recipients excessive bonus payments.

In theory the most reasonable solution to regional economic variations would be the regionalization of the standard deduction. But in practice, a true measure of cost-of-living differentials is not available. Until such tools as the regional market basket are invented, the shelter cost deduction appears to be a good proxy for reflecting regional needs.

Not only does the shelter deduction constitute the largest share of all itemized deductions, it makes up the largest percentage of all deductions claimed by households. Table III shows that the national average shelter deduction is $46.

But the shelter deductions in New England, the industrial Northeast, and the Northwest are $78, $62 and $55 respectively. Although the Midwestern averages are reported to be slightly below the national average, the state of Minnesota reported a shelter deduction of $70.

Of the major bills introduced in the 95th Congress, only the original Richmond bill incorporated a shelter cost deduction. The bill allows food stamp recipients to take shelter cost deductions up to a maximum of $75. However, when Secretary Robert Bergland informed the Members of the House Agriculture Subcommittee on Domestic Marketing, that the President would veto any bill that cost more than $200 million above current program costs, Congressman Richmond, Chairman of the Subcommittee dropped his earlier proposal in favor of an amended version of the Administration's proposal. The original Richmond bill would cost approximately $550 million above current costs.

During the subcommittee mark-up of the Administration's proposal, two other alternatives for addressing varying cost-of-living standards were discussed. The first alternative, devised by Congressman Matthew McHugh, was to regionalize the standard deduction by factoring in a multiplier which took into consideration a community's climate and degree of urbanization. There were some methodological problems with this proposal and it was never formally introduced.

In its place, Congressman McHugh offered an amendment to the Administration's proposal to lower the standard deduction from $80 to $60 (to keep the bill within a cost range which the President would not veto) and to add a shelter cost deduction up to a maximum of $75. This was adopted by the Subcommittee and is hereafter referred to as the Subcommittee bill. This shelter deduction is only to be applied for calculating the benefits of those determined to be eligible, it is not used for determining eligibility. Simply stated, the effect of this amendment is that fewer families in the Northeast and Midwest will be eligible but eligible recipients will receive higher benefits.

This amendment poses a difficult choice between a program which more adequately meets the needs of fewer eligible people and a program which less adequately meets the needs of more eligible people.

Senator Patrick Leahy feels that this choice does not need to be made. He estimates that incorporating a shelter deduction for both eligibility and benefits would cost approximately another $30 million—a figure he feels is still in the Administration's acceptable range. Senator Leahy has offered and the Senate Subcommittee has accepted an amendment, which would lower the standard deduction from $80 to $60 but which would incorporate a shelter deduction of up to $75 to determine both food stamp eligibility and benefits.

C. Eliminating the purchase requirement

This option removes a major disincentive to non-participation in the current program. For example, household would no longer have to pay anything to participate in the program. If a household should pay $90 for $166 worth of stamps, under the current program, it would simply receive the $76 bonus food stamps. Participation would no longer suffer because households were forced to choose between paying for other essential services like energy or buying food stamps.

Eliminating the purchase requirement is also administratively sound. Although increased participation would be accompanied by increased costs, eliminating the purchase requirement would remove about 40% of all purchased stamps in circulation resulting in administrative savings. More important, eliminating the sale of food stamps by program vendors would improve program integrity and accountability.

The original Richmond, Dole-McGovern, House Agriculture Subcommittee and Administration bills all provide for the elimination of the purchase requirement. However, to limit cost increases due to a rise in participation, all major reform measure substitute a standard deduction for the current "itemized" system and set the net income eligibility cut-off at the poverty level, $5,815 for a family of 4, in place of the current level of $6,636 for a family of 4. This trade-off results in cutting some households from the program.

The elimination of the purchase requirement "EPR" is not an issue with clear regional implications. In fact, Table IV shows that many states in the Northeast and Midwest already claim participation rates higher than the national average. But the trade-off noted above does have a direct regional impact. As already mentioned, there is a regional bias inherent in using a uniform standard deduction. This bias is compounded when the poverty level is used as the eligibility cut-off. The basic factor used in calculating poverty is income and the problem of cost-of-living differentials again becomes apparent. For high-cost states with already high participation rates, it is impossible to accurately predict whether EPR with a uniformed standard deduction and poverty level net income eligibility factor would allow more households into the program or force more out. However, if the standard deduction is adjusted to reflect regional differences—either through a shelter deduction or some other method—more people with higher incomes (in high-cost areas) will meet the poverty level net income cut-off.

D. Cashing out

This option involves replacing the bonus food stamps with an equivalent amount of cash. It represents the final alternative on a continuum from in in-kind-welfare program to an unrestricted cash assistance program. This cash out is not normally considered a food stamp option, but rather part of a comprehensive welfare reform package such as that hinted at by President Carter in his statement of May 2.

IV. REGIONAL ANALYSIS OF MAJOR LEGISLATIVE PROPOSALS

The following sections summarize the key structural elements of the alternatives, and analyze their regional impact.

The regions used in this analysis are New England—Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, and Vermont; the Industrial Northeast—New Jersey, New York, Ohio and Pennsylvania; the Industrial Midwest—Illinois, Indiana and Michigan; the Plains states—Colorado, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota, and Wisconsin; the Mid-South—Delaware, Maryland, Kentucky, North Carolina, South Carolina, Virginia, Tennessee, Washington, D.C. and West Virginia; the Deep South—Alabama, Arkansas, Florida, Georgia, Louisiana and Mississippi; the Southwest—Arizona, California, Hawaii, Oklahoma, New Mexico and Texas; Northwest—Alaska, Idaho, Montana, Nevada, Oregon, Utah, Washington and Wyoming; and Puerto Rico.

A. S275 (Talmadge)

S275 sets the net income eligibility cut-off at the poverty level (5,815 for a family of four); sets the standard deduction at $70 with supplemental deductions of $25 for households with an elderly person and households with earned income over $150 per month and of all mandatory payroll taxes and fees; and sets the purchase requirement at 27.5% of net income after the standard deduction has been subtracted. (See Appendix I). The program will cost $5.171 billion in 1978—$193 million less than the current program.

Due to the low standard deduction of $70, the poverty level "net" income eligibility cut-off, and the high purchase requirement of 27.5% of net income, households in the Northeast and Midwest currently participating in the food stamp program will suffer a loss of $188 million under this bill. Table V shows that New England will lose $50 million in bonus dollars; the Industrial Northeast will lose $99 million, the Industrial Midwest will lose $14 million and the Plains states will lose $25 million.

Under the Talmadge bill, 42% of the households in the Northeast and Midwest will lose benefits; 56% in New England; 45% in the Northwest; 29% in the Industrial Midwest, and 35% in the Plains states. Nationally, 35% of the households currently participating in the program will lose benefits.

Table VI details the probable effect of S275 on the level of benefits food stamp households would receive, by region.

B. The administration bill

This legislation sets the "net" income eligibility cut-off at the proverty level; sets the standard deduction at $80 with a supplemental deduction of 20% of all earned income; and eliminates the purchase requirement with a 3[illegible]% benefit reduction rate. (See Appendix I for more detail).

This program will cost $5.458 billion—$94 million above the cost of the current program.

Due to the low standard deduction of $80 and the proverty level "net" income eligibility cut-off, households in the Northeast and Midwest currently participating in the program will lose $228 million in benefits—a net loss of $40 million more than under the Talmadge bill.

Table V shows that New England will lose $62 million in bonus dollars; the industrial Northeast will lose $131 million; the Industrial Midwest will lose $10 million and the Plains states will lose $25 million.

Table VII shows how the Administration bill would effect benefit levels.

Table VIII shows that $176 million less money will go to the urban Northeast and Midwest; and $52 million less will go to the rural part of the region.

Table IX displays the effect of the Administration's bill on the level of benefits received by participants under poverty.

C. S845, Dole-McGovern

This legislation sets the "net" income eligibility cut-off at the poverty level; sets the standard deduction at $100 with supplemental deductions of 20% of all earned income, of up to $85 for child care, and of up to $50 for "extraordinary" conditions of hardship to be determined by USDA, and eliminates the purchase requirement with a 30% benefit reduction rate. (See Appendix for more details). The program will cost $5.930 billion in fiscal year 1978—$566 million above the current program and $366 million above the administration's stated veto level.

By setting a standard deduction of $100—$20 above the Administration bill, the Dole-McGovern bill will target somewhat more money to high-cost areas. Households in the Northeast and Midwest currently participating in the program will lose $49 million—a loss of $179 million less than under the Administration bill, and $139 million less than under the Talmadge bill.

Table V shows that households in New England and the Industrial Northeast will lose $38 and $41 million respectively. Households in the Industrial Midwest and the Plains states will gain by $29 and $1 million respectively.

Table X details the national effect of the Dole-McGovern bill on the level of benefits received by participants.

Table VIII shows that $54 million less money will go to the urban Northeast and Midwest, except for New England. The loss, however, will not be felt in the Industrial Midwest. The rural Northeast and Midwest, will get more money for a regional gain of $5 million.

The Intsitute was unable to calculate which households in the Northeast and Midwest will lose benetfis and which will gain under the Dole-McGovern bill.

However, the $100 standard deduction provision allows some educated rough guesses. Because the deduction is high enough to reflect the average total deduction for all areas, except New England, we can assume that the national trend will generally hold true for the Northeast and Midwest region. This means that fewer households will lose less benefits under the Dole-McGovern bill than they will under either the Talmadge or Administartion bills; and more households will get more money.

D. H.R. 4844 (the original Richmond bill)

This legislation sets the net income eligibility cut-off at the poverty level; sets the standard deduction at $75 with supplemental deductions of 20% of all earned income up to $75 for child care, and up to $75 for shelter costs in excess of 50% of income after all other deductions have been substracted; and eliminates the purchase requirement with a 30% benefit reduction rate. (See Appendix I for more details). This program will cost $5.924 billion—$560 million above the cost of the current program and $360 million above the Administration's budget constraint.

Unlike the Dole-McGovern bill which targets most to high cost areas by raising the standard deduction, the original Richmond bill proposes a supplemental shelter deduction. This method of adjusting for regional variations in cost-of-living avoids the excess bonus coupons given to low-cost areas when a high uniform standard deduction such as that under the Dole-McGovern bill is applied. It is a more precise method of targeting. Households in the Northeast and Midwest currently participating in the program will suffer a net loss of $1 million—a loss of $48 million less than under the Dole-McGovern bill, $187 million less than under the Talmadge bill and $227 million less than under the Administration bill.

Table V shows that households in New England and the Industrial Northeast will lose $26 million and $4 million respectively. Households in the Industrial Midwest and Plains states will gain $28 million and $1 million respectively.

Although some regions will receive more bonus dollars under the original Richmond bill than the current program, there will be some households in each region which will lose benefits.

Replacing the system of "itemized" deductions with a standard deduction and placing the net income eligibility at the poverty level will result in a substantial redistribution among recipients in the Northeast and Midwest.

Table XI gives the regional effect of H.R. 4844 on the level of benefits received by those households currently participating in the food stamp program.

Table VIII shows that $3 million less money will go to the urban Northeast and Midwest; and $2 million more to its rural areas.

E. Congressman McHugh's proposal

This amendment changes the Administration's standard deduction by factoring in a multiplier which takes into consideration an area's climate and urbanization. The standard deduction would then range from $40 to $98. The amendment retains 20% of the Administration's supplemental education for all earned income. The program will cost $5.458 billion in fiscal year 1978—$94 million above the cost of the current program.

Congressman Richmond decided not to alter his original bill and instead chose to amend the Administration's proposal. This was one of the alternatives discussed by the House Subcommittee. There were problems with how the data needed would be collected and updated and the amendment was not formally introduced. Under this proposal, households in the Northeast and Midwest currently participating in the program would lose $153 million—$152 more than under the original Richmond bill, $104 more than under the Dole-McGovern bill but $35 less than under the Talmadge bill, and $78 less than under the Administration bill.

Table V shows that households in New England, the Industrial Northeast, and the Plains states will lose $52, $95, and $16 million respectively. Households in the Industrial Midwest will gain $10 million.

Table XII shows that nationally 31% of those households under poverty (those automatically entitled to food stamps in the Administration's proposal) will lose benefits. The table also gives a detailed breakdown of the amounts.

As with the Dole-McGovern bill, the Institute was unable to obtain breakdowns of households by region which would lose and which would gain under the McHugh amendment. However, since the intent of the amendment is to sensitize a uniform standard deduction to cost-of-living differentials, it again can be assumed that the national trend would be reflected in each region.

Table VIII points out that $82 less dollars will go to the urban areas of the Northeast and Midwest, and $71 million less dollars to the rural parts of the region.

Table IX shows the regional changes that will occur in benefit levels.

When this amendment is compared to its intended parent bill, that of the Administration, its regional impact become clear. Under the Administration bill, 48.4% of the households under poverty in the urban north lose benefits as compared to 34.9% under the McHugh amendment. Unfortunately, data showing how many households above the poverty line become ineligible or lose benefits under the amendments was not able to be obtained.

F. The $55 Standard Deduction/$100 (Maximum) Shelter Cost Deduction (House Subcommittee Staff)

This proposal changes the Administration's proposal for standardizing deductions by lowering the standard deduction from $80 to $55 for calculating eligibility and benefits and by adding a supplemental shelter deduction of up to $100 for shelter costs in excess of 50% of income after all other deductions have been subtracted for determining benefits. It retains the Administration's supplemental deduction of 20% of all earned income. The program will cost $5.461 million for fiscal year 1978—$97 million above current costs.

This proposal was discussed by the House Subcommittee as a possible amendment to the Administration bill. Lige the McHugh amendment, this proposal was intended to reflect the needs of high cost areas. However, the proposal was devised to help recipients in high-cost areas get more benefits once they have been determined to be eligible. Yet, households in the Northeast and Midwest currently participating in the food stamp program will lose $336 million—$335 million more than under the original Richmond bill; $287 million more than under the Dole-McGovern bill; $148 million more than under the Talmadge bill; and $108 million more than under the Administration bill.

Table V shows that households in New England will lose $56 million; $115 million in the Industrial Northeast; $137 million in the Industrial Midwest; and $28 million in the Plains states.

The Institute was unable to obtain data showing a regional breakdown of which households now participating will become ineligible and which will lose or gain benefits.

Table XII shows the national changes in benefits levels for households under poverty under the $55/$100 proposal. Table IX breaks this data down regionally.

Table VIII points out that $285 million less will go to the households in the urban Northeast and Midwest; and $51 million less to its rural parts.

When the $55/$100 option is compared with the Administration proposal and the McHugh amendment, it becomes apparent more households lose benefits under $55/$100 than under either of the other two. But this conclusion is based only upon those households currently participating which have net incomes below the poverty line. The real test comes when we find out how many

households become ineligible. From the large loss of bonus dollars going into the region, it appears that many households now receiving food stamps will no longer be able to obtain them at all under this proposal.

G. The House Agriculture Subcommittee Bill

This bill amends the Administration proposal for standardizing deductions by lowering the standard deduction from $80 to $60 for eligibility and benefits and by adding a supplemental shelter deduction of up to $75 for shelter costs in excess of 50% of incomes after all other deductions have been subtracted. It retains the Administration's supplemental deduction of 20% of all earned income, but will include a $75 child deduction. The program will cost $5.551 billion—$187 million above current costs.

Like the suggestion for a $55 standard deduction and a $100 maximum shelter cost deduction, this proposal applies its shelter deduction only to benefits. Because this bill does not lower the standard deduction quite as low as the $55/$100 options, households in the Northeast and Midwest currently participating in the food stamp program lose less than under the $55 proposal: a loss of $179 million instead of $336 million. This loss is still $178 million more than under the original Richmond bill; $130 million more than under Dole-McGovern; and $26 million more than under the McHugh amendment. It is $49 million less than under the Administration bill.

Table V shows that households will lose $5 million in New England; $95 million in the Industrial Northeast; $9 million in the Industrial Midwest; and $23 million in the Plains states.

Regional data detailing which households lose benefits and which gain under this bill was not available.

Table X gives the national figures of the changes in benefit levels, and table XII gives the figures for households under poverty.

Whether or not it can be said that the regions will follow this national pattern is open to debate. However, the low standard deduction seem to support a conclusion that eligibility and benefit losses will be greater in the Northeast and Midwest than the national average.

Table VIII points out that $230 million less will go to households in the urban Northeast and Midwest and $49 million less will go to its rural parts. The table then details the amount of change in benefits regionally.

When the amount of benefit reduction for those households under poverty in the urban North and in the nation are examined, the House Agriculture Subcommittee proposal appears to make fewer households worse off than either the $50/$100 proposal or Congressman McHugh's amendment.

Because regional data detailing the number of households made ineligible was not available, a detailed examination and comparison of the merits of the Administration bill, the House Agriculture Subcommittee bill, and the McHugh amendment, was difficult. A more general examination, however, revealed an apparent trade-off. The Administration bill, with its higher standard deduction would make more households eligible to receive food stamps, but it would drastically reduce benefits to households under poverty. The House Subcommittee bill would give higher benefit levels, but would make fewer households eligible. Therefore a choice must be made between higher benefits or making more households eligible in order to decide which bill would be better. This trade-off would not be necessary, however, if the Leahy amendment, which has been introduced in the Senate Nutrition Subcommittee, were adopted.

H. The Leahy amendment

This amendment changes the Administration proposal for standardizing deductions by lowering the standard deduction from $80 to $60 and by adding a supplemental deduction of up to $75 for shelter costs in excess of 50% of income after all other deductions have been subtracted. Like the original Richmond bill, it will apply a shelter cost deduction to be used for calculating both eligibility and benefits. It retains the Administration's supplemental deduction of 20% of all earned income. The program cost will be $200–$230 million above current costs.

This amendment will do for the region what Congressman Richmond's original bill would do for the region, but on a slightly lower scale. Although the amount of bonus dollars going to the region is unknown, it can be assumed that it is somewhat higher than that directed to the region by the House Subcommittee bill. While both bills have the same benefit formulae, the Leahy amendment expands a household's possible deduction from $75 to $150 keeping more households on file.

Table XIII shows that under the Leahy amendment 6.5% of the households nationally would become ineligible. This is to be compared with 7.8% under the House Subcommittee bill, and 6.7% under the Administration bill. Yet, under both the Leahy amendment and the House Subcommittee, 27.2% of the households lose benefits (including ineligibles), a figure far lower than the Administration bills' 39.5%.

Table XIII shows that under the Leahy amendment, 32% of the households in the Northeast and Midwest currently participating in the Food Stamp program will lose benefits, a smaller percentage than under any other option meeting the $200 million budget constraint.

Under the Leahy amendment, 8.1% of the households in the Northeast and Midwest become ineligible, compared to 8.6% under the Administration bill. In New England, 15.8% become ineligible, compared to 16.4%; in the Industrial Northeast—6.8% compared to 7.9%; in the Industrial Midwest—4.6% compared to 4.7%; and in the Plains—10.3% compared to 8.8%.

When the number of households which are cut from the food stamp program and the benefit levels for those who remain in the program are compared, it is clear that the Leahy amendment reflects the needs of the Northeast and Midwest more than any other option under the $200 million budget constraint. This amendment has been adopted by the Senate subcommittee.

V. CONCLUSION

A detailed regional impact analysis of eight food stamp policy alternatives now under consideration reveals that in the simple terms of dollars gained or lost:

The original Richmond bill is the most advantageous to the Northeast and Midwest with a net loss of $1 million;

The Dole/McGovern bill is next most advantageous with a net loss of $49 million; and

The McHugh amendment ranks behind Dole/McGovern with a net loss of $153 million.

The House Subcommittee bill, the Talmadge bill and the Administration bill rank as less advantageous with losses of $179 million, $188 million and $228 million respectively. The $55/$100 option is least advantageous with a total loss of $336 million.

Although data is incomplete, the Leahy amendment appears to be more advantageous to the region in total dollar terms than the McHugh amendment and slightly less advantageous than the Dole/McGovern bill.

If a budget constraint of $200 million above current program costs is assumed, a choice is required between the Leahy amendment, the Talmadge bill, the House Subcommittee bill, the McHugh amendment, the $55/$100 proposal and the Administration bill. This choice should rest not only on the criterion of dollars gained or lost to the region, but also on the number of people made ineligible and the levels of benefit reduction and gain. In terms of the number of households made ineligible:

The Leahy amendment is the most advantageous to the region with a regional ineligible rate of 8.1%.

The Talmadge bill yields the worst results with a regional ineligible rate of 9.2%.

The Administration bill, the McHugh amendment, the $55/$100 proposal, and the House Agriculture Subcommittee bill all fall in the middle.

A full comparison of the options meeting the $200 million constraint on the basis of the percentages of currently participating households which lose under each is impossible, as this data is not available by region for each option. With respect to those options for which this data is available, the Leahy amendment is the most advantageous to the region, while the Administration and Talmadge bills are the least advantageous. (See Tables VI, VII and XIII).

Based on the currently available data, then, the Leahy amendment is the most advantageous option for the Northeast and Midwest which meets the $200 million budget constraint.

ABOUT THE NORTHEAST-MIDEAST RESEARCH INSTITUTE

The benefits from the modest economic recovery of the past 20 months have not been shared equally by all regions of the country. Unemployment rates in the Northeast, and to a slightly less extent in the Midwest, have remained above the national average while the economies of the Southern and far western states have begun to move forward.

The economic plight of the Northeast-Midwest region* have moved groups of businessmen, Governors, state legislators, Congressmen and others to organize for study and common action.

The Northeast-Midwest Economic Coalition has perhaps the broadest reach of any of these organizations. This bi-partisan group of 204 Congressmen from the 16 states of the region is led by its Chairman, Congressman Michael J. Harrington (D-Mass.); Rep. Frank Horton (R-N.Y.), the Coalition's Co-Chairman; and Rep. James Oberstar (D-Minn.), the Secretary-Treasurer. The Coalition seeks to inform its members about regional implications of federal policies and influence those policies wherever possible.

The Northeast-Midwest Research Institute was developed to analyze the common problems of the region and seek realistic solutions, concentrating on federal policy options. While the Coalition's 204 Congressmen are key clients of the Institute's work, it makes its findings available to Senators, decisionmakers in the Executive Departments, interested Governors and other elected officials, concrned leaders of business, labor, and industry, and the public.

The Institute neither seeks nor encourages confrontation with other regions of the nation. In the Institute's view, economic problems of regions must be addressed in the context of national policy because economic difficulty in one part of the country weakens the nation's entire economic structure.

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*Connecticut, Illinois, Indiana, Iowa, Maine, Massachusetts, Michigan, Minnesota, New Jersey, New Hampshire, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Wisconsin.

TABLE I.—1976 PARTICIPATION

	Total	Public assistance recipients	Nonpublic assistance recipients
Coalition	7, 148, 995	4, 788, 228	2, 360, 767
Northeast	3, 976, 493	2, 653, 702	1, 322, 791
New England	1, 068, 356	544, 632	523, 724
Connecticut	182, 653	95, 414	87, 239
Maine	115, 227	34, 353	80, 874
Massachusetts	576, 659	311, 816	264, 843
New Hampshire	49, 742	20, 364	29, 378
Rhode Island	94, 661	58, 131	36, 530
Vermont	49, 414	24, 554	29, 860
Mid-Atlantic	2, 908, 137	2, 109, 070	799, 067
New Jersey	531, 167	334, 411	196, 756
New York	1, 514, 776	1, 184, 931	329, 845
Pennsylvania	862, 194	589, 728	272, 466
Midwest	3, 172, 502	2, 134, 526	1, 037, 976
Illinois	936, 218	726, 584	209, 634
Indiana	220, 809	104, 817	115, 992
Michigan	671, 268	503, 675	167, 593
Minnesota	174, 090	92, 241	81, 849
Ohio	876, 770	525, 608	351, 162
Wisconsin	178, 456	112, 453	66, 003
Iowa	114, 891	69, 148	45, 743

Source: Tabulations from USDA monthly Statistical Summary of Operations, 1976.

TABLE II.—AVERAGE TOTAL DEDUCTIONS BY SELECTED HOUSEHOLD CHARACTERISTICS AND REGIONS

	All areas average	New England	Industrial Northeast	Industrial Midwest	Plains	Mid-South	Deep South	Southwest	Northwest	Puerto Rico
Overall average	74. 12	123. 62	83. 87	55. 67	75. 15	62. 74	70. 22	73. 58	82. 98	39. 11
Poverty status:										
Less than povert	57. 61	87. 49	65. 83	43. 53	62. 21	51. 68	57. 01	57. 75	64. 93	34. 12
1.01 to 1.25 percent	112. 56	141. 61	109. 31	99. 05	83. 08	113. 37	128. 40	113. 26	108. 37	
1.26 to 1.50 percent	179. 24	202. 86	189. 70	145. 36	164. 50	206. 87	175. 41	162. 74	164. 45	132. 88
+0.150 percent	237. 28	344. 95	203. 08	236. 50	177. 86	190. 06	292. 56	212. 46	257. 86	209. 13
Urban-rura.:										
Rural	62. 69	112. 37	77. 39	61. 54	70. 94	57. 06	57. 36	51. 13	79. 96	39. 11
Urban	83. 19	131. 64	86. 08	53. 61	79. 12	73. 38	87. 46	83. 53	84. 99	39. 11

Source: Courtesy of Wendell Primus Tabulations from USDA—September 1975 food stamp survey tape.

TABLE III.—ITEMIZED DEDUCTIONS PER HOUSEHOLD, UNITED STATES AND REGIONAL AVERAGES

	Overall average	Northeast	Industrial Northeast	Northwest	Plains	Mid-South	Deep South	Southwest	Northwest	Puerto Rico
Shelter	46. 48	77. 85	62. 16	41. 48	45. 39	32. 89	37. 97	44. 29	54. 91	10. 58
Work	18. 13	30. 38	14. 51	10. 54	21. 24	17. 27	18. 38	20. 77	17. 37	22. 30
Other	9. 52	15. 40	7. 21	3. 66	8. 51	12. 60	13. 87	8. 52	10. 36	6. 22
Total deductions	74. 12	123. 62	83. 87	55. 67	75. 15	62. 75	70. 22	73. 58	89. 28	39. 11

Source: Courtesy of Wendell Primus, tabulations from USDA September 1975 food stamp survey tape.

TABLE IV.—PARTICIPATION RATES, FISCAL YEAR 1976

	Percent
Northeast:	
Connecticut	65. 5
Maine	(1)
Massachusetts	75. 9
New Hampshire	(1)
Rhode Island	82. 0
Vermont	51. 7
New Jersey	75. 0
New York	61. 5
Pennsylvania	46. 0
Midwest:	
Illinois	(1)
Indiana	47. 4
Michigan	(1)
Minnesota	(1)
Ohio	71. 2
Wisconsin	(1)
Iowa	(1)

1 Not available.

Source: (a) Testimony of coalition of Northeast Governors before the House Agriculture Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, March 1977. (b) Indiana and Ohio, State offices, Washington, D.C.

TABLE V.—BONUS DOLLARS OF ALTERNATIVE PROPOSALS BY REGION, FISCAL YEAR 1978

	Current program	Administration's proposal	Richmond, H.R. 4844	Dole-McGovern, S. 845	Talmadge, S. 275	McHugh amendment	House Agriculture Subcommittee proposal	$55 standard deduction (maximum), $100 shelter cost deduction—benefits
New England	0. 289	0. 227	0. 263	0. 251	0. 239	0. 237	0. 237	0. 233
Industrial Northeast	. 967	. 836	. 963	. 926	. 868	. 872	. 872	. 852
Industrial Midwest	. 408	. 398	. 436	. 437	. 394	. 418	. 399	. 271
Plains	. 299	. 274	. 300	. 300	. 274	. 283	. 276	. 271
Mid-South	. 684	. 675	. 716	. 727	. 665	. 642	. 671	. 661
Deep South	. 891	. 870	. 924	. 933	. 867	. 843	. 868	. 858
Southwest	. 742	. 698	. 758	. 759	. 701	. 703	. 701	. 691
Northwest	. 268	. 236	. 267	. 262	. 244	. 239	. 243	. 239
Puerto Rico	. 456	. 465	. 472	. 487	. 459	. 446	. 460	. 452

Source: Unpublished paper, majority staff: House Agriculture Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, April 1977.

TABLE VI.—PERCENTAGES OF CURRENTLY PARTICIPATING HOUSEHOLDS WHO LOSE AND GAIN UNDER S. 275 (TALMADGE BILL)

	Overall average	Northeast-Midwest average	New England	Industrial Northeast	Industrial Midwest	Plains	Mid-South	Deep South	Southwest	Northwest	Puerto Rico
Ineligible	7.3	9.2	17.0	8.5	5.3	9.7	3.9	5.3	7.9	9.1	2.2
Lose more than $40	1.6	1.7	3.7	1.8	.2	1.9	.9	1.7	1.7	2.0	0.6
Lose $21 to $40	5.9	6.6	10.0	7 3	3.4	5.6	4.5	6.1	5.4	7.0	3.1
Lose $6 to $20	20.0	24.3	25.5	27.5	20.4	18.1	15.5	15.0	19.6	22.1	8.6
Total lose	34.8	41.8	56.2	45.1	29.3	35.3	24.8	28.0	34.6	40.2	14.5
No change	29.9	28.0	22.0	28.2	28.9	32.2	31.4	28.3	28.0	33.4	44.5
Total gain	35.3	30.2	21.8	26.8	41.8	32.5	43.7	43.7	37.3	26.3	41.0
Gain $6 to $20	30.2	25.5	18.1	23.0	34.5	27.8	37.7	36.4	41.0	22.6	40.8
Gain $21 to $40	5.1	4.7	3.7	3.8	7.3	4.7	6.0	7.3	6.3	3.7	.2

Source: Courtesy of Food Research and Action Center, tabulations from OSDA—September 1975 food stamp survey tape.

TABLE VII.—PERCENTAGES OF CURRENTLY PARTICIPATING HOUSEHOLDS WHO LOSE AND GAIN UNDER THE ADMINISTRATION BILL

	Overall average	Northeast-Midwest average	New England	Industrial Northeast	Industrial Midwest	Plains	Mid-South	Deep South	Southwest	Northwest	Puerto R ic
Ineligible	6.7	8.6	16.4	7.9	4.7	8.8	3.8	4.1	7.2	8.4	1.7
Lose more than $40	2.1	2.4	4.8	2.3	.9	2.4	1.3	2.4	2.0	2.2	1.0
Lose $21 to $40	7.6	8.8	12.6	10.3	3.8	7.2	5.5	6.9	7.3	8.7	4.0
Lose $6 to $20	23.1	28.2	26.6	32.0	25.1	21.6	18.3	18.2	21.3	22.6	12.2
Total lose	39.5	47.9	60.4	52.5	34.5	40.0	28.9	31.6	37.8	41.9	18.9
No change	32.6	28.3	22.4	27.1	29.3	36.0	34.8	32.5	33.1	36.9	55.4
Total gain	27.9	23.8	17.1	20.4	36.1	24.0	36.1	36.0	29.0	21.1	25.7
Gain $6 to $20	26.0	22.5	15.3	19.4	34.6	22.7	34.6	32.3	25.9	20.3	24.2
Gain $21 to $40	1.9	1.3	1.8	1.0	1.5	1.3	1.5	3.7	3.1	.8	1.5

Source: Courtesy of Food Research and Action Center, tabulations from OSDA—September 1975 food stamp survey tape.

TABLE VIII.—BONUS DOLLARS BY DIFFERENT PROPOSALS BY REGION BY URBAN-RURAL STATUS, FISCAL YEAR 1978

	Current program	Administration's proposal	Richmond, H.R. 4844	Dole-McGovern S. 845	McHugh amendment	House Agriculture Subcommittee proposal	$55 standard deduction (maximum) $100 shelter cos deduction benefit
New England:							
Rural	0.129	0.109	0.123	0.119	0.110	0.113	0.111
Urban	.160	.118	.140	.131	.127	.124	.122
Industrial Northeast:							
Rural	.264	.243	.266	.266	.232	.246	.242
Urban	.703	.594	.697	.661	.640	.626	.610
Industrial Midwest:							
Rural	.123	.121	.128	.132	.115	.118	.125
Urban	.285	.277	.308	.305	.303	.281	.146
Plains:							
Rural	.138	.129	.139	.142	.126	.128	.125
Urban	.161	.144	.161	.158	.157	.148	.146
Mid-South:							
Rural	.455	.460	.477	.494	.421	.450	.443
Urban	.229	.215	.239	.234	.221	.221	.218
Deep South:							
Rural	.449	.505	.523	.539	.466	.493	.486
Urban	.392	.365	.401	.394	.377	.375	.372
Southwest:							
Rural	.213	.214	.224	.232	.202	.208	.205
Urban	.529	.484	.534	.526	.501	.493	.486
Northwest:							
Rural	.112	.100	.112	.110	.097	.102	.100
Urban	.156	.136	.156	.151	.142	.141	.139
Puerto Rico	.466	.465	.472	.487	.446	.460	.457

Source: Unpublished paper, majority staff: House Agriculture Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, April 1977.

TABLE IX.—PERCENTAGES OF HOUSEHOLDS GAINING AND LOSING VARIOUS BONUS AMOUNTS BY ALTERNATIVE PROPOSALS IN THE URBAN NORTH VERSUS THE RURAL SOUTH FOR ALL HOUSEHOLDS LESS THAN POVERTY

	Current program	Administration's proposal	McHugh amendment	House Agriculture Subcommittee proposal	$55 standard deduction $100 (maximum) shelter cost deduction—benefits
Bonus (in millions of dollars):					
Urban North	678	621.0	660.0	659.0	650.0
Rural South	895	927.0	857.0	911.0	898.0
Lose more than $40:					
Urban North		2.8	2.2	1.2	1.0
Rural South		.9	1.7	.5	.7
Lose $21 to $40:					
Urban North		10.5	7.9	3.8	3.3
Rural South		4.0	7.4	3.5	3.5
Lose $6 to $20:					
Urban North		35.1	24.8	17.2	21.3
Rural South		14.4	23.8	11.3	12.7

	Current program	Administration's proposal	McHugh amendment	House Agriculture Subcommittee proposal	$55 standard deduction $100 (maximum), shelter cost deduction—benefits
No change:					
Urban North		29.5	32.4	60.7	62.8
Rural South		35.1	46.2	46.7	53.1
Gain $6 to $20:					
Urban North		21.6	29.4	16.8	11.4
Rural South		41.5	20.2	36.7	29.0
Gain $21 to $40:					
Urban North		.5	3.2	.2	.2
Rural South		4.1	.7	1.4	1.0
Gain more than $40:					
Urban North		.1	.1		
Rural South		.1	0		

Source: Unpublished paper, Majority Staff, House Agriculture Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition. April 1977.

TABLE X.—PERCENTAGES OF CURRENTLY PARTICIPATING HOUSEHOLDS WHO LOSE AND GAIN UNDER ALTERNATIVE PROPOSALS

	Administration proposal	Richmond H.R. 4844	Dole-McGovern S. 845	Talmadge S. 275	House Agriculture Subcommittee bill	Leahy amendment
Ineligible	6.7	5.4	5.1	7.3	7.8	6.5
Lose more than $40	2.1	.9	1.7	1.6	1.0	1.1
Lose $20 to $40	7.6	2.6	4.8	5.9	3.2	3.8
Lose $6 to $20	23.1	8.8	16.5	20.0	15.2	15.9
Total lose	39.5	17.7	28.1	34.8	27.2	27.2
No change	32.6	38.1	29.1	29.9	49.9	49.9
Total gain	27.9	44.3	42.8	35.3	22.9	22.9
Gain $6 to $20	26.0	42.5	33.9	30.2	22.1	22.1
Gain $21 to $40	1.9	1.7	8.7	5.1	.8	.8

Source: Unpublished paper, majority staff: House Agriculture Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, April 1977.

TABLE XI.—PERCENTAGES OF CURRENTLY PARTICIPATING HOUSEHOLDS WHO LOSE AND GAIN UNDER H.R. 4844 (RICHMOND)

	Overall average	Northeast-Midwest average	New England	Industrial Northeast	Industrial Midwest	Plains	Mid-South	Deep South	Southwest	Northwest	Puerto Rico
Ineligible	5.4	6.9	13.6	5.9	3.5	8.9	3.2	3.3	6.0	6.8	1.5
Lose more than $40	.9	1.0	2.0	1.0	.5	.8	1.1	.5	1.0	.9	.2
Lose $21 to $40	2.6	2.8	5.4	2.7	1.1	2.6	2.0	3.2	2.3	2.9	1.9
Lose $6 to $20	8.8	9.4	12.5	10.7	4.9	8.5	7.0	9.5	7.3	8.8	9.2
Total lose	17.7	20.1	33.5	20.3	10.0	20.8	13.3	16.5	16.6	19.4	12.8
No change	38.1	39.2	36.9	41.1	35.3	40.9	31.1	30.8	36.8	43.8	59.2
Total gain	44.2	40.7	29.4	38.6	54.8	38.3	55.5	52.7	46.5	36.7	28.1
Gain $6 to $20	42.5	39.7	27.9	38.1	53.5	36.8	53.7	49.4	43.6	35.8	26.6
Gain $21 to $40	1.7	1.0	1.5	.5	1.3	1.5	1.8	3.3	2.9	.9	1.5

Source: Courtesy of Food Research and Action Center, Tabulations from OSDA—September 1975 Food Stamp Survey Tape.

TABLE XII.—PERCENTAGES OF CURRENTLY PARTICIPATING HOUSEHOLDS WHO LOSE AND GAIN UNDER VARIOUS PROPOSALS FOR ALL HOUSEHOLDS LESS THAN POVERTY

	Administration's bill	McHugh amendment	House Agriculture Subcommittee proposal	$55 standard deduction $100 (maximum), shelter deduction benefits		Administration's bill	McHugh amendment	House Agriculture Subcommittee proposal	$55 standard deduction $100 (maximum), shelter deduction benefits
Lose $40	1.7	1.7	0.8	0.8	Gain $6 to $20	30.1	26.7	25.7	19.4
Lose $20 to $40	7.0	6.9	3.3	3.1	Gain $21 to $40	1.9	3.0	.8	.6
Lose $6 to $20	23.3	22.6	13.2	15.9	Gain $40		.1		
No change	36.0	39.1	56.3	60.3					

Source: Unpublished paper, majority staff: House Agriculture Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, April 1977.

TABLE XIII.—PERCENTAGES OF CURRENTLY PARTICIPATING HOUSEHOLDS WHO LOSE AND GAIN UNDER THE LEAHY AMENDMENT BY REGION

	Overall average	Northeast-Midwest average	New England	Industrial Northeast	Industrial Midwest	Plains	Mid-South	Deep South	Southwest	Northwest	Puerto Rico
Ineligible	6.5	8.1	15.8	6.8	4.6	10.3	4.1	4.0	7.3	7.7	1.9
Lose more than $40	1.1	1.3	2.7	1.3	.4	1.1	1.3	.9	1.3	1.2	0
Lose $21 to $40	3.8	3.8	5.7	4.1	1.6	4.0	3.3	4.6	3.4	4.0	3.3
Lose $6 to $20	15.8	18.4	20.1	21.9	11.4	15.2	11.4	14.2	14.9	15.2	12.3
Total loss	27.2	31.6	44.3	34.1	18.0	30.6	20.1	23.7	26.9	28.1	17.5
No change	49.9	51.0	43.5	50.4	57.4	51.3	47.9	42.5	46.7	53.3	67.2
Total gain	22.9	17.3	12.1	15.5	24.5	18.1	32.1	33.8	26.4	18.6	15.2
Gain $6 to $20	22.1	16.7	10.9	15.2	23.7	17.4	31.3	32.5	25.1	18.4	14.4
Gain $21 to $40	.8	.6	1.2	.3	.8	.7	.8	1.3	1.3	.2	.8

Source: Courtesy of Food Research and Action Center, tabulations from OSDA—September 1975 food stamp survey tape.

COMPARISON OF MAJOR FOOD STAMP LEGISLATION

Current program	Administration proposal	Richmond bill, H.R. 4844	Dole-McGovern bill, S. 845	Talmadge bill, S. 275
1. NET INCOME LIMITS				
Set at $6,636 for a family of 4 (eligibility figures are tied to the coupon allotments);	Set at the poverty level ($5,815 for a family of 4);	Same as administration bill	Same as administration bill	Same as administration bill.
Updated semiannually in accordance with the cost of food.	Adjusted annually	Adjusted semiannually	Same as Richmond bill	Same as administration bill.

COMPARISON OF MAJOR FOOD STAMP LEGISLATION—Continued

Current program	Administration proposal	Richmond bill, H.R. 4844	Dole-McGovern bill, S. 845	Talmadge bill, S. 275
2. GROSS INCOME LIMITS				
No firm gross income limits due to the use of itemized deductions.	Set at $6,800 for a nonworking family of 4 and about $8,500 for a working family of 4.	Set at $7,615 for a nonworking family of 4 (assuming maximum shelter deduction), and $9,518 for a working family of 4 (assuming maximum shelter deduction). Dependent care costs up to $75 a month, if applicable, will increase gross income level to about $10,650.	Set at $7,015 for a nonworking family of 4, and at about $8,770 for a working family of 4. (Dependent care costs up to $85 a month, if applicable, will increase gross income level to about $10,000).	Set at $6,655 a year for a nonworking, nonelderly family of 4, and at about $8,000 a year for working nonelderly family of 4.
3. PURCHASE REQUIREMENT				
Varies from 0 to 30 percent of net income. The average household pays 25.6 percent of net income for stamps.	Purchase price is eliminated. Households receive coupon allotments reduced by 30 percent of their net income.	Same as administration bill.	Same as administration bill.	Households pay 27.5 percent of net income (after standard deduction) to purchase stamps.
4. INCOME DEDUCTIONS				
Households get itemized deductions for: taxes and other mandatory payroll withholding; work-related expenses up to $30 per month; medical costs; tuition and fees; child care costs to allow a household member to work; court ordered alimony or support payments; unusual expenses due to disaster or casualty loss; and shelter costs (including rent, utilities, mortgage payments, taxes) to the extent that they exceed 30 percent of income after other deductions are subtracted.	Set standard deduction at $80 a month (deduction in Puerto Rico, the Virgin Islands, and Guam shall be based on the relationship between the existing or potential "itemized" deductions for such areas and the 50 States) plus:	Sets a standard deduction at $75 ($40 in Guam, Commonwealth of Marianas, Puerto Rico, and Virgin Islands), plus:	Sets standard deductions at $100 a month ($60 in Puerto Rico, Guam, and Virgin Islands) plus:	Sets standard deductions at $70 a month ($35 in Puerto Rico, Guam, and Virgin Islands) plus:
	(1) Deduction of 20 percent of all earned income to compensate for taxes, other mandatory deductions and work related expenses.	Same as administration bill.	Same as administration bill.	(1) All Federal, State, and local taxes and mandatory retirement payments.
	No comparable provisions.	(2) Deduction of up to $75 a month for cost of care for a dependent when necessary for work or training; and (3) shelter deduction up to $75 representing amount of actual shelter costs in excess of 50 percent of income after all other deductions have been subtracted.	(2) A deduction of up to $85 a month for the cost of care of a dependent when necessary for work or training; and (3) a deduction up to $50 to account for extraordinary conditions of "hardship" to be determined by USDA.	(2) $25 for households with a person over age 60, or for households with earned income over $150 a month; and
Deductions are for actual cost of deductible items; thus, they increase as cost-of-living increases.	These deductions will all be updated semiannually.	Same as administration bill.	Same as administration bill.	These deductions would remain unchanged throughout the life of the bill (5 years).
5. ASSETS				
No assets test in law. Regulations require that households have less than $1,500 in assets ($3,000 for households of 2 or more persons in which at least 1 person is age 60 or over). Exempted from the assets test is the full value of a home and lot; a car; a second car if needed for employment; all household goods and personal effects; all income-producing property; all life insurance policies and pension funds; tools and machinery needed for work; and resources whose cash value is not accessible to the household such as irrevocable trust funds.	Gives USDA authority to determine asset types and limits by issuing regulations.	Same as administration bill.	Same as administration bill.	Same as administration bill.
6. CATEGORICAL ELIGIBILITY				
Households in which all members receive welfare or SSI are automatically eligible.	Categorical eligibility is eliminated. All households—including those on welfare or SSI—are eligible for food stamps only if they meet the income and assets tests.	Same as administration bill.	Same as administration bill.	Same as administration bill.
7. STRIKERS				
Households containing a striker are eligible if they meet the same eligibility limits as all other households.	Same as current law.	Same as current law.	Same as current law.	Same as current law.
8. STUDENTS				
Students who meet the income and assets limits are eligible unless they are properly claimed as a tax dependent by a household that is not eligible for food stamps.	Students who meet the income and assets limits are eligible unless they are properly claimed—or could be claimed—as a tax dependent by a household that is not eligible for food stamps.	Same as administration bill.	Same as administration bill.	Same as administration bill.
9. REPORTING BY RECIPIENTS				
Households must report changes of more than $25 in monthly income within 10 days, although States are not prohibited from instituting monthly reporting systems.	Household must report (on a form designed or approved by the Secretary) changes in monthly income.	Households must report changes in monthly income.	No comparable provision.	Give States option to institute monthly reporting of income. In States which do not choose this option, recipients must report any change in income over $25 within 10 days.
There is no specific provision for recoupment of nonreported income, although States can institute collection proceedings against households that do not report on time.	A failure to comply can result in disqualfication. No other reporting method is allowed.	Same as administration bill.	No comparable provision.	If such changes are not reported, subsequent coupon allotments will be reduced to compensate for the nonreported income.
10. FRAUD				
States receive Federal reimbursements for 50 percent of the costs of investigations, and related activities, the same as all other administrative costs.	States would receive Federal reimbursement for 75 percent of the cost of investigations, prosecutions, and other activities related to recovering losses.	Same as administration bill.	No comparable provision.	Same as administration bill.

Current program	Administration proposal	Richmond bill, H.R. 4844	Dole-McGovern bill, S. 845	Talmadge bill, S. 275
11. DEFINITION OF INCOME				
Excludes from income the following: money earned by student under age 18; irregular income less than $30 every 3 months; in-kind benefits (except employer-provided housing up to $25 a month); money from loans (except educational loans); money received by ACTION/VISTA volunteers; and HUD vendor payments. Allows educational expenses for tuition and mandatory fees as income deduction.	Adopts current income exclusions to a large degree. However, counts VISTA payments as income.	Same as administration bill.	Same as administration bill.	Same as administration bill, except counts lump-sum payments as income.
12. WORK REGISTRATION				
Requires all able-bodied people between ages 18 and 65 to register for work, and leaves burden of finding employment on State employment agencies. Exempts: students; household members caring for children under 18 or home-bound adults; people already working 30 hours a week; alcoholics or drug addicts in treatment programs, and WIN registrants. Only requires recipients to accept "suitable" jobs; i.e., safe, fairly convenient, and with reasonable wages.	Similar to current program, except people between 60–65 would not have to register for work; people caring for children 12–18 and students during school breaks of more than 30 days would have to register for work. Registrants must fulfill USDA-dictated reporting requirements, and must actively seek jobs as a condition of receiving stamps.	Similar to current program, except people caring for children 12–18 would have to register for work. Registrants must fulfill USDA-dictated reporting requirements.	No comparable provision	Same as administration bill; except students during school breaks o more than 30 days would not have to register for work.
13. ACCOUNTING PERIODS				
Eligibility and benefits based on income expected to be available during the certification period.	Eligibility and benefits based on income actually available during certification period.	Same as administration bill	Same as administration bill	Eligibility and benefit levels to be based on income received over the 30 days prior to applying for food stamps.
14. EXPIRATION OF FOOD STAMP ACT				
Sept. 30, 1977	Sept. 30, 1979	Sept. 30, 1981	Sept. 30, 1982	Sept. 30, 1982.

Sources: (1) Food Research and Action Center, Memo, Mar. 24, 1977. (2) Unpublished paper, Majority Staff: House Agriculture Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, April 1977.

APPENDIX B

DISTRIBUTIONAL IMPACTS OF THE MAJOR PROPOSALS BY SELECTED HOUSEHOLD CHARACTERISTICS

	Current program		Administration's proposal		Richmond, H.R. 4844		Dole-McGovern, S. 845		Talmadge, S. 275	
	Amount (billions)	Percent	Amount (billions)	Percent	Amount (billions)	Percent	Amount (billions)	Percent	Amount (billions)	Percent
Bonus	$5.012	100.00	$4.677	100.0	$5.098	100.0	$5.079	100.0	$4.830	100.0
Poverty status less than 1-percent poverty	4.444	88.6	4.363	93.3	4.702	92.3	4.671	92.0	4.505	93.3
1 to 1.25 percent poverty	.414	8.3	.300	6.4	.356	6.9	.368	7.2	3.17	6.6
1.25 to 1.50 percent poverty	.104	2.1	.013	.2	.036	.7	.038	.7	.009	.2
1.50 percent-plus poverty	.050	.9	.001	.02	.002	.04	.002	.04	.001	.02
Urban/rural	2.399	47.9	2.345	50.1	2.463	48.3	2.520	49.6	2.411	49.9
Do	2.614	52.1	2.333	49.9	2.634	51.7	2.559	50.4	2.410	50.1

Source: Unpublished paper, majority staff: House Agriculture Subcommittee on Domestic Markets, Consumer Relations, and Nutrition, April 1977.

APPENDIX C

COST ESTIMATES FOR ALTERNATIVE PROPOSALS, FISCAL YEAR 1978

[In billions of dollars]

	Current program	Administration proposal	Richmond, H.R. 4844	Dole-McGovern, S. 845	Talmadge, S. 275	McHugh amendment	House Agriculture Subcommittee proposal	$55 standard deduction; $100 maximum shelter cost deduction benefits
Bonus costs:								
Major eligibility provisions	5.012	4.677	5.098	5.079	4.831	4.677	4.727	4.651
Elimination of the purchase requirement		.489	.533	.531		.489	.494	.486
Rebate of sales tax			−.066					
Savings-work registration requirement					−.018			
Counting income tax rebates					−.040			
Administrative costs	.352	.328	.395	.356	.323	.328	.366	.360
Work registration requirement					.075			
Savings from EPR		−.036	−.036			−.036	−.036	−.036
Total Federal cost	5.364	5.458	5.924	5.930	5.171	5.458	5.551	5.461

Source: Unpublished paper, majority staff: House Agriculture Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, April 1977.

BLACK LUNG BENEFITS REFORM ACT OF 1977

Mr. RANDOLPH. Mr. President, today the Committee on Human Resources reported an original bill to amend title IV of the Federal Coal Mine Health and Safety Act. The bill, entitled the "Black Lung Benefits Reform Act of 1977," includes provisions—a black lung disability fund and excise taxes on the sale or use of coal—which are properly matters for consideration by the Committee on Finance.

The press of time precluded the arrangement of a unanimous-consent request to refer the bill to the Committee on Finance. I will be in contact during

the next day or two with the chairman, the ranking minority member, and other appropriate members of the committee to discuss the details of the anticipated referral to the Committee on Finance.

(This concludes additional statements submitted today.)

ORDER FOR RECOGNITION OF SENATOR GRIFFIN AT 12 NOON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, at 12 noon tomorrow, Mr. GRIFFIN be recognized to call up his amendment on the XM tank.

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

ORDER FOR RECESS UNTIL 11:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 11:30 a.m. tomorrow.

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

ORDER FOR RECOGNITION OF SENATOR NUNN TOMORROW

Mr. ROBERT C. BYRD. Mr. President, are there any orders for recognition of Senators on tomorrow?

The PRESIDING OFFICER. The senior Senator from Georgia (Mr. TALMADGE) is to be recognized for 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, following the recognition of Mr. TALMADGE tomorrow, Mr. NUNN be recognized for not to exceed 15 minutes.

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

ORDER FOR SENATE TO RESUME CONSIDERATION OF H.R. 5970 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of the two orders on tomorrow, the Senate resume consideration of the military procurement bill.

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

Mr. ROBERT C. BYRD. I ask unanimous consent that, at that time, Mr. GRIFFIN be recognized to call up his amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The earlier unanimous-consent agreement for 12 o'clock is vitiated.

Mr. ROBERT C. BYRD. Yes, I believe I asked unanimous consent that the Senate convene at 11:30 a.m. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. This would mean that, shortly after 12 noon, Mr. GRIFFIN will be recognized to call up his amendment.

The PRESIDING OFFICER. That is correct.

TRANSFER OF MEASURE TO UNANIMOUS CONSENT CALENDAR

Mr. ROBERT C. BYRD. Mr. President, there is one additional bill that is cleared for unanimous consent. That is Calendar Order No. 126. I ask the clerk to transfer that measure to the Unanimous Consent Calendar.

The PRESIDING OFFICER. It will be so transferred.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 11:30 a.m. tomorrow. After the two leaders or their designees have been recognized under the standing order, Mr. TALMADGE will be recognized for not to exceed 15 minutes, to be followed by Mr. NUNN, who will be recognized for not to exceed 15 minutes; after which the Senate will resume consideration of the military procurement bill; at which time, Mr. GRIFFIN will be recognized to call up his amendment on the XM tank.

There will be several rollcall votes tomorrow on the military procurement bill. Hopefully, Senate action will be completed on that bill tomorrow. I suggest that Senators be prepared for a reasonably late session in order that the Senate may complete action on the bill tomorrow.

Mr. STENNIS. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. STENNIS. For the information of the leadership and the Senators, it seems to me that there is every probability that we shall be able to get through tomorrow with this bill. Certainly, we can get through with the amendments that are now visible. I do not know of any prospect of a major amendment in addition to the ones that are already in. So I think that, with good attendance here and fast voting, we can complete action on this tomorrow.

Mr. ROBERT C. BYRD. I thank the distinguished Senator and manager of the bill.

RECESS TO 11:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until 11:30 a.m. tomorrow.

The motion was agreed to; and, at 5:08 p.m., the Senate recessed until Tuesday, May 17, 1977, at 11:30 a.m.

NOMINATIONS

Executive nominations received by the Senate May 16, 1977:

INTERNATIONAL BANKS

Richard N. Cooper, of Connecticut, to be U.S. Alternate Governor of the International Bank for Reconstruction and Development for a term of 5 years; U.S. Alternate Governor of the Inter-American Development Bank for a term of 5 years; U.S. Governor of the Asian Development Bank and U.S. Governor of the African Development Fund, vice William D. Rogers, resigned.

DEPARTMENT OF AGRICULTURE

Gordon Cavanaugh, of Maryland, to be Administrator of the Farmers Home Administration, vice Frank B. Elliott, resigned.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Eleanor Holmes Norton, of New York, to be a member of the Equal Employment Opportunity Commission for the term expiring July 1, 1981, vice Raymond Telles, term expired.

COUNCIL ON ENVIRONMENTAL QUALITY

Marion Edey, of the District of Columbia, to be a member of the Council on Environmental Quality, vice John A. Busterud, resigned.

IN THE AIR FORCE

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. Sanford K. Moats, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

IN THE NAVY

Adm. Daniel J. Murphy, U.S. Navy, for appointment to the grade of admiral on the retired list pursuant to the provisions of title 10, United States Code, section 5233.

EXTENSIONS OF REMARKS

STACKING DECK WON'T SOLVE NATIONAL ENERGY CRISIS

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. PICKLE. Mr. Speaker, I was very disturbed after reading a story in the New York Times last week about some apparent fast shuffling in the Commerce Energy and Power Subcommittee. For too many years, the debate in the House of Representatives over the energy question has been strictly a sectional dispute: the producer States versus the heavy consuming States. During the last Congress, a great deal of the emotionalism was excised and the serious questions were debated on a more intellectual basis. I think that a large measure of debt is owed to Representative BOB KRUEGER for that situation.

Now it appears that some believe Mr. KRUEGER may be too persuasive, so additional members are added to his subcommittee to counteract his effectiveness. If every chairman started loading a subcommittee which was dealing with a controversial issue to slant that subcommittee so it would produce the result he wanted, we would have chaos in the House of Representatives.

I am enclosing the article which appeared on May 22, 1977, for the Members' benefit. If the facts are as the article indicates there appears to be a raw

deal. This is not characteristic of its chairman and in effect changes the rules after the game has started. This is the committee I had previously served on and I am dismayed to see this power act so wantonly demonstrated.

The article follows:

THREE ADDED TO HOUSE ENERGY UNIT IN MOVE LINKED TO GAS PRICES VOTE

(By Martin Tolchin)

WASHINGTON, May 11.—Liberals on the House Commerce Committee have quietly expanded a key energy subcommittee in an apparent effort to neutralize a Texas Congressman who is pressing for deregulation of natural gas prices. The expansion was a graphic demonstration of the legislative maneuvering that has begun to surround President Carter's energy package.

The next few weeks are considered critical in the shaping of the legislation, leading to a proliferation of White House and industry lobbyists on Capitol Hill these days. In the maneuvering, the energy and power subcommittee of the House Commerce Committee is expected to play a key role.

The subcommittee was quietly expanded by the addition of two Democrats and a Republican, all believed to oppose deregulation of natural gas, in what several committee members consider an effort to stack the committee against a forthcoming deregulation proposal.

"It's one of those horse races in which they change the odds and the rules after the horses have left the gate," said Representative Robert Krueger, Democrat of Texas, a subcommittee member. Mr. Krueger last year came within four votes of getting his deregulation proposal adopted on the House floor.

SUBCOMMITTEE VOTE CRUCIAL

The apparent purpose of the expansion was to provide the votes needed to defeat Mr. Krueger's renewed effort, which must clear the subcommittee before it can be considered by the full committee. Unlike last year, it is unlikely that Mr. Krueger will be allowed to offer such a proposal when the energy legislation reaches the House floor, when only amendments proposed by the ad hoc select energy committee will be in order.

Representative Harley O. Staggers, Democrat of West Virginia, chairman of the committee, denied that the expansion had any such intent. He said that the additional subcommittee members had indicated last December that they "all wanted to be on the subcommittee" and that the subcommittee had been expanded, to 22 members, by unanimous consent of the full committee's Democratic caucus.

"I always felt that the subcommittees were too large," Mr. Staggers said in an interview.

Representative Albert Gore Jr. of Tennessee, one of two Democrats added to the subcommittee, said that he had never requested membership. "The chairman asked me if I'd be interested in going on," he said.

Representative Doug Walgren of Pennsylvania, the other Democrat added to the subcommittee, said: "I had asked for it originally, and lost out in the bidding process. I had forgotten about it, and then a few days ago Chairman Staggers asked me. It's a process I don't fully understand."

The additional Republican is Edward R. Madigan of Illinois.

"NO QUESTION" ON MOTIVE

Mr. Krueger said that although the expansion was approved by unanimous consent it had not been on the caucus agenda and eight of the 29 Democrats on the committee were absent.

"There's no question that the purpose was to seek to expand the committee so that those favoring an extension of Federal regulation of natural gas would be in a larger number," said Mr. Krueger, who was an Elizabethan scholar, an English professor and an academic dean of Duke University before being elected to the House two years ago.

Some committee members who oppose deregulation said today that they nevertheless agreed with him.

"The progressives certainly needed reinforcements, no question about that," said Representative Toby Moffett, Democrat of Connecticut.

Representative Andrew Maguire, Democrat of New Jersey, agreed that "the reason for the expansion was to achieve a balance on the subcommittee that reflected the views of the full committee and the House."

SAVE THE PORPOISES

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. CARTER. Mr. Speaker, there was an article in Sunday's Washington Post entitled, "Save the Porpoises." It has been my pleasure to see porpoises for many years, first in Marineland in Florida, where they had been trained to perform at call, and they actually toss a basketball through a goal. They exhibited many, many other unusual feats. Traveling on troopships in both the Atlantic and Pacific in World II, I saw many schools of porpoises gaily splashing out of the water. They seem to be very happy mammals, and the intelligence quotients of some have been estimated to be 168, which is far above the average intelligence quotient of humans and is in the genius range. These friendly mammals have been known to push drowning men to the shore.

I submit, Mr. Speaker, that the humane thing for us to do is to pass such legislation as is necessary to protect these friendly and highly intelligent mammals. As for myself, I would gladly forgo tuna in order to save the porpoises.

I include for the RECORD the article from the Post, "Save the Porpoises":

SAVE THE PORPOISES

Rep. John Murphy would amend the Marine Mammal Protection Act to let tuna fishermen catch 78,000 porpoises this year and next. That's tens of thousands too many. Under the act, the tuna fleet's catches of porpoises—air-breathing creatures that often swim above tuna—are supposed to fall toward zero. The government and the conservation lobby thought 59,000 was a fair figure, on the way down, this year. But the industry chose to beach its fleet in order to put pressure on Congress to let it catch more. The fleet has not caught many tuna this year, but it did catch Mr. Murphy, chairman of the House Merchant Marine and Fisheries Committee. Hearings on his 78,000-porpoise bill will resume Monday.

The tuna industry seems to feel about saving porpoises the way the old AMA felt about "socialized medicine." It has been regrettably slow, for instance, to install the fine-mesh nets that help keep porpoises from being entangled at the surface, and to introduce the "backdown," a shiphandling maneuver that sluices porpoises out of the nets. The fleet claims that porpoise regulations are an economic burden. But economists note that the industry's troubles have other roots. In its most harassed moments, the fleet threatens to transfer its boats to foreign ports. But that's a non-starter. The requisite government approval would not be granted for a transfer whose purpose was to evade American law. And the law bans the import of tuna caught by methods proscribed for American fishermen.

The fishermen deserve more understanding than they have received. They suddenly find their traditional ways challenged by a government that appears remote and bureaucratic and by a conservation movement that seems elitist and insensitive to everyday concerns. This puts upon the administration, whose own new legislative proposals are expected on Monday, a special burden of empathy—even while it acts to obey the law and save the porpoises.

A RESOLUTION TO ESTABLISH THE THOMAS A. EDISON CENTENNIAL COMMISSION

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. PATTEN. Mr. Speaker, on October 21, 1979, the 100th Anniversary of Light will be celebrated in New Jersey and around the Nation. This date marks the centennial of Thomas A. Edison's invention of the first practical incandescent electric lamp. If Edison had stopped with this one invention, he would have been remembered as one of the world's most important inventors. But he did not stop there. Throughout a long and successful career, Edison gave us hundreds of inventions which are still in use today. Some of these are the phonograph, the motion picture camera, the universal stock ticker, the storage battery, the fluorescent lamp, and the miner's lamp.

To honor this great career and to encourage others to pursue careers in science, invention and discovery, I am today introducing a resolution, with the cosponsorship of 21 of my colleagues, which will designate the year 1979 as the Thomas A. Edison Centennial Year, and establish the Thomas A. Edison Centennial Commission.

Several Federal agencies are already involved in the planning of commemorative events, and a compilation of the papers of Thomas Edison. This Commission will work with those agencies, State and local governments, and private groups to prepare and coordinate programs to observe the Thomas Edison Centennial Year. The Commission will also initiate the development of publications, documentary and bibliographic projects, conferences, seminars and public programs, as well as assist with the issuance of commemorative stamps, coins, and other memorials pertaining to the career and achievements of Thomas Edison.

Thomas Edison was important in his time, and his inventions and dedication are important to all of us living in this scientific era. I hope that the Members of the House will join me in support for the creation of this Commission.

A TRIBUTE TO MSGR. DOMINIC A DIEDERICH

HON. JOHN G. FARY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. FARY. Mr. Speaker, it is with a sad heart that I observe the passing, on April 24, 1977, of a dear and devoted friend who influenced my life and the lives of many others throughout Chicago by his compassion and humility which exemplified his concern for his fellow man—this person is the late Msgr. Dominic Aloysius Diederich. Monsignor Diederich was a very religious man who truly understood what it was to be poor and in need. He had a heart filled with an enormous amount of compassion and he loved the people of Chicago and they returned that love.

I recall a heart warming incident some years ago. I was on my way to a weekday service at St. Maurice's Roman Catholic Church when I noticed between 60 and 70 children crowded outside the St. Maurice School. This was most unusual, but as I drew closer I noticed Monsignor Diederich surrounded by children who were having a wonderful time singing and dancing with Monsignor Diederich leading the children in song. He had a special understanding with children and the feeling he had for them was reciprocated again and again in their merriment.

Since the age of 2 the Monsignor spent his childhood in the Guardian Angel Orphanage. He was born on June 20, 1907, and his mother, Susan Diederich, died shortly after his birth. His widowed father, Michael, could only care for the Monsignor's two older brothers, Peter and Matthew. The Poor Handmaids, who pilot the Guardian Angel Orphanage, affected Dominic's early life, and he grew to love them and the children at the orphanage.

Upon completion of his elementary education Monsignor Diederich entered the St. Lawrence Seminary in Calvary, Ill. There the Capuchen Fathers guided him in preparing for the studies that eventually led to his life in the priesthood. Father Diederich was ordained on June 2, 1917. The very next day he returned to the Guardian Angel Orphanage, and the children, to celebrate his first mass.

Father Diederich's first assignment was as assistant to Rev. Louis Maiworm, the pastor of St. Nicholas Church in Chicago.

In 1930, in the midst of the depression, Father Diederich received his first pastorate, St. Mary's Church, Riverdale, Ill. He worked closely with all the members of his new congregation especially the needy, the elderly, and the middle aged. He initiated many new programs and social events for the children.

For his outstanding accomplishments during his pastorate at St. Mary's Church, His Eminence Cardinal George Mundelein assigned Father Diederich as pastor of St. George Church, Chicago, Ill., a larger congregation. He remained at St. George until 1942 when he was named pastor of St. Maurice Church, my parish church, where he remained until his death. During his pastorate at St. Maurice he was appointed by Pope Pius the XII as domestic prelate—monsignorship—in 1957. St. Maurice was his home and his parishioners were his family.

His understanding and love for those in need extended to all God's creatures. At St. Maurice there was a squirrel who had only one eye. Monsignor Diederich fed that squirrel daily along with a regular group of pigeons. His best friend and companion was a dachshund named "Spooky" who was forever at his side.

His active participation in the community was not limited to his priestly functions. He participated in many worthy causes and was, in fact, spiritual leader and chaplain of Chicago's popular Donkey Sauerkraut Social Club, of which I served as the parental president.

He was a close friend of many city and community leaders, including Chicago's late beloved Mayor Daley.

The monsignor showed his compassion for people every day of his life. He always carried lollipops to give to the children he met on the streets. When there was a birth within his congregation he always sent a gift and his prayers.

The children who surrounded and sang with the monsignor called him by his initials, D.A.D. He was a dad in a very true sense. He had a father's love and understanding for all God's creatures in need.

I join with the monsignor's survivors, which include his two nephews, Martin and Matthew Diederich; his two nieces, Mrs. Phyllis Norton and Mrs. Lillian Morf, and two cousins, Mrs. Rose Cheney and Matthew Schmit, as well as all the parishioners of St. Maurice, the children who loved him so, and all the citizenry of Chicago, in grieving the passage of this most compassionate man. The monsignor lives on in all who knew and loved him. Monsignor Diederich watched over all of them and, if I may borrow some words from a poem by the late James J. Metcalfe, Chicago's poet laureate, he lit "the lamp of faith in God. . . . To guide their lips in prayer."

The grief I feel at the loss of my friend must be swallowed up in exaltation when I ponder how perfectly Msgr. Dominic A. Diederich today could declare the apostolic affirmation:

For I am now ready to be offered and the time of my departure is at hand: I have fought a good fight, I have finished my course, I have kept the faith.

POETRESS OF PROTEST PENTAMETERS THE PLUTOCRATS

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. SANTINI. Mr. Speaker, all of us have experienced novel and original testimony in our field investigations for the Congress.

I now wish to share a recent expression of exasperation about Government rules and regulations which was presented to Chairman ABRAHAM KAZEN'S Mines and Mining Subcommittee hearing in Carson City, Nev.

Mrs. Ellie Spice's poetic statement is a most unique approach to communication. It tells of the disgust and disgruntlement many feel about the excess of governmental invasions into individual's day-to-day lives.

I hope her voice is heard—or read—by the anonymous U.S. "47" who seems to be the ultimate source of all governmental decisionmaking.

The statement follows:

POETRESS OF PROTEST PENTAMETERS THE PLUTOCRATS

We've been to protest meetings, group therapy, it's true.
The BLM has listened, but differently than you.
We hope to help you legislators clean the dusty shelves,
Did you ever hear of anyone investigate themselves?

We want to tell it like it is, with total honesty,
No double-talk, no open gaps, it means whole credibility.
Our kind has lived forever, so the freedoms will not die,
You must insist we have a chance, I beg you now to try.

The Department of Interior has spawned a monster child.
It's name is called the BLM, it's behavior has gone wild.
It's a bureaucratic agency, who've gone beyond intent,
Writing tough gestapo rules, is that our kind of government?
Their press releases spewed confusion from the very first inning.
They said, "Our rules are final", we said, "The fight's beginning".
Ah, but I must stick to issues, according to the rules,
Discussing regulations, designed by paper fools.

Now, as to surface management, experience should show
Who turned the hills and valleys of the desert that we know,
From empty desolation to productivity,
With farms and ranches and the mines, which aid economy.

Somehow the rules were written by those with little sense.
They're unrealistic, dictatorial, without intelligence.
These surface regulations are, as certainly they show.
Put out by environmentalists and the only side they know.

We're mostly always careful, conservation was our game,
Long before ecology even had a name.
Hark! They saved the pupfish by supreme court decree,
And we're forced to honor all the asses who are roaming free.

Let me say, the rules of recordation, as in 1872,
Put claims and filings in a spot which sometimes rang untrue.
You've read about the crooks and cheats who falsified the names,
Well, they are still around today, crafty, jumping claims.

Now the recordation, as suggested by the BLM,
Would balance court-house filings, duplicating them.
There'd be no chance of doctoring the records on the sly,
But BLM officials set down fees entirely too high.

Remember, they're on salary, our taxes pay their bills.
Now, by themselves, they're taxing us and patrolling our own hills.
I think they'd better stick to desk-work, shifting paper by the tons,
Rather than be rangers, dictatorial, armed with guns.

In closing now, I ask you to set a precedent.
Declare the tactics they indulge to freedom's detriment.
They've shed their check and balance and our democracy.
You must support the American way and our privilege to be free.

Their entire sinister program, now imposed by their own laws,
Is far beyond intent of Congress and the reason is because,
It's not their job to legislate, as they're seeming now to do.
They were not elected. That job is up to you!

THE DEMAGOGUERY OVER ENERGY

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. SARASIN. Mr. Speaker, in a very short time the debate on President Carter's energy program will begin, and undoubtedly it will contain a large number of comments addressed to "the plight of the consumer," "the oil companies' obscene profits" and "the unjustly high prices charged by the electrical utilities."

I would like to insert for my colleagues' information an excellent article which appeared in the Wall Street Journal, May 16, 1977, written by Prof. Paul W. McCracken, former chairman of the Council of Economic Advisors, which I believe directs itself to some of the more prevalent forms of the demagoguery over energy.

Professor McCracken's article follows:

THE DEMAGOGUERY OVER ENERGY

(By Paul W. McCracken)

Will it be possible for government to fashion something that would qualify to be called an effective energy policy? No small part of the problem is that to some extent public thinking about energy has become demagoguery's child. The result is misconceptions so firmly fixed in the minds of citizens that a national energy program which would really serve the long run interests of the nation will have hard going. This is a major problem now for the President and the Congress, to some extent one of government's own creation in recent years.

The political horizon is, of course, notably short-run. We are now only 18 months away from another national election when all of the members of the House and one-third of the Senate must be elected. And while the President does not himself have to face the electorate next year, the results of that election will rightly be regarded as a vote of confidence, or of no-confidence, in the President and his program. The pressure is always, therefore, to pursue programs and policies that will look good before the next election, whatever their longer-run consequences may be.

The energy problems has had its full share of posturing and even outright demagoguery, and the citizenry will probably now have to experience more disorganization and disturbance in their lives than the energy problem, serious as it is, would really require. And it is not amiss to suggest that those in political life also have responsibility for the larger and longer-run good.

Professors are supposed to pursue the truth even if it overturns their own theories. Businesses are expected to be good corporate citizens even if it costs at the bottom line. Those in political life have parallel obligations.

NOT "OBSCENE PROFITS"

Illustrative of the misconceptions, to some extent nurtured by political rhetoric, that now complicate the political task of fashioning a good energy program is that oil companies are improperly profitable. ("Obscenely profitable" is apt to be the phrase used.) This is, of course, false. Last year, according to the First National City Bank's annual tabulation, the rate of return that oil companies realized on their net worth was 15.1 percent. This was virtually the same as the 15 percent average for all manufacturing corporations.

Another set of misconceptions bedeviling good national policy has to do with energy prices. A view held with the fervor of a religious conviction is that something like the price of gasoline has gone sky high relative to other prices and incomes. Yet a modern Rip van Winkle, waking up in 1976 after his 20-year snooze, would have had some interesting reactions as he looked at prices. He would have found that prices generally, as measured by the consumer price index, had somewhat more than doubled, rising 110 percent during the two intervening decades.

As he looked around further he would have found that certain things in 1976 were bargains in the practical sense that their prices had increased less than the price level as a whole. They, in short, cost less in 1976 relative to the prices of things in general than in 1956. And in this list of 1976 bargains would be some surprising items. Gasoline would be one, with a price rise for the two decades of 108 percent (compared with a 110 percent average rise for prices generally). Electricity would be another, whose 86 percent price rise was well short of the rise in the price level generally. For new cars the price rise was only 45 percent, and for telephone services 39 percent.

Relative to the price level generally, in short, the price of gasoline in 1976 was 2 percent lower than in 1956. Or to put the matter differently, the average consumer in 1976 had to give up less of other things generally in order to buy a gallon of gasoline than was true in 1956. And the average American in 1976 had to work only three-quarters as long to earn enough to buy a gallon of gasoline as in 1956.

By contrast the price of postal services during these two decades, relative to prices of things generally, rose 63 percent, and for prices of water and sewage services the figure was 32 percent. In 1976 the typical family had to work a little longer to earn the money for its water and sewer bill than in 1956, and 25 percent longer to pay the postage.

The President's message on energy has now started in motion the processes of governance, and it is an inexorable process. There will be a bill (or bills) passed and signed that will influence the direction of our lives for decades to come. Whether this national energy policy will be of a character to serve us well or ill will depend not so much on whether every BTU statistic is in its place as on whether this policy is shaped by some basic guidelines.

What are these guiding principles?

The first requirement for a national energy policy that a few decades hence will be seen to have served the welfare of people is that we start looking at the basic logic and facts of the problem. Thus far the public and political discussion has been more characterized by ideology and theology, and it is not amiss to remind ourselves that religious wars are notably bloody and unproductive.

A second basic principle is that people's lives will be less disorganized if actions are heavily focused on increasing supplies of energy. If the whole adjustment must come through reduced usage, the displacements in patterns of living will be severe—so severe that public support will itself erode.

Here a simplistic view of the problem carries a particularly large potential for trouble—namely, that there is a fixed amount of oil and gas "down there." Now in a sense this is not debatable. There is some finite figure which would represent the earth's total amount of oil or gas or any other resource, just as there is a finite figure for this planet's total mass. Neither figure is, however, particularly interesting or even relevant to the problem. The relevant question is: What can be made available? And at what price? For if additional amounts can be made available, less of the burden of adjustment will be required through curtailed use.

DRAMATIC ARITHMETIC

The arithmetic here is dramatic even on the basis of modest and conservative assumptions. Robert E. Hall and Robert S. Pindyck of MIT, writing in the current issue of "The Public Interest," point out that if the domestic price of energy had been allowed to rise to the world price (and demand and supply were fully adjusted to this) oil imports would now be roughly 2 million barrels per day instead of 7 million. And this would have been accomplished by a level of demand for energy only 3 million barrels per day below current figures, because with domestic energy prices at world levels another 2 million barrels per day of production would have become economically viable.

That price does make a difference is indicated by data on domestic consumption of gasoline. From 1955 to 1973 gasoline demand rose at the average rate of 3.4% per year. From 1973 to 1976 it rose at less than half that rate. While gasoline taxes should be raised (with offsetting reductions elsewhere), those who instinctively doubt that a tax caused price rise for energy is the solution do have a point. Such a strategy would impose on consumers higher energy costs and more severe reductions in energy use than would be necessary if increases in prices were also making additional energy supplies economically viable.

Higher energy prices must, of course, be an important part of the national energy policy if it is to be successful. An attempt to "protect" consumers by keeping energy prices low is really a program to assure shortages, waiting lines and the perverse cumulative effects generally as 216 million ingenious Americans work angles to get more for themselves, thereby assuring collapse of the program.

Even worse. There would be a spreading disrespect for law as it became evident that those who do well are those willing to work the angles, while the law-abiding citizen does without. Conversely, the cumulative results if 216 milion Americans (responding to straightforward incentives) are trying to economize on the use of energy, would be enormous.

An energy policy consonant with the nation's welfare would also be more assured with some changes in governmental organization. The essence of public policy comes close to being captured by the phrase "trade-off." If you want more of one thing, you must accept less of something else. Whether such a change is wise, therefore, depends not on whether what we get more of is in itself good, which is usually true, but on whether it is worth more to us than what must then be given up.

EXPLICIT TRADE-OFF

There is a quite explicit trade-off between energy and environment. If chaos and frustration are not to be the result, these objectives of government policy, proper in each case, must be managed within the same agency.

An agency responsible only for environment inevitably optimizes its own position only in terms of what its requirements do for the environment. The costs of what must be given up elsewhere are problems for someone else. And a department whose only concern is energy would optimize its position by programs that would augment energy supplies with little regard for their environmental costs, which would not be their concern. With separate agencies for the two, the danger is not so much that we would move too far in one direction or the other. The danger is that paralysis would result as we moved too far in both directions at once, winding up with programs impossible to reconcile.

Finally, whether we get on the right path for energy policy will depend on whether we allow time for needed adjustments. A complex, market-organized economy has enormous capacity for adjustment if given time. It has quite limited capacity for fundamental adjustments if we insist on instant rseponses. And it is well to remember that only a strong economy can make the substantial adjustments that are needed and still deliver vigorous creation of new job opportunities and rising levels of living widely shared.

A BILL TO LET THE FAMILY DOG VOTE

HON. DEL CLAWSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. DEL CLAWSON. Mr. Speaker, "Now you see it, now you do not." The skilled illusionist employs proven techniques to deflect the attention of the unwary observer from what is really taking place. An editorial by James J. Kilpatrick which appeared in the Washington Star May 14 describes an amazing feat in what might become the legislative "theatre of the absurd." The editorial follows at this point in the RECORD.

A BILL TO LET THE FAMILY DOG VOTE

(By James J. Kilpatrick)

Two kinds of fraud afflict the American political process,—legal fraud and moral fraud. You will find plenty of both kinds involved in the pending debate over the bums' rush bill.

This is Mr. Carter's particular pet project, offered to Congress in the pious name of "electoral reform." The purpose of the bill is to impose upon the states a plan of instant registration on election day.

Through a stick-and-carrot combination of threats and bribes, the states would be compelled to amend their existing registration laws as to federal elections. By inevitable extension, the Carter plan would cover state and local elections also.

The ostensible purpose of the bill is to increase the level of political participation. It is to encourage "democracy." It is to "involve" the people in their government. And all this is very high-minded.

The thinly disguised ulterior motive, freely if privately conceded on Capitol Hill, is to benefit the Democratic party. This is a political power play, as brazen as any stunt ever pulled in the bad old days of Tammany Hall, and it originates wtih the reverend gentleman from Georgia whose pose is to be Above that Sort of Thing.

If this were the only moral fraud involved in the bums' rush bill, perhaps we could grin and bear it. Boys will be boys. The more depressing fraud lies in the solemn contention that Mr. Carter's plan truly would revitalize our apathetic record of participatory democracy.

The contention is nonsense. Is 50 head of indifferent and ignorant prospects are press-ganged into a union bus at 5 o'clock of a Tuesday afternoon, what meaning may be attached to an "increased level of participation"? I perceive no meaning at all. It is pure sham, an empty genuflection to a phony King Numbers.

Put the moral issues to one side. That is where the House of Representatives usually puts them anyhow. Surely some weight should be attached to a warning memorandum from the Department of Justice: "The experience of the Criminal Division in enforcing the federal election laws indicates that there is a tremendous potential for fraud in H.R. 5400."

Of course that potential exists, and it will not be removed by the bristling paper penalties that are being added to the bill.

John Hanly, chairman of the Cook County (Chicago) Board of Election Commissioners, says bluntly that the bill would lead to "graveyard voting, tombstone voting, voting the family dog."

And the problem is that by the time the perpetrators of such fraud had been detected, investigated, arrested, indicted, prosecuted, and finally convicted, the election returns would long since have been certified.

Wisconsin is among the handful of states that have begun to experiment with election day registration. For some first-hand evidence of how the system works, wavering congressmen might consult the letters column of the Milwaukee Journal of last Nov. 22.

One poll worker reported: "We had a great number of people wanting to register to vote who were not even in our aldermanic district—who had come from miles away . . ." Said another: "What I witnessed at the polls on Nov. 2 was the most discouraging and disgusting farce I have ever seen. The people registering on site to vote . . . were unbelievable. In my opinion many were not qualified to vote since they could not supply pertinent information or comprehend enough to pull the handle by themselves. They were brought by carloads and many had written notes with orders to look for that name on the ballot."

Whatever ails the American political process, it is not a problem of registration. Except in a few rural areas, registration requires no more than a minimal effort on the voter's part.

In most jurisdictions, the books are open until 30 days before election day. Some such period is imperative if reasonable safeguards are to be maintained. The apparent problem is that legions of voters who are already registered seldom bother to vote. Nothing in Mr. Carter's bill will cure that malaise.

Honest elections lie at the very foundation of a free society. The bums' rush bill is fundamentally dishonest, in half a dozen different ways. It ought to be junked.

OUR NATION'S WELFARE SYSTEM IS IMMORAL IN ITS TREATMENT OF THOSE IN GENUINE NEED

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. KEMP. Mr. Speaker, in a statement in March before the Secretary of Health, Education, and Welfare's public hearing on welfare reform, I offered this observation:

There must be a redirection in the intent of the system.

Welfare assistance ought to be directed at the improvement of the status of an economically disadvantaged person, to the degree there is a reasonable likelihood the person will be permanently freed from any further reliance on public assistance. This is crucial, because when government takes from one person to give to another, it diminishes the incentive of the one from which it took, the independence of the one to whom it gave, and the moral autonomy of both.

There is a moral case here, and that moral case centers around the disadvantaged—the poor, the infirmed, the dependent—those without adequate food, clothing, shelter and medical care to share with most Americans the abundance of the twentieth century. Against the background of the "Roots" phenomenon sweeping the country, which I think could be one of the healthiest things to happen in this country in years if it makes people more aware of their heritages and traditions, there is no more propitious time than now to address this moral case.

Is there anything in America today that smacks more of servitude, dependence, and subjugation than a disadvantaged person's year-in and year-out dependence on public assistance? Can you imagine what it does to a person's attitude about himself or herself to realize how cruel this system is? Fearing tomorrow can never be better than today?

I consider it to be profoundly immoral—on the part of government, not those having to receive this assistance—for government to continue in place those policies which perpetuate this dependence, which keep these people on the border-line of poverty, and which fail miserably to tie such assistance together with a means of giving them the skills they need to be self-sustaining and independent from control by or subservience to central authority no matter what its form, skills with which to improve their living standard, the material base from which to exercse personal choice as to their own lives. I consider such a policy to be the epitome of arrogance too. I cannot see any reason in the world to continue such a policy.

Last week I read into the RECORD the first part of a thoughtful essay on what ought to constitute welfare reform. The proposals set forth in that essay address themselves to the moral question I have raised, and they stand in marked contrast to what the President has recommended to Congress. Authored by Donald J. Devine of the University of Maryland, the essay appeared in the current issue of Modern Age.

The second and concluding part of that essay follows:

WELFARE WITHOUT INJUSTICE

(By Donald J. Devine)

LOCAL GOVERNMENT WELFARE

There is an alternative to the national welfare state, which is closer to responsible control and to the individuality of personal problems, called local government. It is, in fact, how domestic governmental problems traditionally were handled in the United States before the rise of centralization first in the states in the late nineteenth century and then in the nation after the 1920's. Welfare state proponents will say that local government refused to accept its responsibilities to general welfare and this is what necessitated the welfare state in the first place. But actually power was taken away from local government by the Supreme Court in the late nineteenth century centralization. Consequently, state governments so restricted local powers that by the crises

of the 1930's they were limited in their ability to respond.

Under the pressure of centralization ideologies, the major cities grew so large that they no longer could be called local governments. By the 1960's, annexation movements generally were no longer successful although ones to consolidate local government powers under county governments became more successful. By the 1970's, the central cities had become so large and inefficient that they were ungovernable and even bankrupt. As a result of county centralization outside the cities there were no more municipalities, townships and towns in 1972 than there were in 1942 although suburban population multiplied many times during this period. So in both cities and suburbs, local government became less local and, therefore, less vital. As a result of this, many came to believe that local government itself could not solve modern social problems.

Except for unrealistic and irrational national planning, however, local government can perform any domestic government function that the national state can and, if there are many governments, it even can allow for much greater flexibility. Thus, congenial environment only seems meaningful locally, companionship is necessarily face-to-face and even safety is mostly local. Indeed, all of these can be enforced to some degree locally by pressure rather than by government coercion to keep the use of force at a minimum in society. Moreover, education is, even today, overwhelmingly local and until relatively recently so was health and welfare. Furthermore, all these functions seem to have been performed better before they were nationalized. Likewise, as all funds are raised in some local area, revenue is as available as it is to national government. Even if national agencies can collect taxes more efficiently this is more than offset by the benefit that local ones do not have access to the currency and its means to create inflation. There is some difficulty resulting from wealth being unequally distributed among communities but those with the greatest problems—especially the large cities like New York—have the most wealth and voluntary transfers (*e.g.* from foundations) are not out of the question.

Problems like these which go beyond local boundaries, moreover, seem regional rather than national and they can be dealt with by local governments without changing their nature. One way to deal with these problems is for the local governments concerned to create regional authorities and another is to enter into cooperative agreements. Today there are over 100 authorities which are active in about one-fourth of all metropolitan areas performing areawide services and environmental functions. Cooperative agreements between local governments, likewise, are very popular: *e.g.* a detailed study of the Philadelphia area in 1953 (generally confirmed by a less systematic one in 1960) found 427 local governments involved in 756 agreements; in the St. Louis area all municipalities of over 1000 population have been involved in 241 agreements; and in California there were approximately 3000 city-county agreements and 2000 inter-municipal agreements as of the early 1960's.

Pollution is one such problem which local governments are presumed not able to handle. Yet, most pollution seems local as its externalities become too mild to be of interest and too diffuse to solve beyond a very limited area. Additionally, the major problem with pollution is that no one wants the common property such as the air or water which is being polluted so that someone can sue to prevent the involuntary transfer. The solution, accordingly, would be to vest whatever ownership cannot be assigned to private individuals or groups to local government and then let uses of this now-owned property be charged-for like any other property use; or, if used without permission, to allow the local government to sue for trespass. For region-wide problems, regional authorities can be created by the communities concerned and these have been successful in solving these problems when they have been linked to rational costing policies.

Local governments especially can deal with life-style problems like pornography without improperly limiting freedom of expression. If local government is viewed as a quasi-voluntary association and, if there are a large number of these, a local community may exclude material found objectionable while still allowing other communities—or even "sin cities"—to choose what they will. As long as the face-to-face environment is preserved it is possible not to affront individuals and still to allow others to express their life-style in their own communities.

Yet, as the qualification requiring a large number of local governments being available suggests, many changes are necessary for local governments if they are to be considered free institutions like pure associations. Of first priority, then, is the creation of more of them. The major cities are simply too large to be called local governments and the same may be said of the metropolitan counties which have assumed virtually all municipal functions. It may not be the best plan to create fully autonomous local governments within either but to divide municipal functions between city or metropolitan county units on the one hand and local units on the other, or to create administrative sub-units within them based upon neighborhood constituencies. In any event, it will be better to experiment with several forms also including proprietary communities and, indeed, more use of fully private arrangements through voluntary covenants as is already done in Houston with such great success. The national government, of course, would be needed for national defense and might also provide disaster aid to state and local governments; and states would be needed to resolve conflicts between communities; but it seems that a variety of local governments could handle all other governmental functions and do so with maximum liberty and justice for all. Indeed, it may be possible to recreate the vitality and inventiveness Tocqueville found in American local government before their form ossified under the late nineteenth century centralization.

VOLUNTARY WELFARE

As beneficial as revitalized local government could be, however, a commitment to liberty and justice would probably lead one to prefer use of true associations. For the major difference between using associations and the state in providing welfare is that there may not be uncompensated-for injury in the former in the sense that resources and services are freely provided and benefits are freely accepted when the state does not use its coercion in social relations. As the agreements are freely undertaken neither party can claim injury unless there is fraud and any unintended consequences will be borne only by the two parties and not by third parties without the injured party having recourse to a damage claim against either or both of the original parties. Since both fraud and damage are claimable in a court of law, any injustice may be ameliorated—unlike injury committed by the state which can be excused as being in the public interest.

The association sector is fundamentally different from others as it is neither directed by the profit motive of the business sector nor the power motive of the government sector but is primarily energized by altruism—the desire to do good. Contrary to some opinion, moreover, it is a powerful motivation which has accomplished much for society; and it has been noted as characteristic of the United States; from the visit of Tocqueville in the 1830's when he noted that "Whenever at the head of some new undertaking you see the government in France, or a man of rank in England, in the United States you will be sure to find an association" to modern research which shows Americans more likely than other nationals to join associations.

Although the business sector became preeminent in the next century and national government in this one, today the voluntary non-profit sector remains vital. Now, there are about one million non-profit associations with 3 million employees as compared to 70,000 governments with 16 million employees and 12 million businesses with 67 million employees. But these data greatly underestimate the resources of the association sector as it, unlike the others, is to a great degree defined by its volunteers more than its employees. In this regard the polister, George Gallup, has found that 50 million Americans—or almost half of the adult population—have donated volunteer work at one time or another. And in 1974 $26 billion was contributed in funds by individuals to charitable purposes while another $29 billion was contributed in volunteer time. Indeed, in virtually every sphere of welfare activity non-profit associations have been active and even very successful.

Food and Clothing: There are 118 million church members in the United States almost all of whom contribute to charity in one way or another. Thus, 43 percent of all charitable contributions (or $11 billion in 1974 by one estimate) is contributed to religion—at least 20 percent of which goes to welfare outside the local church. Besides these monetary contributions, moreover, time and goods are contributed through such programs as "meals on wheels" programs of feeding the elderly which now operate in twenty-six states and the District of Columbia; and these programs may be worth more than monetary donations. But churches are by no means the only agencies involved in such programs as they range from a Missouri state-wide program to teach better nutrition, to "walks against hunger" held in many cities across the nation to raise funds for food, to a Long Beach, California breakfast program, to Contra Costa, California and Pontiac, Michigan programs to provide furniture and clothing to the needy. These, however, only touch the surface of what volunteers do for welfare throughout the country.

Shelter: In Indianapolis, Cleo Blackburn, a local businessman, set out to renew a Negro slum. First he persuaded banks to lend money for land and material. He coaxed a foundation to pay the minor cost of a technical center to instruct the men how to work. He organized the slum-dwellers into teams which proceeded to build houses. The banks were then convinced to take labor as a down payment—"sweat equity," Blackburn called it. As a result, they built hundreds of private houses, without any federal aid. In Detroit, the Reverend Nicholas Hood, beginning with no financial resources, built or rehabilitated 500 housing units which only charge between $50 and $135 per month for rent. Indeed, organized religious charities have been especially active in housing and the Catholic Church alone has built over 25,000 units in the past ten years. Other projects stress technical assistance as does the Rural Housing Alliance in Washington, Hope Inc. in Toledo, and "Leap" in Phoenix. In another case, over 1,000 engineering students have contributed time and skills in a number of renewal projects in the Rolla and St. Louis areas both for rural and inner city housing needs.

Safety: Over one million Americans serve in volunteer fire departments—more than five times the number who are paid for the same kind of work by the government. Today, more than half of the people in the

United States enjoy fire protection by men motivated by altruism; and these enjoy comparable insurance safety rates with government departments. There is also a growing number of voluntary auxiliary policemen (New York City alone has 4,000). Over 1,000 volunteers work in the courts to assist community-based rehabilitation programs such as the "Partners Project" in Denver where volunteers develop close relationships with juvenile delinquents in an effort to assist them. Visit campaigns to prisoners also have been organized as have numerous campaigns throughout the country to assist in rehabilitating drug addicts. More directly related to safety, volunteers under names such as Crime Check, Crime Alert, and Crime Stop have organized in a score of cities to educate citizens on how crime can be reduced and some have even set up voluntary neighborhood patrols.

Medical Care: Almost 7,000 non-profit hospitals operate in the United States to provide low cost care. Over 80 percent (perhaps 90 percent) of the population, in addition, is covered by hospital and surgical insurance—most of which is handled by non-profit associations—and this covers the substantial proportion of the total medical expense incurred in the United States.

In the area of research, the National Foundation for Infantile Paralysis conquered polio with peoples' dimes and the American Cancer Society, the American Heart Association, etc. continue this work as individuals and foundations contributed almost $4 billion to health charities in 1974; and some foundations also engage in direct activities such as the Sears Foundation which places doctors in rural areas by showing communities how to attract them. Moreover, incredibly large numbers of people volunteer to collect these funds—the National Health Council alone having 8,700,000 in a recent census. Finally, there are 1,146,780 auxiliaries and 745,924 volunteers (ninety percent women) who both perform administrative duties in hospitals and give comfort to patients.

Education: Twenty thousand private schools and 1,500 private colleges (both overwhelmingly non-profit) educate over 5 million children spending over $16 billion. Millions more children and adults receive non-profit supplementary education—primarily through the churches but also through educational societies. Moreover, character building and recreational groups like Boy and Girl Scouts, Boys Clubs, YMCA, YWCA, CYO, etc. train millions more. In addition, government-run schools must rely upon 200,000 volunteers who give tutoring, library and other educational assistance which the government cannot handle. For higher education, United Student Aid Funds lent almost $50 million to thousands of college students not repayable until they graduated—up to the time it was forced out of business by the national government. At all levels, almost $4 billion was contributed beyond this as purely voluntary donations in 1974.

Employment: On Long Island, an independent organization led by a paraplegic, Henry Viscardi, has helped hundreds of handicapped people become self-suporting. Dr. Thomas W. Matthews has started the National Economic Growth and Reconstruction Organization (NEGRO) which is described as a national self-help program for blacks. It is a non-profit organization which has started a 160 bed hospital and has placed 50,000 "hard-core" unemployed in jobs. The foundation now also owns the entire bus system in the Watts area of Los Angeles, construction firms, industrial factories and more than 600 housing units.

This private association started virtually from nothing and now has over 3 million dollars in assets—and is helping people assume productive places in society—by selling bonds for as low as 25 cents! Likewise, Opportunities Industrialization Center in Philadelphia has trained and found jobs for more than 4,000 unskilled men and women—an 80 percent graduation rate. Its founder, Rev. Leon H. Sullivan, decided that not only skills but attitudes must be changed and his record (much better than government programs) shows what an individual can do. Moreover, "job bank" computer programs which match available employees with available jobs have been successfully implemented by non-profit groups in several metropolitan areas.

Companionship: There are also many programs which attempt to provide companionship for the lonely and neglected although most of this activity is carried out through individual neighborliness. There are, however, "share-a-trip" programs to provide friendship and open new vistas to disadvantaged children, Big Brothers movements, "offenders friends" for those in prison, and senior citizens visiting clubs, as well as the Retired Senior Volunteer Program where the elderly help the young (and incidentally, themselves). At the other end of the age scale, each year 85,000 homeless children are cared for by volunteers while they await adoption and one woman, Mrs. Gertrude Ramey, has aided 3,000 all by herself.

Examples could be given in many other areas. For foreign aid, religious groups have been sending missionaries with health and education skills for many years and over 40 million people have contributed $280 million to CARE while the total for all groups is estimated at a half billion dollars per year. And the American Red Cross has aided millions both domestically and internationally in every conceivable type of emergency. But examples could be multiplied endlessly and one book gives 100 other examples.

FREEING THE VOLUNTARY SECTOR

Even though the voluntary sector remains strong in the United States, it only works at a fraction of its potential. Accordingly, it has been ascertained that 61 million Americans say they would be willing to volunteer a total of 245 million hours a week—equal to the total working time of five of our largest industries (automobiles, food processing, clothing, railroads and department stores)—if effective opportunities were made available. Much of the voluntary sector, thus, still uses outmoded technology but it has the potential to represent a third of the value of the gross national product while today it represents only about 8 percent—only slightly less than does domestic national government.

In my opinion, however, the basic problem is not internal to the association sector but is imposed from outside. All voluntary activities, thus, are hampered by an incredible maze of government-imposed administrative requirements. In too many cases government simply has taken over successful voluntary sector activities and has suffocated them with bureaucracy. The greatest problem, however, is that the welfare state ideology views voluntary action as quaint and intrinsically weak; and, therefore, national leaders using media and political forums degrade this sector as perhaps of marginal importance but certainly not viable like the national government. Yet, this third sector already spends a great deal when compared to government and it seems less subject to manipulation than is government. Thus, local leaders have developed most of the new voluntary sector programs noted above, while national elites have not recently duplicated national voluntary efforts in the past like the Red Cross, scouting, Better Business Bureaus, mutual insurance companies, cooperatives, humane societies, educational institutions, hospitals, etc. most of which were founded before the welfare state ideology became predominant in this century.

Indeed, the ideology itself is destructive because it gives the individual a rationalization why he should not be personally involved in the solution of the real problems which affect society. One, thus, can say that these problems are the responsibility of some amorphous and distant national government and, consequently, not of any concern to him. Of equally great importance, through taxation, confiscation and inflation the welfare state takes substantial funds away from individuals which they could otherwise spend on private welfare activities. And when taxes alone take over one-third of income it is amazing that people now contribute as much as they do and that the voluntary sector is as vital as it has been.

What if people were allowed to deduct 100 percent of new contributions they make to welfare activities up to the degree of national or state government involvement in welfare broadly defined? That is, on the average, if national government spent 40 percent of its budget on foreign policy and 60 percent on domestic policy, individuals could be allowed to deduct up to 60 percent of what they pay as taxes to the national government for what they have contributed to associations or individuals for altruistic purposes.

The great hostility I have found to this proposal among advocates of the welfare state, makes me question whether the issue of the welfare state is an inadequacy of funds or will on the part of associations but to believe that the true issue is one of power. The fundamental issue of welfare policy, then, does not seem to be whether the needy are to be aided but how they are to be aided. The supporter of the welfare state insists that there is one right way to organize welfare to provide for justice, that it is the duty of government to find that single way, and that once it is found it is the function and moral responsibility of the state to follow that path—using coercion where it is necessary to achieve justice as defined by those with political power.

The present review suggests, however, that this approach to welfare produces great injustices and that free associations are much less prone to lead toward such harm. It also suggests that groups and local governments are at least as capable of providing solutions for the welfare problems which face society and which must be attended to (although not necessarily solved given an intractible world) if a society is to consider itself humane. Consequently, as long as a society has a commitment to altruism, the voluntary approach allows problems to be solved without injury and with a diversity and freedom which is sensitive to the uniqueness, complexity and dignity of personal individuality.

THE FDA AND LAETRILE

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. SYMMS. Mr. Speaker, recently the Food and Drug Administration was forced to hold hearings on laetrile by Judge Luther Bohanon of Oklahoma. Judge Bohanon found what a lot of people suspected, namely, that the FDA had never really bothered to get together a body of scientific evidence to back its contention that laetrile is not effective in the battle against cancer. Congressman LARRY MCDONALD of Georgia was unable to present oral testimony at these hearings but did file a very cogent and appropriate statement with FDA which I

feel states the case for laetrile in a very straightforward manner. In this statement he develops the case that while laetrile is not the be all and end all, it certainly has a better record than the so-called orthodox treatments, which the FDA feels the proponents of laetrile are diverting cancer patients from. I commend his statement to the attention of my colleagues:

STATEMENT OF THE HONORABLE LAWRENCE P. MCDONALD, A REPRESENTATIVE FROM GEORGIA

My name is Lawrence (Larry) Patton McDonald, and I currently serve as a member of the United States House of Representatives representing the 7th Congressional District of Georgia. Active legislative responsibilities including recorded votes prevent my testifying in person.

MEDICAL BACKGROUND

After finishing pre-medical training at Davidson College (Davidson, North Carolina), I entered Emory University School of Medicine (Atlanta, Georgia) at the age of eighteen. After graduating with a Doctor of Medicine degree in 1957, I served a year at the National Naval Medical Center (Bethesda, Maryland) in a rotating internship. For the next three years I served as a physician in the United States Navy, serving the majority of those years as Flight Surgeon to U.S. forces in the north Atlantic and was stationed in Keflavik, Iceland. For duties performed in Iceland, I received the Air Force Commendation Medal.

In 1961 I began a two year residency in general surgery at Grady Memorial Hospital in Atlanta, Georgia. In 1963 I entered into a three year residence program in urology at the University Hospital of the University of Michigan (Ann Arbor, Michigan). Since 1966 I have been a junior member of the McDonald Urology Clinic in Atlanta, Georgia. In 1969, I was appointed by Governor Maddox to a three and half year term as a member of the State Medical Education Board; most of that term was served during Governor Carter's administration.

During the period of my active medical practice, I have been a member of the following societies and associations: Southeastern Section of the American Urological Association, Medical Association of Georgia, Fulton County Medical Society, Georgia Urological Association, Atlanta Urological Society; the Reed Nesbit Society, American Society of Clinical Urologist; and the Association of American Physicians and Surgeons. In about 1969, I voluntary terminated my membership in the American Medical Association.

POLITICAL BACKGROUND

In 1974 I was elected to serve as representative in the upcoming 94th Congress. In 1976 I was re-elected and currently serve in the 95th Congress and serve on the Armed Services Committee.

BACKGROUND

Approximately seven years ago I first heard of the metabolic approach and concept in the treatment of those patients with cancer. The metabolic approach includes the use of dietary changes, trace elements, and vitamin supplements. The metabolic therapeutic regimen includes the active use of amygdalin/Laetrile.

Amygdalin is a nontoxic food and has been isolated as a separate compound over 100 years ago, long before the Food and Drug Administration (FDA) was ever conceived. Of special interest, amygdalin has been used in patients with cancer in the 19th Century, again long before the FDA.

Cancer has been viewed by the orthodox medical community as an alien or foreign cell to the normal life cycle. The treatment therefore has been aimed at destroying the intruder by cutting it out (surgery), burning it to death (radiation) or poisoning it to death (chemotherapy) Continued research, however, is causing concern over the initial premise. Today there is growing appreciation that factors such as diet and immune status may play major roles.

Those expressing interest in a metabolic approach view the lump or hump of cancer not as a disease entity but rather the local manifestation of a total body change or disease state. Therapy under this view is directed towards the total system and not toward the lump or hump unless it is obstructing. Medical research findings worldwide continue to give support to this second view (metabolic approach).

All agree that amygdalin/Laetrile is widely found in nature and is nontoxic. All agree that the orthodox approaches to cancer therapy do in themselves carry risks; all radiation is dangerous on a relative basis as compared to no radiation and all chemotherapeutic agents in vogue are toxic.

PERSONAL EXPERIENCE

Upon first hearing about amygdalin/Laetrile and the above mentioned view of malignancy, I naturally thought it nonsense at best and at worst dangerous quackery. Gradually, I looked further into this subject and began to realize that the subject had merit. After reviewing cases, I continued to be impressed.

Beginning in 1972, I started treating and advising patients on a metabolic regimen. This program includes the use of large amounts of amygdalin/Laetrile. At no time has anyone connected with this treatment concept promoted the idea of amygdalin/Laetrile being a *cure for cancer* anymore than proper diet and insulin are cures for diabetes. Instead, and going back to the initial concepts, this metabolic approach is viewed as a control of the total disease state.

Unfortunately orthodox medicine is locked in concrete in its three treatment routes. The standard medical approaches continue deeper and with increased vigor into the blind alleys of more surgery, more powerful radiation, more exotic and toxic chemotherapy. This steadfast attitude, perhaps laudable in some other circumstances, has created the counter charge of vested interests. Ultimately the more orthodox medicine and the federal authorities, principally F.D.A., remain adamant, the worse the image and case becomes to the general public. This is certainly the case with amygdalin/Laetrile.

After treating almost two hundred cases, I would like to report the following observations:

(1) Most patients had proven cancer and had had surgery and radiation and/or chemotherapy. Most cases would have been hopeless by routine medical standards.

(2) Perhaps 30–35 percent received minimal to no benefit from the program.

(3) Approximately 40–45 percent received notable benefit from the program such as improved appetite, improved interest in life, weight gain, lessening or cessation of pain. This category ultimately died but were individually pleased with their improvements.

(4) About 20 percent were in the category of marked improvement. In some cases this has been miraculous with these same patients doing very well today.

SUMMATION

Anyone may logically wonder why this information has not been put into a proper investigative format and presented to various medical bodies. The answer is very simple. With the powerful alliance of the media (especially in Atlanta, Georgia, and certain other cities), the federal agencies and orthodox medical groups, anyone attempting to present such could and would be destroyed with orchestrated cries of "Quackery." There is ample evidence to document this beyond any question.

Too, some may wonder why more have not clinically tested amygdalin/Laetrile under more controlled circumstances.

I know of at least two instances in the Atlanta area where such applications to do just that were summarily rejected.

All of us, members of the medical profession as well as members of the lay public, should hasten to remember that virtually every major advance in medicine down through the ages was hooted as quackery by the established elite at the time. We can quickly point to Jenner, Pasteur, Harvy, Semmelweis, and Fleming as examples. Unless some can honestly claim Divine guidance, spokesmen for orthodox medical views should move with extreme caution in this area judging from past track records.

Legally the F.D.A. is trying to control a food that was noted and isolated before the F.D.A. was even founded. If this is reasonable, white sugar may be next and that would be a good idea from a health standpoint but would continue the same legal defect.

Further and from a legal view the Supreme Court in the abortion decision of *Wade* vs. *Roe* ruled that a woman has the right to do with her own body that which she wishes. While I personally disagree with the *Wade* vs. *Roe* decision on other grounds, that point is in conflict with the F.D.A. opinion that free men and women with or without cancer cannot take a nontoxic substance if they so choose. In the case of cancer patients this has usually been done under a physician's guidance.

Lastly, let's be honest about this whole subject, the cancer cure figures are not good. The improvements over the past thirty years are principally due to improved anesthetics, antibiotics, and blood transfusions. The three treatment measures of the orthodox approach can hardly take credit.

From a legal position, a historical position, a medical position, and an ethical position, the F.D.A. stance is untenable. From my own experience amygdalin/Laetrile should be removed from any federally imposed cloud. As a physician I believe it has great merit and certainly no harm.

As a member of Congress and physician, I urge this hearing to give a positive finding for freedom of choice and against the ridiculous position of F.D.A. on this matter.

HAZEL HENDERSON AND BARBARA MARX HUBBARD TO EXCHANGE VIEWS ABOUT THE FUTURE

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. PICKLE. Mr. Speaker, on the evening of June 8, 1977, the sixth "Dialog on America's Future" will be presented by the Congressional Clearinghouse on the Future. We are fortunate to have as our speakers at that meeting two prominent thinkers and organizers concerned about our future: Barbara Marx Hubbard and Hazel Henderson.

The exchange of views between Hazel Henderson—writer, speaker, and codirector of the Princeton Center for Alternative Futures—and Barbara Marx Hubbard—author, cofounder of the Committee for the Future, and an innovator of the SYNCON process—promises to be informative and stimulating. To better acquaint my colleagues with these two individuals and their ideas, I am inserting in today's RECORD excerpts from an in-

terview with Hazel Henderson published in the Future magazine, and portions of an article written by Barbara Marx Hubbard for the Fall 1976.

I urge all of my colleagues to participate in the June 8 meeting with these two creative and articulate women. This does not mean all members are endorsing all these thoughts and ideas. Indeed there may be some sharp difference of opinons, but these views are stimulating and challenging, and I invite the Members' attention to the articles:

CONVERSATION ABOUT THE FUTURE

(By Hazel Henderson)

Q. Your talk before the Second General Assembly of the World Future Society last year considerably affected those who heard it. You used these words to conclude your remarks: "We are now learning that self interest is identical with group interest and species interest. We should do what we can, to work wherever we are, to seek out others and continue on the path to expanded awareness and the cultural mutation that now must come." Could you expand on this? What kind of future do you see emerging?

A. We have reached an evolutionary culde-sac. The development of instrumental rationality based on materialism and technology has reached an impasse. We are going to find ourselves running into more and more crises until we realize that the only possible path now is to switch into another dimension. Instead of trying all sorts of ways to re-tool the world we should start trying to re-tool ourselves.

Q. What is possible?

A. It seems to me that there is going to be no peace on this planet until we begin to form networks. We need to link our minds together and try to expand our consciousness so that we finally understand the consequences of our individual actions.

Q. Aren't we doing this already?

A. Not with fractionated consciousness. We have pretended to be thinking atoms. We have pretended to be isolated from each other. We have built walls and barriers. I think that continuing in this fashion would be wrong.

Q. Why do you say that? It can be argued, after all, that many successful institutions are based on the assumption that people need to be free and independent agents.

A. Such an attitude may have been workable in the past. People once lived in relatively small communities that were not globally interdependent the way our technological societies are now. People used to get instant feedback to their actions and this provided an external control mechanism. If I punched you in the nose you would immediately punch me back. What's happened in recent years is that our individual actions are amplified in power and scope by the technological toys we've created. And we can no longer get feedback from those actions in time.

Q. Which means?

A. Feedback is displaced in space and extended—stretched out—over time. What I do today may not have consequences until tomorrow or next year. Or it may have effects one minute from now, but in Korea or Germany.

Q. Is there a solution to the problem?

A. We should be able to regain the lost feedback control mechanism to our behavior if we can expand our awareness and join with other beings all over this planet who also have this kind of new awareness. Also that we can use our imagination and intuition to genuinely empathize with others if we cause them pain. We should allow ourselves to use processes of the right brain and humanistic reasoning so that we can mend those long chains of causality of our own actions that have become broken because of our fractionated linear consciousness. Unfortunately, we seldom know what it is that we cause in the world.

Q. But what about the "problem solving" approach?

A. We need to abandon it. The world isn't a big grab bag of problems. We don't know what the solutions we try to dream up actually do until, usually, they become problems themselves. Like the classic case of the taxi company that raised its rates because its revenues were declining only to find that the added cost was more than customers were willing to pay. Hence even more money was lost. We are constantly creating new changes that create chains of causality that we don't understand. We need to get into "another dimension" in order to re-integrate our perception so that we get instant feedback.

WOMEN IN THE FUTURES MOVEMENT

Q. Will women redress the imbalances with the World Future Society? What new role do you see for women in the futures movement?

A. Women should make sure that the futures movement and the World Future Society doesn't remain a linear extension of masculine rationality. Inducting more and more women into the futures movement will make sure that it becomes balanced; currently male modes of thinking dominate futures like they dominate much else in the world. Men have manipulated the future for a long time; these days they are also manipulating the futures movement as well, which must stop. We need the kind of individual thinking that enhances self-actualization, greater awareness and integration. Yet it should be balanced against the more instrumental type of quantitative rationality. At the moment, however, thinking with numbers and abstractions threatens to turn the futures movement into something which is almost past-oriented. Statistical thinking is currently used to prop up "macho consciousness" in the futures movement.

SCIENCE AND VALUES

Q. You make a strong case for bringing science policy under more public scrutiny.

A. I do because almost all technological decisions are made by default even though they are extremely important. They almost inadvertently create new distributions of power, new configurations of population, and different preferences for consumer products. They create new jobs while destroying old jobs. All of this largely outside of the conscious political process. This is becoming dangerous.

Q. Do you see value change as being politically important?

A. Value change is the only ball game in town. But you don't come at it head on. You should present people with existential questions at whose core we find values issues. People should be able to see very quickly that their "problems" require them to peel back the outer layers of the social "onion." What is inside has to do with consciousness and values even if, on the outside, it looks like bonds, automobiles or fertilizer.

Q. Then value questions are behind the issues of social control of science and technology.

A. Yes. We are immediately confronted with value questions.

NEW VALUES FOR THE FUTURE

(By Barbara Marx Hubbard)

Before I discuss new values, I would like to give you the background out of which my value system springs. *I believe that values are inherent in the formative processes of creation.* As our guide to new values we have to consider the longest range past which the human mind is capable of seeing, to try to comprehend how the patterns of nature have worked. Only then can we understand the value systems which may be emerging in our age. I believe we are not only makers of values, but discoverers of values inherent in the entire evolutionary process.

Imagine that you can see the billions and billions of galaxies in the universe. Now try to focus upon our own galaxy. Narrow your vision to a local situation—planet Earth and our solar system. Now go back in time to the beginning of the universe. Visualize a rapid film sequence, a movie of creation, a "photogenesis" in three-dimensional light. Remember those Disney films of a plant growing from the bulb through the green shoots, then the sudden surprising appearance of the tulip flower. Think of our planet as a plant. Try to imagine the creation and development of humankind as a continual process of which we are integral parts, having been created by it, and now beginning to participate in the creation of it.

To help us see the pattern of our own past I will draw a crude evolutionary spiral. We'll start 10 to 15 billion years ago with the creation of the material universe; followed by the creation of earth 5 to 6 billion years ago, then single-celled life 3.5 billion years ago, then multi-cellular or animal life several hundred million years ago, followed by the emergence of humanity in the recent past. Now, I believe, we are living through a new phase, a natural discontinuity, an evolutionary quantum leap in the spiral as radically new as was human consciousness out of animal consciousness, or animal life out of single cells . . . a stage yet nameless—but increasingly *felt* by evolutionary sensitives.

At each of these nodal points of transformation, certain basic design innovations occurred which reveal a remarkable consistency. As Teilhard de Chardin and others have observed, the pattern of transformation is the formation of new whole systems through the synthesis of apparently disparate parts. Each new whole manifests higher degrees of organization, complexity, consciousness, freedom, purposefulness, ability, etc.

"CONSCIOUS EVOLUTION"

Now, I submit, our generation is being swept through another nodal point in the evolutionary spiral. Humanity has spread, dominated, become complex, recognized the end to exponential growth, the need to conserve and coordinate itself . . . and glimmering at the horizon we sense an emerging future of universal dimensions . . . if we can make it through this dangerous transition phase.

Once again, we have come to a limit—like those first cells. It is no longer feasible to accelerate exploitative growth, to pollute, to utilize non-renewable resources, to permit one portion of our social body to absorb energy at the expense of another part. We must evolve toward a higher form of coordination and consciousness, or devolve. Some designing patterning power of sublime intelligence and billions of years of experience is prodding us, nudging us to change.

What design invention must we create comparable to the synthesis of organic compounds, the genetic code, photosynthesis and culture? I suggest it will be "conscious evolution"—the capacity to understand the evolutionary process and work consciously with it to further the natural growth of the human species. I believe a key tool will be understanding synergy—how whole systems work to the benefit of all members of the body and create thereby an entity which is greater than and different from the sum of its parts.

This thought leads me to believe we are on the threshold of a spiritual breakthrough. What has been called "futurism" is the thin membrane separating us from a new consciousness which will "know" how the evolutionary process works so that we can work with it, much as we have learned to work with our own bodies as we gained understanding of their *modus operandi*. This knowing will combine the intuitive, the rational/empirical and the super-intuitive or evolutionary.

The new values will emerge as we learn how the evolutionary process works.

Already we sense an attractive reward sys-

tem beckoning us, one which *rewards us through the feeling of self-actualization*, as we learn to do that which will make this planet whole, that which will make us as individuals whole, that which will make our communities whole.

BEYOND A PLANETARY SOCIETY

As we enlarge our "inner space", becoming an interfeeling, intercommunicating global society, there is no question in my mind that we will also be exploring and developing physical outer space.

I was listening this afternoon to a description of the space colonization concept of Prof. Gerard O'Neil of Princeton. He has indicated that space is a natural growth medium for the next phase of industrial society. Its lack of a biosphere, its 24 hour a day free solar energy, its vast stores of materials on the moon and in the asteroids, its free vacuum, its weightlessness, are all vital attributes for industrialization. Within our life-time, it will be possible to establish habitats in space, and obtain inexpensive solar energy from space. In the universal environment the net costs decrease once the base of operations is established. Not only will much of the polluting manufacturing be removed from Earth into space, which has no atmosphere, but also people will have the freedom to choose from many worlds and lifestyles. Diversity will flower as well as synergy.

MAINSTREAM, INC.

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. EDGAR. Mr. Speaker, on Saturday, May 7, I sponsored a handicapped employment workshop in my district, Delaware County, Pa. My idea was to bring together handicapped individuals and representatives of the major businesses in my area so that they could sensitize each other to their particular difficulties. I was gratified by the warm and enthusiastic response I and my special guests received for this effort to identify special areas of concerns for both groups.

One of our speakers on this occasion was Brenda Jamison of Mainstream, Inc., a unique organization dedicated to helping handicapped people into the mainstream of American society. Mainstream is establishing an invaluable service to help employers to find sources of qualified handicapped individuals. Called HIRE—handicapped information resource for employment—this service provides a necessary link between the law and its implementation.

I am placing this speech in the RECORD so that my colleagues may become aware of this fine organization:

SPEECH BY BRENDA JAMISON

According to somewhat conservative figures, approximately one in eleven Americans of working age, are considered to be handicapped. Many jobs are unavailable to them, not because they can't perform them efficiently, but because offices and work areas are unaccessible, because personnel officers are unaware of possible accommodations, and often, because the attitudinal barriers that disabled people come up against are simply too great.

"What counts is my ability, not my disability."—An obvious statement perhaps, but one echoed in frustration by thousands of these handicapped individuals for whom job-hunting has in the past, been an exercise in rejection.

The passing of the Rehabilitation Act of 1973 was heralded as a landmark in handicapped legislation. Section 501 requires federal government departments to develop affirmative action programs for hiring the handicapped. Section 503 requires the same from businesses receiving over $2,500 annually in federal contracts. Yet, it is not enough simply to state the law in theory. President Carter has pledged to enforce the laws that he, himself, has admitted "mean very little until an administration in full accord with their spirit stands behind the law."

Mainstream, Inc. was founded in 1975 to assist corporations in complying with this law. We have found that many businesses are interested in hiring the handicapped, but lack the nuts and bolts information to do so.

Hiring the handicapped poses problems to business that the hiring of other minorities does not. These problems are by no means insurmountable. Section 503 of the Rehabilitation Act requires that Federal contractors make their buildings accessible, that they carry out job modifications to assist the handicapped worker, prepare themselves and their staff to interview and work with handicapped persons, and that they carry out outreach activities to locate qualified handicapped applicants. Mainstream, Inc. was founded to combat these problems.

What exactly does the law require? With regard to accessibility, the regulations pertaining to Section 503 of the Rehabilitation Act state that Federal contractors must, "make a reasonable accommodation to the physical and mental limitations of an employee or applicant". It is implicit within these regulations that "reasonable accommodation" means architectural accessibility.

Mainstream specializes in, among other things, helping employers comply with the law in creating an accessible environment for handicapped workers. A recent report issued by Mainstream's consultants showed that despite previous beliefs, the cost of accessibility for handicapped workers can average as little as 1¢ per square foot. Or, in other words, accessibility can cost less than the 13¢ per square foot that many facilities spend per year on cleaning and polishing their vinyl floor.

The methodology leading to these promising figures is unique. The many staggering figures often quoted before have been the result of surveys attempting to remove every architectural barrier in all areas of a facility. Mainstream believes that a complete analysis of a particular work place is essential because many architectural barriers may have nothing to do with accessibility. A good example was found in one firm, where four production lines were in operation. Because of the terrain, only one of the production lines was readily accessible. The jobs on all four lines were identical, and it was decided, therefore, that placing those workers requiring greater accessibility on one line and leaving the others as they were would make the job space accessible, while at the same time avoiding an almost prohibitive cost in making all lines accessible. This kind of reasoning has been hailed as good news by many businesses who were afraid of the cost of accessibility, for after all who ever heard of a firm that could not afford to clean and polish its vinyl floors!

But, the problems posed to business are not solely those of accessibility. A unique feature of the Rehabilitation Act is the requirement of Outreach. The law states that contractors "shall undertake appropriate outreach and positive recruitment activities. The contractor shall take positive steps to attract "qualified" handicapped individuals not currently in the workforce, who have requisite skills and can be recruited through affirmative action measures."

What this means is that it is no longer sufficient for federal contractors simply to make a head count of handicapped employees. It is now required that they search out and find such employees and publicize current and future job-openings in areas where handicapped individuals are likely to be located. This is a large area of concern for personnel officers not formerly practiced in this field.

In answer to this problem, Mainstream, Inc. has developed "Outreach Assistance" programs. Mainstream's staff goes out into the field to identify sources of handicapped employment and helps management to evaluate rehabilitation employment training facilities, in both the public and private sectors. What is particularly constructive is that, once in motion, an employment plan based on this type of assistance can relate future job-openings to the relevant training facilities, and a handicapped individual can be trained to take on the job, the moment it becomes available.

We have found that it is quite often extremely difficult to find qualified handicapped workers. It is not that they don't exist. On the contrary, there are a great number of fully qualified handicapped individuals throughout the country. It is simply a matter that firms do not know where to look for them and handicapped people have not traditionally come knocking at the door looking for jobs. We are attempting to solve this with Project HIRE.

HIRE (Handicapped Information Resource for Employment) is being established by Mainstream, Inc., in cooperation with Information Science Incorporated (InSci). Its purpose is to act as a computerized information bank, supplying employers with a direction for their affirmative action programs. Employers using HIRE will be directed to the non-profit agencies most likely to meet their positive recruitment needs.

The computer will not contain specific names of individuals, rather, the names of relevant colleges, rehabilitation agencies, etc., where handicapped individuals can be located for either training or immediate employment. HIRE will also feature advisory services to aid employers in the various facets of integrating the handicapped into their workforce.

We have great hopes for HIRE, and feel that it will be a constructive tool in assisting the mainstreaming of the handicapped into regular working life.

But, again, it is not simply enough to know who to hire and where to find them. What reaction can you expect when you say, "Step into my office" to a paraplegic? Or, "Don't have a fit" to an epileptic? This is the kind of question which many personnel officers are afraid to ask. The result can be a disastrous and embarrassing interview, for both sides. The regulations recognize this. "A strong Outreach program," they state, "will be ineffective without internal support from supervisory and management personnel and other employees who may have had limited contact with handicapped persons in the past." It requires that contractors "schedule special meetings with all employees to discuss policy and explain individual employee responsibilities." In other words, the law is designed to deal with the subtler forms of discrimination. Employers have a responsibility, not only to the law and the handicapped worker, but to themselves and their nonhandicapped staff as well, to provide some form of educational practice to learn about the handicapped.

Mainstream, Inc.'s answer is the human relations seminar. These take the form of small group meetings in which attendees are offered practical information about handicapped people and how to deal with them on a day to day basis. We try to answer the question, "What is expected of me?" Recent interviews carried out by Mainstream as part of this package, show that most businesses are very open to the idea of hiring the handicapped, but often shy away simply be-

cause of lack of education in the field. In fact, the Department of Labor reports that 70 percent of complaints made under Section 503 have stemmed from the interview process. Mainstream offers interview technique training to personnel officers likely to be dealing with what might otherwise be an uncertain situation. A study carried out by psychologists showed an interesting occurance. Personnel officers were found to be very pleasant and willing in correspondence and on the phone, but when it came to dealing with handicapped individuals in a one to one situation when the interview arose, the officers were found to be extremely tense and nervous. This manifested itself as unwillingness and resulted in a bad interview.

You may be interested in taking down our "Call for Compliance—Hotline" number. We set up this free service about a year ago in order to assist the corporate body in complying with the law. All calls are confidential and usually cover a wide range of questions. One example would be the general information request such as what do I have to do in terms of insurance coverage for handicapped employees. Another might be something more specific like "If I'm a contractor and rent office space from a non contractor—whose responsibility is it to make the office accessible. Please feel free to call if you ever have any questions. The number is, 202–833–1139. Incidentally, the answer to that question is that it is the contractor's responsibility.

Finally, once the handicapped individual is located and hired, it is not always a matter of them simply starting work. The fact that they are handicapped may mean that they require special accommodations for them to work at a particular job. The law ensures that contractors must make reasonable accommodation or adjustments to a particular job to make that job open to a particular handicapped person. This might mean a modification of a physical nature like a raised desk for a paraplegic. More often than not, however, it is a matter of adapting the job itself, such as removing the phone duties to allow a deaf secretary to fulfill their potential in all other areas of the job. Mainstream's consultants are well versed in job accommodations and believe that through personnel analysis and on-site job accommodation studies, corporate personnel people will be able to screen in abilities not screen out disabilities.

This is the way we at Mainstream feel that the corporate body can constructively go about mainstreaming the handicapped. I thank you for listening to what I have said and hope that it has been of some use to you. Mainstreaming the handicapped into everyday working life is not the dream that it was a few years ago—today it is a reality!

AUTOS AND ENERGY REFORM

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. FORD of Michigan. Mr. Speaker, I would like to bring to the attention of my colleagues a recent article appearing in the Washington Star by Leonard Woodcock, retiring president of the International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America, the UAW, entitled "Autos Can't Bear the Whole Burden of Energy Reform." I urge all my colleagues from both sides of the aisle to read this article which details the unfair burden which would be placed on the auto industry by President Carter's proposed energy policy.

The article follows:

AUTOS CAN'T BEAR THE WHOLE BURDEN OF ENERGY REFORM

(By Leonard Woodcock)

In the wake of the oil embargo of 1973–74 the American people and their elected officials belately began to recognize that we could no longer continue to waste vast amounts of energy. Energy waste harms the economy by diminishing productivity and promoting inflation. It heightens our dependence on imported oil, and it threatens—if left unchecked—to destroy the very essence of the American economy.

In that post-embargo period, much attention was focused on the automobile. Whether or not the 1974–75 symbolism of the auto as "gas guzzler" was overstated, it is plain that domestically produced autos were unnecessarily energy inefficient. The UAW understood that this failing could not be tolerated.

In March of 1975 I told the Congress, in part: "Legislative requirements for fuel efficiency should be established. An average of at least 20 mpg should be required for 1980 model production . . . A financial penalty might be used in the case of failure to achieve the required fuel efficiency targets."

That year the Congress did enact, in the Energy Policy and Conservation Act, mandatory fuel efficiency standards for autos, including financial penalties for manufacturers who failed to meet the act's requirements.

Very briefly, the law on the books for the past two years requires each auto manufacturer to achieve a fleet average of 18 mpg in 1978, 19 in 1979, and 20 in 1980. The Secretary of Transportation was to establish fleet average standards for 1981–84, and the law specifically requires a 27.5 mpg fleet average for each manufacturer in 1985.

The 1985 goal was set because it represents a 100 per cent gain in auto efficiency in a decade, a tough but attainable goal.

The statute also provides for a nontax deductible fine of $50 per auto for each mile per gallon by which a manufacturer fails to achieve the required standard. If all manufacturers missed the target—which they needn't—by one mile per gallon they would face total fines of $500 million, equal to a billion dollars in pre-tax profits.

I am not talking about some new scheme for improving auto efficiency. This is not some novel approach to deal with gas guzzlers. This is a two-year-old law, which begins to operate this fall, for the 1978 models.

It is in this context, with a clear understanding of the law enacted in 1975, that one must consider the automobile-related provisions of President Carter's energy programs.

First, the eighth of the energy plan's ten guiding principles states: "Government policies must be predictable and certain. Both consumers and producers need policies they can depend on so they can plan ahead." Yet the elaborate scheme of taxes on inefficient autos and rebates on efficient autos would change dramatically the rules set out by law two years ago for improving auto efficiency. The tax and rebate plan is not designed to expand on the admittedly tougher goals of the 1975 law. Instead, it presumes, before the fact, that the auto manufacturers will not meet the goals of the law and attempts to use an elaborate scheme of economic incentives and disincentives to insure compliance.

It is not only inappropriate to hold the industry guilty in advance of violating a law not yet in effect, but the available evidence suggests that the companies will indeed meet those goals. Moreover, the costly fine system of the 1975 law already contains severe economic incentives for compliance.

Certainly no one would suggest that imposing the new tax and rebate concept on top of the existing law constitutes "predictable and certain" government policies.

Why the emphasis on the so-called gas guzzler tax and rebate scheme if it seeks to do no more than a law on the books now? It is appropriate to ask. Why such prominence in the proposed energy plan? Why is the automobile the only consumer item for which such mandatory efficiency standards have been put into law?

The simple answer is that the auto is always in the eye and in the mind of the public. It is highly visible; its waste is seen at the corner service station.

Yet grossly inefficient electric generating plants offer greater potential for energy savings than automobiles, but few Americans know how those generating plants operate, much less how they waste. A national newsweekly recently reported that twice as much energy could be saved if all electric motors were only one per cent more efficient, than if all cars on the road got more than 20 mpg.

But to understand why the auto has been singled out for greater attention than other energy wasters is not the same as achieving equality in energy savings. Transportation consumes 26 per cent of the energy used in the United States; autos one-half of that, or 13 per cent. If, in 1975, all energy users and not just autos had been mandated to achieve a 100 per cent gain in efficiency in a decade, we probably would not need to import a single barrel of oil in 1985.

In the same vein, consider the fact that one of the six national energy goals set out by the President in his message to Congress was to achieve a ten per cent reduction in gasoline consumption by 1985. Actually, the present law should lead to not a 10 but a 17 per cent reduction in passenger car gasoline consumption by 1985, even with a 20 per cent increase in new car registrations.

If the auto has been unfairly and incorrectly labeled as the primary source of our energy problem, that does not change the fact that the energy problem is real. The President has shown good judgment in placing the kind of emphasis he has on the energy problem, and the goals he set out for 1985 deserve the support of all Americans.

Because I agree with the President's assessment of the magnitude of the energy problem, and with his goals, it would be inappropriate not to consider the merits of the gas guzzler tax and rebate plan, despite the discussion above.

The rebate for efficient autos poses an intolerable dilemma. On one horn of that dilemma, we can treat imported cars the same as we treat cars produced in the U.S. This would mean subsidizing imports with a tax on U.S. products, effectively inviting increased foreign penetration of the U.S. market with the resulting negative consequences for the economy. Auto imports passed 200,000 in April, the highest import level in history. We invite economic havoc if we encourage even more imports.

The other horn of the dilemma is equally unsatisfactory. This involves placing some limitations on the numbers of imported cars that can be sold in the U.S. or in some other fashion, to be negotiated with our trading partners, to limit rebates on imported autos. This approach would violate the General Agreement on Tariffs and Trade (GATT) and run the real risk of retaliatory action. Precipitating an inflationary trade war to launch a rebate scheme of dubious merit does not make sense.

The tax on so-called gas guzzlers presents problems of a different nature. Most obviously, the gas guzzler tax tends to ignore present law with its fines for manufacturers who fail to achieve mandated fleet averages. Moreover, it is possible to encounter serious disagreements about just what is a gas guzzler.

Which is more of a gas guzzler, a nine-passenger station wagon that takes a large family on its only vacation each year but

gets only 17 mpg, or a two-door sedan that gets 19 mpg but is used by a lone commuter driving back and forth in rush hour traffic every day?

I am troubled by the obvious fact that taxing gas guzzlers effectively licenses those of means to waste energy.

It is for this reason that I suggest that we consider an outright ban on the production of extremely and unnecessarily inefficient autos which will ultimately be disappearing from the U.S. auto fleet anyhow. I fail to understand why we should produce a machine which deliberately wastes a finite resource simply because the rich can afford to buy it. Yet that is what a gas guzzler tax would do.

There is one other step that might be considered to deal with autos and the energy problem. The 1975 law described above sets tough but achievable goals. To increase the already high probability that the manufacturers will comply with the fleet average requirements, we could consider stiffening the fine already on the books, and making it progressively more severe.

Quite apart from the efficiency of autos, there is much that can be done to indirectly save energy now used by the driving public. We can finally build decent mass transit facilities to get commuters out of their single-passenger car. We can improve intercity rail service to reduce traffic on our interstate highway system. We can make carpooling the rule and not the exception. We can, in the longer term, bring one's job closer to one's home through land use planning and wise development policies.

We should do all this and much more, because our energy problem must be solved. We must remember, however, that the automobile is already under mandate of law to provide its part of the solution, and it cannot do the whole job alone.

FOOD PRICES IN THE 10TH CONGRESSIONAL DISTRICT

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. MIKVA. Mr. Speaker, the results a recent grocery survey conducted by members of my district staff show that while meat prices rose slightly from February to March, food prices in general registered a more substantial decrease.

The eight meat items in the meat-case category increased 0.7 percent from a total cost of $9.83 in February to $9.90 in March, but the 23 general grocery items in the market basket category dropped 1 percent from $20.99 to $20.77.

The decrease in the market basket total was the first decline so far this year as the price of the market basket had been increasing gradually throughout 1976 at a rate of 1 to 2 percent per month. Meat prices had fluctuated throughout 1976 and so far in 1977.

The price of sirloin steak, which had dropped each month since August 1976, jumped 15.2 percent from $1.38 per pound in February to $1.59 per pound in March, which was the largest increase recorded in the meat-case category this month.

The largest decline in the meat case was in round steak, which dropped 18.4 percent from $1.36 per pound in February to $1.11 per pound in March.

String beans had increased more than 60 percent in price during the previous 2 months, but dropped 13.6 percent from $1.03 a package in February to 89 cents a package in March. A 12-ounce can of frozen orange juice continued to rise in price, jumping 5.5 percent from 72 cents in February to 76 cents in March.

Of the five grocery chains surveyed, Kohl's registered the lowest average market basket total in March, at $20.43 and was also the only chain to record an increase in the market basket total from February to March, an increase of 0.05 percent from a total of $20.42 in February.

The other chains, market basket totals and percentages dropped since February are: Dominick's at $20.87, down 0.05 percent; Jewel at $21.03, down 0.9 percent; A. & P. at $20.47, down 2.2 percent; and Treasure Island at $20.67, down 2.8 percent.

My staff has been surveying prices at major supermarkets in the 10th District of Illinois since June 1974. The items included in the market basket and the meat case were selected from a list compiled by the U.S. Department of Agriculture as being particularly indicative of trends in food prices.

The March food survey was conducted with the help of the following high school interns who reside in the 10th Congressional District: Mark Alexander, Mary Anderson, Dina Ciccia, Abbe Cohen, Lynn Fitz-Hugh, Clair Ginger, Warren Kaufman, Carmella Kolman, Paul Luckcuck, Howard Packowitz Florence Rapp, Gail Rubin, Geri Smith, and Jane Weaver.

A table of the survey follows:

SURVEY RESULTS

[Change per store from Feb. 27, 1977, to Mar. 26, 1977]

Town and store	Market basket price	Percent change	Meat case price	Percent change
Evanston:				
Dominik's	$21.50	−2.4	$9.34	−2.8
Jewel	20.75	−2.5	9.60	−7.5
Park Ridge:				
Domnick's	20.56	−.6	9.18	−7.4
Jewel	21.43	+.4	10.30	+.2
Wilmett:				
Jewel	20.75	−2.3	10.10	−2.7
A. & P. (1101 Skokie)	20.15	−3.2	9.92	+1.0
A & P. (1108 Central)	20.67	−2.1	9.92	−1.0
Treasure Island	20.67	−2.8	10.08	−1.6
Lincolnwood: Kohl's	20.41	+.1	10.05	+5.7
Winnetka:				
A. & P.	20.96	−1.9	9.86	−.2
Jewel	20.89	−1.8	9.90	+5.7
Northbrook:				
Jewel	21.28	−.9	10.22	−1.4
A. & P.	20.16	−2.2	9.92	
Des Plaines:				
Dominick's	20.33	+.3	9.73	+7.3
Jewel	21.10	−.9	10.50	+5.3
A. & P.	20.37	−1.6	9.32	−5.1
Niles: Jewel	21.36	+3.0	10.30	+3.2
Morton Grove:				
Dominick's	20.99	+1.4	9.37	+4.0
Kohl's	20.45	−.05	10.65	+15.1
Glenview: Dominick's	21.52	+1.6	11.20	+19.0
Skokie:				
Dominick's	20.78	−.7	9.28	−1.4
Jewel	20.69	−2.0	9.13	−10.3
A. & P.	20.52	−2.3	9.92	−3.9
District average	20.77	−1.0	9.90	+.7
Chain averages:				
Dominick's	20.87	−.05	9.68	+3.0
Jewel	21.03	−.9	10.01	−1.0
A. & P.	20.47	−2.2	9.81	−1.5
Kohl's	20.43	+.05	10.35	+10.3
Treasure Island	20.67	−2.8	10.08	−1.6

THE BREAST CANCER DEMONSTRATION PROJECT AND WOMEN'S HEALTH

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. WAXMAN. Mr. Speaker, I was very dismayed to read a report in the Washington Post on Sunday, May 1, describing overuse of the diagnostic technique mammography in a federally sponsored program. I am submitting the article written by two outstanding investigative reporters, Daniel S. Greenberg and Judith E. Randal, to be printed in the RECORD.

I think there is a great deal we in Congress can learn from their investigation of the National Cancer Institute's breast cancer detection demonstration project, conceived by the American Cancer Society, and conducted at 27 medical centers throughout the United States. Congress has a responsibility to ascertain if the funds were spent wisely, since more than 80 percent of the total cost of at least $54.6 million was paid by the National Cancer Institute in Federal funds.

It would seem from the Greenberg and Randal article that the funds were not spent wisely. Mammography, a diagnostic technique involving X-ray of the breast, is not infallible. It can miss cancer detectable by a routine physical examination. Ironically mammography itself can cause breast cancer. No X-ray dose is so low that it can be considered absolutely safe.

In the breast cancer detection demonstration project, the minimum age for participation was set at 35, despite findings that the hazards of X-raying women under age 50 were not outweighed by the benefits of early detection. The lack of efficacy of mammography for women under 50 was mentioned at a planning meeting for the breast cancer detection demonstration project, but this warning was not heeded.

When I read this article in the Washington Post, it reminded me of our experience with the swine flu immunization program. An idea for preventive health care gained so much momentum that dissenting views simply were not adequately weighed.

What went wrong with the breast cancer detection project? Everything. Dissenting views were not listened to. No control group was used to show the real efficacy of mammography. The 27 screening centers did not follow standardized procedures. At least at the outset, the project was conducted without obtaining the informed consent of the participants. Many X-ray machines at the 27 centers emitted excessive radiation. Many screening centers did not keep adequate records, so we cannot do effective followup on the program's participants. Sometimes mammography failed to show a tumor; surgery was deferred, giving the cancer more time to spread.

The screening program was a mistake, and a dangerous one. There were 280,000 women who participated in the demon-

stration project, and many more, encouraged by a national public information campaign organized by the American Cancer Society, sought mammography in doctors' offices across the country. Many women have apparently been exposed to excess radiation.

Again I am reminded of the swine flu program. The Federal Government encouraged people to seek preventive medical assistance. The public's bewilderment, disillusionment, and anger are understandable—the medical treatment sought, immunization, had hazards they were not informed of.

The Cancer Control Advisory Committee at the National Cancer Institute recommended on May 3 that the Government stop the breast cancer detection demonstration project because the risks of mammography outweigh the diagnostic benefits.

The Federal Government enters such programs with good intentions—but in too much haste. Opposing views simply are not adequately evaluated. The public has not been adequately informed of possible risks. The credibility of Government certainly becomes an issue. I am concerned that if we face a new threat to public health in the future the public simply would not respond and participate in another Government health program.

We in Congress should be more sensitive to other issues raised by the failure of the mammography demonstration project. We should ask ourselves if women are fairly represented at the meetings that create projects such as this one. If women were equally represented in health planning, would mammographies still be conducted today on women under 50?

There is a striking absence of women in health policymaking. Women are not adequately represented in our medical schools, on our medical faculties, in organizations which formulate health policy, or in Government.

Women constitute a majority of our population. They are our major consumers of health care. They live an average of 8 years longer than men, and have a high stake in the quality and comprehensiveness of our health care system. Two-thirds of physicians' office visits are made by women patients, and three-fourths of the health care labor force is women. It is shocking that the United States, despite medical technology second to none, ranks ninth in female longevity. Lung cancer rates for women are spiraling upward at a rate that justifies our deepest concern.

Women have a right to expect equity in the membership of health policymaking organizations and Government agencies. As patients, they have a right to full disclosure about risks of treatment.

On April 3, HEW Secretary Joseph A. Califano, Jr., announced the formation of an advisory committee on national health insurance. Only 5 of the 29 members were women. Our Federal health policy must be more responsive to women's health needs. I doubt this will come about until women are equally represented on committees such as this one which fashion our health goals.

A recent article in the Los Angeles Times brought to my attention the formation of the Women and Health Roundtable to study the participation of women in health policymaking.

The Women and Health Roundtable is an umbrella organization with participating groups which include the National Council of Jewish Women, the American Society of Anesthesiologists, the Coalition for Children and Youth, the National Women's Political Caucus, and the Women's Equity Action League, among others. I applaud their efforts to improve the representation of women on the boards of approximately 200 health systems agencies established in 1974 to plan and assess regional health care services.

I urge the Congress to do a better job of addressing itself to the health care needs of women which have been neglected in the past. I include the Washington Post article on mammography in the RECORD to remind us that our vigilance in cancer prevention programs is essential to protect our people, and to protect the integrity of Federal programs intended to enhance the health and well-being of all Americans:

THE QUESTIONABLE BREAST X-RAY PROGRAM

(By Daniel S. Greenberg and Judith E. Randal)

(While 280,000 women have participated in the NCI-ACS breast cancer detection project, many more have been spurred by fear of the disease to be screened by mammography in doctors' offices and hospitals. There, unfortunately, the equipment may not be calibrated to deliver minimal radiation. Nor is there assurance that the technicians are properly supervised or even trained. Only New York, New Jersey and California require X-ray technicians to be licensed and no states require periodic reviews of competence.

(As a result, many women have probably been exposed to excessive radiation. For example, Dr. Alfred S. Ketcham, professor of surgery at the University of Miami, reported having seen an 18-year-old girl, who without having first had her breasts examined manually, had three sets of breast X-rays in a week. He also cited the case of a 32-year-old woman who had 27 mammograms within seven years.)

The National Cancer Institute provided funds for one of the greatest ventures in mass screening for disease—the Breast Cancer Detection Demonstration Project, conceived by the American Cancer Society and conducted at 27 medical centers throughout the country. More than 80 per cent of the total cost of at least $54.6 million was paid by NCI.

The program is worth looking at in detail, for it illustrates the tail-dog relationship that exists between the relatively small but powerful ACS and the timid but affluent giant that is supposed to be in charge of the government's campaign against cancer, the National Cancer Institute.

For both health and aesthetic reasons, breast cancer is a fearsome disease of women. Currently, some 90,000 new cases are diagnosed each year; the disease now causes some 33,000 deaths a year. It is said by the ACS to be the leading cause of death among women ages 40–44, though that often-used statistic is true only if one divides fatalities from heart disease into sub-categories.

The risks of getting the disease are linked to various criteria: A family history of breast cancer carries with it an increased likelihood of affliction; susceptibility also increases over age 50; women over 30 who have not had children are more prone than those who have given birth, and there is some evidence that the onset of menstruation prior to age 12 increases the risk.

It is a combination of factors that must be considered and it is not yet possible to weigh the various risks accurately.

Left untreated, invasive breast cancer is almost always fatal, since the disease spreads to other parts of the body. Success rates in treatment are closely related to the stage of development. Therefore, great efforts have gone into devising detection techniques. The most common of these are physical examination for suspicious lumps—a harmless and highly effecitve procedure for detecting the disease after the tumor reaches a sufficient size—and X-rays, a possibly risky though often effective technique for detection before breast cancer is otherwise evident.

X-rays, however, like other diagnostic methods, are not infallible; studies show they miss many cancers that are detectable by simple physical examination. X-rays are also dangerous and perverse. They are a potent source of cancer, since they promote biological changes that can blossom into malignancy a decade or more later, depending on the dosage. At low dosages, the risk is low; nonetheless, no dose is so low that it can be considered absolutely safe. This has been established by a variety of studies, among them careful follow-ups of persons exposed to varying degrees of radiation in the atomic bomb attacks on Japan. Thus, prudent radiologists hold that any exposure must be justified in terms of the potential benefits outweighing the possible risks.

There are also other problems of X-rays. Since the density of breast tissue declines with increasing age, X-rays can "see" more in older women, particularly in those over 50. Significantly, this is the age at which the incidence of the disease tends to rise. In younger women, not only are X-rays less revealing, but they are also more likely to trigger cancer eventually, making them most risky for those who have the longest to live.

Studies of persons who were inadvertently exposed to radiation, or who had received radiation in the course of ill-conceived medical treatments years ago, show that teenagers and young adults are especially susceptible in the long run to X-ray-induced cancer.

There is a third method of breast-cancer detection, thermography, which senses differences in the body's heat radiation patterns to locate suspicious tissues. Unlike X-rays, it is non-intrusive and harmless, but the technique requires further refinement to be reliable.

With this background in mind, let's look at the origins of the NCI breast cancer screening program.

The genesis of the program was in 1963, when New York's Health Insurance Plan (HIP), one of the leading comprehensive health care plans in the nation, began a study to determine whether periodic screening would reduce the number of deaths from breast cancer.

Some 62,000 women, ages 40–64, were divided into two groups. Half were offered annual physical and X-ray examinations for breast cancer, of whom about 20,000 accepted, and half continued with their usual health care habits. Nine years later, 98 deaths attributed to breast cancer had been reported among those who had received the regular examinations; there were 128 deaths in the control group. On the face of it, periodic screening, including X-rays, had produced a significant increase in lives saved by early detection of the disease.

When the returns first came in, they were received as a major finding. Upon passage of the National Cancer Act of 1971, the ACB Board of Directors adopted a resolution calling for a nationwide "demonstration" project aimed at applying the HIP experience on a far broader scale.

The idea was to demonstrate the value of periodic screening so that both the public and the medical profession would become

acquainted with it and adopt it as a standard part of health care. As the plan evolved, it called for designating 20—later raised to 27—screening centers around the country at which 280,000 women would be given annual physical, X-ray and thermography examinations for five years. There would be no control group for comparative purposes, since the HIP study was taken as evidence that screening paid off. The object was to evangelize the HIP experience rather than to test it.

The minimum age for participation was set at 35, though it was evident from even early analysis of the HIP findings that the hazards of X-raying women under 50 were not outweighed by the benefits. Records of NCI–ACS planning sessions show that the age issue was raised, but it had no effect on the decision to begin with age 35. Minutes of a meeting held Jan. 9, 1974, report Dr. Philip Strax, president of the Guttman Institute of New York, as remarking "that mammography was of virtually no value in women under 50 years of age." The statement, backed up by the HIP findings, was noted but not heeded.

There were other objections, too. As the program was being formulated, the ACS design for mass screening was reviewed by Dr. John C. Bailar III, who was then NCI's deputy associate director for cancer control.

Bailar, physician-statistician, was troubled by the absence of experimental controls—comparative groups that might yield sophisticated data about the value of screening. His concerns were intensified by the fact that the 27 screening centers were not required to conform to standardized procedures; each was free to conduct the screening in its own way.

In reply to an inquiry from Bailar, Dr. Kenneth B. Olson, chief of the diagnosis branch in NCI's division of cancer biology, wrote a memo, which said in part:

"This project has limited objectives and they have been pretty well dictated by the American Cancer Society. In summary they are: 'Can American Cancer Society volunteers mobilize a large number (100,000 per year) of volunteers for thermography, mammography and a physical exam? . . . Why try to write research or controls into this ongoing program?' "

ACS was calling the signals on this government-financed program. NCI was even told how its own funds for the screening centers were to be allocated geographically.

According to minutes of a 1973 meeting with NCI officials, "ACS was firm in its requirement that the demonstration projects should be distributed equally among the four ACS geographical areas." On top of that, ACS stipulated that the medical institutions serving as screening centers must not solicit public contributions during ACS' traditional spring fund-raising drive.

Since no one involved intended to do harm, the question arises as to the motivations for putting into operation an ill-designed and even dangerous program. As Irwin D. J. Bross, director of biostatistics at Roswell Park Memorial Institute, pointed out last year, "Extensive information about the hazards of ionizing radiation used in the mammography of symptom-free women under 50 was available in the early planning stages of the program." Citing various American, British and Canadian studies, Bross charged that "all evidence was available," but he cited an ACS statistician as saying that "no one at ACS appears to have looked carefully at these hazards and realized their seriousness"—which was that in symptom-free women under 50, "many more cancers are produced than are cured" by X-rays.

The most probable reasons for steamrollering on are to be found in an assortment of factors, among them:

ACS' traditional desire to reach the public, a goal which has both therapeutic and fund-raising elements to it. The 280,000 women in the screening program would serve as a word-of-mouth force that would spread news of breast screening, and ACS's role in it, to many times that number. ACS has long thrived on promoting "checkups and checks."

Enthusiasm on the part of radiologists, of whom Bross later warned: "When enthusiasts for a technology are making decisions on the use of this technology, it is almost impossible to be 'forceful enough' to transmit a message about hazards that they do not want to hear."

Bailar later referred to the X-ray proponents as "gungho mammographers," and Dr. William Pomerance, chief of the diagnostic branch of the NCI Division of Cancer Biology and Diagnosis, subsequently wrote to a colleague about a meeting with "some contractors in breast cancer management" at which he expressed concern about X-raying women under age 50. "They all 'fell on me,' he reported ". . . and even went so far as to decide in their protocol that they would start with age 30."

Finally, the program gained momentum from excitement over the public relations yield that would be had from drawing substantial numbers of women into the War on Cancer. As Dr. Nathaniel I. Berlin, then director of NCI's Division of Cancer Biology and Diagnosis, told a planning session in the early days of the program, according to minutes of the meeting. ". . . both the ACS and the NCI will gain a great deal of favorable publicity because they are bringing 'research findings to the public and applying them.' This will assist in obtaining more research funds for basic and clinical research which is sorely needed."

As thousands of women joined the screening program, an assortment of problems developed. Bross and other critics charged that the program was being conducted in violation of regulations that require informed consent from experimental subjects.

NCI replied that the program was a "demonstration" not a research project, and therefore was not affected by informed-consent requirements—a proposition of dubious legal validity. Nevertheless, minimal forms were adopted and later, under a barrage of criticism, were revised to include warnings of radiation hazard.

More serious, however, was evidence that many of the X-ray machines at the 27 centers were poorly calibrated and were applying radiation far in excess of what was safe or necessary for obtaining useful pictures. Through a freedom of information request, Ralph Nader's Health Research Group obtained data on 57 X-ray machines used in the program and found that 17 were producing radiation levels that were ominously high, including one at Georgetown University that was delivering three times the recommended maximum dosage.

The Cancer Institute has since reported that these shortcomings have been corrected. Monitoring of the overexposed women, however, poses a serious difficulty, since many of the screening centers have neglected to keep careful records for follow-up purposes.

Last August, after doubts about the program began to become public—mainly because of a one-man barnstorming campaign by Bailar—the NCI and ACS jointly issued "interim guidelines" terminating routine X-ray screening of women without symptoms under 50.

Almost immediately, however, ACS began a public relations program that ranged from medical advice columns in women's magazines to an interview with its past president, Dr. Benjamin F. Byrd Jr., in the Reader's Digest. The main point made in the ACS campaign was that, if a woman is at "high risk," she should be routinely X-rayed, no matter what her age and what the dangers might be.

Perhaps the hardest-hitting part of the pro-mammography counterattack was in an "urgent message," widely distributed to doctors and hospitals, as well as the public, by the New York City division of ACS and identified as a document that "reflects opinions shared by breast cancer authorities."

Listing the usual criteria of high risk—such as family history of breast cancer of suspicious lumps—the New York City division added that a woman should be X-rayed "if at any age she has concern and mammography is recommended by her physician. . . . If she has large breasts, mammography is particularly important regardless of age because it is much more difficult to find a lump by palpation (physical examination)". The "urgent message" does not add that lumps are harder to find by mammography, too, in large breasts, or that there is no evidence that cancer is more common in large breasts. At a meeting of regional ACS officials in New York, the "urgent message" was offered to other divisions.

Meanwhile, Ca, a "journal for clincians" which the ACS distributes free to physicians and the press, took virtually the same line. So have articles bearing the ACS imprimatur in mass circulation magazines, the society's annual report and its current issue of Cancer News. In all, more than 75 percent of the women under 50 being screened at the centers have been X-rayed—interim guidelines or no.

When queried about its mammography campaign, ACS insisted that the screening project is a "partnership" between the society and NCI. "The ACS is not pushing mammography for women under 50," said its vice president for public relations, Irving J. Rimer. "We're delineating women who are in high-risk groups and we're saying to them. 'Talk to your doctor about the use of mammography.' "

Though there is little dispute that mammography may be justified for women at "high risk," the definition of that term, as used in the "urgent message" and elsewhere, encompasses about 80 percent of all women under 50, according to the ACS' own estimates.

No attempt has been been made to explain the mathematical absurdity of why—when women have an 8 percent risk of breast cancer in an entire lifetime—4 out of 5 should be at "high risk" before reaching age 50.

While ACS sought to sway public and medical opinion against the interim guidelines—which are still in effect—three committees of experts appointed by NCI in October, 1975, were quietly engaged in studies that eventually hit the X-ray screening program like a bomb crashing into a munitions dump. Their conclusions, issued in March, were released in a tiptoe fashion wholly out of character with the usual practice of announcing major news about cancer research.

Only after one of the authors of this article made a freedom of information request was the material made public and then only a selected group of reporters was on the distribution list. Moreover, the information sheet accomanying the reports did not disclose the kernel of their contents, as is ordinarily done in such cases, and on the Friday before publication, Dr. Guy Newell, acting NCI director, Dr. Diane Fink, chief of the Division of Cancer Control, and Paul van Nevel, NCI's chief public information officer, hurried to New York at the behest of the ACS for a consultation. Asked why, Newell responded: "The ACS is very touchy about this project, you know."

What the studies strongly indicated, in short, is that the HIP data were badly interpreted and the NCI-ACS screening program was a mistake, possibly a very dangerous one for many of the 280,000 women involved.

The three committees had been assigned the task of assessing what is known about the risks and benefits of mammography in general and of re-examination of the HIP data, a process that included a slide-by-slide review

of breast tissue collected in that pioneering venture. Among their findings:

Of the 132 tumors that were detected in the course of the HIP project, 59 (almost 45 per cent) were missed by X-ray examination. Furthermore, "mammography was an ineffectual means of detecting minimal breast cancer"—i.e., cancers in a very early stage of development.

Mammography was best for finding the slow-growing types of cancer, which are not immediately destructive to surrounding tissue and which, as it turns out, are the kind least likely to spread and kill. There may be little benefit to be had from finding these types early; some of them never require surgery other than a tissue biopsy and pose no threat to health and life.

Nearly 47 per cent of the aggressive tumors initially detected only by mammography were so large that they could have been detected simply by careful physical examination.

The report suggested, however, that the examination system was loaded in favor of mammography. X-ray examinations, it stated, were done on an "expert" basis, by well-trained physicians employing uniform techniques. The physical examinations are described as leaving "room for doubt about . . . quality and uniformity."

The three study groups urged "that mammography for routine screening of women under 50 years of age be discontinued," which they followed with what amounts to a death warrant for the entire screening program as it now stands:

"We recommend that further National Cancer Institute support of mammography in breast cancer screening of women over 50 now be concentrated on validating its use through appropriately designed randomized trials"—which means an end to indiscriminate mass screening for "demonstration" purposes and a switch to research-oriented controlled studies.

The report, issued on the eve of the ACS' annual fund-raising drive, has evoked no public comment from ACS or NCI, which said it is awaiting still another report, now in the works, before making a decision on the fate of the program. But at other times, ACS has responded to criticism of the HIP results with the argument that mammography has improved considerably since then, and will further improve in safety and reliability.

However, some of the available evidence on this claim is not comforting. For example, in the March 7 issue of the Journal of the American Medical Association, Dr. Gerson Lesnick of the Mt. Sinai School of Medicine, New York, reports that in a group of 106 breast cancer surgery patients under age 45, 84 per cent of the tumors were detected by the patients themselves; only 2 per cent were detected only by mammography. In 63 per cent of these cancer cases, X-rays failed to detect the disease.

On the basis of these findings, he reported, surgery was deferred in 15 cases, thus giving the disease additional time to advance.

Meanwhile, although the first tumors found by the ACS–NCI screening project were reported about four years ago, the data has been made available exclusively to the society and detection center directors. Thus, Ballar and an NCI consultant who have asked to look at the data have been denied the opportunity and no one knows how many of the growths found may prove to have been either non-malignant or cancers of the slow-growing types which could safely have awaited discovery by other means. But even assuming that none of the tumors fit these descriptions, the cost per case found by mammography alone is upward of $75,000.

With the 5-year "demonstration" program at about its midpoint, the ACS-led cancer lobby can now be expected to put new energy into the old formula of fear and hope, checks and checkups. The opening signal came last November in a presentation of old arguments in Ca, ACS' journal for physicians, under the title of "Restoring Confidence in Mammography."

What really needs to be restored, however, is some backbone in the National Cancer Institute, which, after all, is the public's guardian against a disease that threatens us all.

FEA ADMINISTRATOR O'LEARY NOTES FEDERAL VANPOOLING COMMITMENT AT HOUSE HEARINGS

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. EDGAR. Mr. Speaker, the House Surface Transportation Subcommittee yesterday heard encouraging and informative testimony from John O'Leary, Administrator of the FEA, on the need for expanded vanpool opportunities. I am a strong advocate of this flexible, cost-effective transit mode. Pending before the subcommittee is a bill I introduced, H.R. 869, which would promote increased vehicle occupancy. Such an increase would save energy, reduce pollution and traffic congestion, and save money for participants.

At yesterday's hearings, I was pleased by the dynamic eloquence of the new Administrator of this agency. For the benefit of my colleagues who could not attend, I wish to share for the RECORD his prepared remarks:

STATEMENT OF JOHN F. O'LEARY

It is a pleasure to have the opportunity to appear before you, Mr. Chairman, and Subcommittee members, especially to reiterate the firm commitment which the Federal Energy Administration maintains toward vanpooling, and other forms of ridesharing. It is my understanding that this hearing is particularly devoted to vanpooling.

Transportation is the single largest end user of petroleum in this country. In the President's National Energy Plan, there are numerous energy conservation initiatives affecting the transportation sector. These proposals include: (1) a fuel efficiency tax and rebates for new vehicles, (2) a stand-by gasoline tax and rebates on all vehicles, (3) removing the 10 percent excise tax on intercity buses, (4) increasing the Federal tax on aviation fuel and eliminating the rebate on motorboat fuel, (5) encouraging State enforcement of the 55 MPH speed limit through possible withholding of Federal Highway funds, (6) finding a way to help offset losses in State tax revenues resulting from any decreases in total gasoline sales, and (7) Federal leadership by example through new car purchases that exceed average fuel efficiency standards and through a vanpooling program for Federal employees. An underlying purpose of many of these initiatives is increasing vehicle occupancy and the use of high occupancy vehicles through carpools, vanpools and mass transit.

The significance of the energy conservation potential of vanpooling is immense. Each 11 participant vanpool is estimated to save over 5,000 gallons of gasoline per year. If we could stimulate vanpooling and carpooling to achieve an overall average auto occupancy of just two persons per car, the Nation would realize energy savings of 400,000 barrels of oil per day.

Vanpooling is one of the most attractive of all energy conservation options—it is a low-cost, simple concept, which is easily implemented, saves money for participants, and has positive energy and environmental impacts. The company commuter van or vanpool is a hybrid mode falling between a buspool and carpool. Vanpooling characteristically begins with a company obtaining one or more 12–15 seat vans and assigning them to qualified groups of employees for their daily commute. One member of the group drives and manages the operational aspects including keeping the van clean, fueled and maintained. These services are performed in exchange for a free commute ride and the discretionary use of the van for a minimum fee. The other participants pay low equal monthly fares which amortize all acquisition and operation expenses.

The financial arrangements of vanpooling, while varied, share basic characteristics. The initial van acquisition can be arranged through direct purchase by the sponsoring firm or through a leasing arrangement. Fares are determined by dividing the total leasing or purchasing costs, and all insurance, maintenance and gasoline costs by the number of paying participants. These fares are collected periodically either by payroll deduction or by the vanpool driver.

Commuter van fares usually represent significant savings for vanpool participants. Long distance commuters have the most to gain. For example, a commuter in Minneapolis with a 60 mile round trip spends an average of $137 per month on total commuting costs including gasoline, oil, maintenance, repairs, and tire replacement. This compared to a typical vanpool fare of $40 per month for the same service shows that even when one drives alone on occasion, it still pays to vanpool. As one 3M vanpooler put it, "My personal car gets driven much less. My wife now has a car at home all the time. I feel I've purchased a second car plus chauffer both for only $22 a month."

The Federal Energy Administration has been involved with vanpooling for several years. Promotion of this transportation mode has figured prominently in our energy conservation activities. FEA conducted a vanpool demonstration project designed to test various methods of promoting the concept in five urban areas. This effort was completed last February and has yielded valuable information on vanpooling.

The preliminary evaluation of the project indicates that the vanpooling concept still requires Government assistance in the form of information and funds to help States promote and plan vanpool programs. Our experience indicates that this assistance is needed both to encourage employers to participate and to allow municipalities to develop and promote localized programs. The evaluation also indicates that the general public needs to be made more aware of the advantages of vanpooling and other energy conservation measures.

FEA also has promoted vanpooling in a nationwide series of energy management conferences and workshops. The overall program, entitled "Managing the Energy Dilemma", currently includes commuter van workshops for firms interested in vanpooling programs for their employees. Thirty-four vanpooling workshops have been held across the country.

Our third area of vanpooling involvement stems from the Energy Policy and Conservation Act, signed December 22, 1975, which authorized FEA to establish guidelines for the development and implementation of comprehensive State energy conservation plans. These guidelines were published on November 3, 1976. To be eligible for the Federal assistance included in this program, each State's plan must include five mandatory measures, one of which is, "programs to promote the availability and use of carpools, vanpools and public transportation." States

may choose to include vanpools among the initiatives that satisfy this requirement. FEA is working with the States to assist them in developing workable plans to achieve their goal of reducing energy consumption by 1980 to a level 5 percent below current projections. Of the 24 States that have submitted plans, 21 include vanpooling in their transportation related programs.

The Administration is committed to vanpooling. The President's proposed legislation to implement his comprehensive National Energy Plan includes Federal vanpool demonstration programs for its own employees. This proposed program provides for up to 6,000 vans to be in service 4 years after enactment of the proposed legislation. The program would be developed and implemented by FEA and the General Services Administration.

Vanpooling is attractive because it is a simple, sensible, cost-effective commuter transportation alternative which does not cause any significant loss of mobility. The Federal vanpool program is important as an example of how to decrease our current gasoline consumption.

I have attached a copy of a brochure FEA is distributing on vanpooling which includes a status report on the 62 firms which now sponsor vanpool programs, and the number of vans each program had in operation as of the summer of 1976. Our latest survey reveals that there are now over 85 firms sponsoring vanpool programs with over 1,000 vanpools on the road everyday. I'll be happy to respond to any questions you may have.

REPRESENTATIVE MICHAEL T. BLOUIN OF IOWA SUBMITS THE RESULTS OF HIS 1977 CONSTITUENT QUESTIONNAIRE

HON. MICHAEL T. BLOUIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. BLOUIN. Mr. Speaker, I am happy to include for the record a copy of my 1977 constituent questionnaire.

This year's questionnaire covered a number of timely issues, ranging from energy policy alternatives to farm price supports, social security reform and U.S. defense policy.

For the most part, I believe the questiannaire is a fairly accurate reflection of current public opinion in districts like mine in northeastern Iowa. I think many of my colleagues might find the questionnaire results both interesting and instructive.

CONGRESSMAN BLOUIN'S 1977 CONSTITUENT QUESTIONNAIRE RESPONSES

Some experts believe tax cuts for individuals and businesses are the best way to stimulate the economy and create new jobs. Others believe the government must step up its public works and emergency jobs programs in order to create more jobs directly. All figures are in percent.

1. Which do you think is the best way to stimulate the economy and increase employment?

Tax rebates for individuals	31.8
Tax cuts for businesses	19.3
More public jobs programs	27.5
Incentives for private jobs	48.0
Reduced government spending	58.0
None of the above	2.3

Some experts recommend immediate decontrol of oil and natural gas prices as a way of encouraging more production and solving the "energy crisis." Others suggest a strict conservation program, including mandatory mileage requirements for cars.

2. Which policies would you favor?

Total decontrol of prices	12.5
Partial decontrol of prices	16.3
Mandatory mileage requirements	27.8
Increased incentives for voluntary conservation measures	50.0
Increased government support for the development of alternative energy programs (such as solar energy)	61.3
Increased reliance on nuclear energy	18.8
Reorganization of the oil and natural gas industries	35.5

President Carter has asked for the authority to submit government reorganization plans to Congress. These plans would automatically take effect unless either the House or Senate vetoed the President's plan. Some members of Congress oppose this plan because they think Congress should develop reorganization plans on its own.

3. Do you favor giving the President the authority to develop and submit such plans?

Yes	71.2
No	22.5
No opinion	6.2

4. How do you rank the need for reform of the government bureaucracy?

Top priority	75.8
Of some concern	20.0
Of little concern	2.0
Of no concern	1.2

Federal loan rates and price supports are designed to protect farmers from sudden economic disaster. In recent years loan and price support levels have been set so low that farmers would not recover their costs of production if the market dropped suddenly.

5. Do you think farmers are entitled to loan rates and price supports which would cover the full cost of production?

Yes	47.0
No	40.5
No opinion	12.5

6. Do you think the government should enact laws which would prevent the growth of farms owned and operated or leased by non-family corporations or investment groups?

Yes	85.3
No	10.0
No opinion	4.0

Congress will consider a bill this year to provide federal assistance and funding, over a five year period, to help state and local school districts create better career education programs which will expose all students to the realities of the work-a-day world, give them a better idea of the skills and training they need to get the jobs they want, and to provide more on-the-job experience.

7. Do you think there is a need for such career education programs in your area?

Yes	57.5
No	36.0
No opinion	6.5

Overall the federal government contributes about 7% of the total cost of elementary and secondary education. The rest is made up by the state and from local property taxes. Many experts believe the federal government's share should be increased, without decreasing local control over school systems.

8. Do you think the federal government's share of education costs should be increased?

Yes	37.5
No	55.5
No opinion	7.0

Short-term economic problems and long-term population trends have combined to raise some questions about the stability of the Social Security System. Although there is no immediate danger, Congress may have to consider alternative ways of funding the program. It will also have to decide whether Social Security should remain a supplemental program or become a full-fledged pension program.

9. What alternative funding programs would you support for Social Security?*

Increasing the amount of wages from which social security taxes are deducted	35.5
Increasing the amount of taxes	7.0
Funding the entire program from the general federal treasury	19.3
Funding some programs, such as Medicare, from the general fund	43.5
Other	8.5
No response	9.2

10. Do you thing Social Security should be converted from a supplemental program into a full-fledged pension program?

Yes	28.0
No	60.8
No opinion	11.2

American defense policy is based on a strategy called "mutually assured destruction." It requires the U.S. to maintain enough nuclear and conventional power to convince the Soviet Union (or any other country) that an attack on us would assure the destruction of its own country. Some experts argue that this is not enough and that the U.S. must maintain absolute superiority over the Soviet Union in each and every type of weapons system, equipment and troop deployment.

11. Which policy do you favor?

Mutually assured destruction	46.3
System-by-system superiority	27.5
Neither policy	19.0

12. Do you think the United States should continue to negotiate with the Soviet Union to achieve mutual reductions in nuclear arms?

Yes	80.8
No	16.0
No opinion	3.2

*Percentages for questions 1, 2 and 9 may add to more than 100 because respondents could choose more than one answer.

FOOD STAMP REFORM

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. ARMSTRONG. Mr. Speaker, today I join a group of my Republican colleagues in sponsoring H.R. 6332, the National Food Stamp Reform Act of 1977. Our bill includes 40 basic reforms to meet the needs of poor people in a humane and dignified manner while curbing abuses of the program and, thereby, cutting the cost by $1.5 billion.

The need for reform is emphasized by the many so-called reform bills which have been introduced during recent months. Unfortunately, most of these proposals are not reforms, only increases in benefit levels. In view of skyrocketing costs of this program, which has increased from less than $1 million to nearly $6 billion in 15 years, it is evident that basic reform, not higher benefits, are long overdue.

The food stamp program originated in 1939 as a way to subsidize both depression-era farmers who were going broke and needy urban families who were going hungry. The program lasted 4 years, but was revived in 1961 as part of the Johnson administration's war on poverty.

The following chart shows the year to year costs:

Food stamp program: outlays fiscal year 1961 through fiscal year 1976

Fiscal years:	
1961	$857,918
1962	14,118,262
1963	20,414,913
1964	30,478,640
1965	35,134,797
1966	70,439,588
1967	115,497,706
1968	187,132,246
1969	250,311,119
1970	578,140,679
1971	1,576,424,032
1972	1,912,025,112
1973	2,207,532,000
1974	2,844,815,000
1975	4,598,956,000
1976 (estimated)	5,624,794,000

With this kind of trend, it is no wonder that the public is wary of legislation to increase benefits unless accompanied by strict controls on abuse. Unfortunately however, most of the Democratic proposals ignore abuses and raise benefit levels which will encourage more and more persons to become dependent on food stamps and, at the same time, reduce work incentives for those already receiving food stamps. One such "reform" would attract an estimated 8 million persons to the rolls, increasing recipients from 18 million to 26 million, at an annual cost increase of $2 billion.

In contrast, the Republican plan includes 40 reforms aimed at meeting the needs of poor people in a humane and dignified manner while reducing the overall cost of food stamps to the Nation's taxpayers by $1.5 billion per year. Among the flagrant abuses we seek to correct are:

The program does not establish any gross income ceiling for recipients. Because so many deductions are allowed before an income figure is arrived at for those applying, many with more than adequate incomes are eligible for food stamps.

The program allows some students, strikers and those voluntarily unemployed to receive food stamps.

The program does nothing to insure that those receiving food stamps actually buy nutritionally adequate food.

The GOP program will not only plug these loopholes, but will significantly improve the quality of the program for those enrolled in it. The main features of the Republican program are:

Eligibility: Limits eligibility to those with gross incomes at the poverty line—$5,820 for a family of four—plus a 15 percent allowance for work-related expenses. Total for working family of four: $6,850. The bill contains a further $300 deduction for a household with an elderly person.

Purchase requirement—Establishes purchase requirement at percentage of gross income expended for food by average household of same size and income range with regional variations, as established by the most recent Consumer Expenditure Survey of Bureau of Labor Statistics, or 30 percent, whichever is less. Updates purchase requirements with allotment increases.

Assets: Establishes specific asset limitations, which include:

First. An overall limit on liquid and nonliquid resources of $1,500 for the household, or $2,250 for households of two or more persons with a member or members age 65 or over;

Second. Limit on the principal residence and lot of $25,000 for any household consisting of three persons or less, or $30,000 for any household consisting of four persons or more. These amounts shall be increased by $10,000 in any area defined by OMB where the median market value of personal residences exceeds the U.S. median by 25 percent. These amounts shall be totally inapplicable for households where the head of household is 65 or over;

Third. Limit on a motor vehicle of $1,500;

Fourth. Limit on household goods and personal effects of $1,500;

Fifth. Limit on property used in a trade or business essential to the self-support of a household to the extent that the equity value does not exceed $15,000; and

Sixth. All property, with the exception of "fifth," is to be valued at fair market value.

Transfer of assets to qualify: Establishes a minimum of 90 day's disqualification for knowingly transferring liquid or nonliquid assets with the intent to qualify.

Income accounting period: Uses the 90-day period preceding the date of application or recertification—longer for households who derive their annual income in period of time substantially shorter for 1 year.

Diet plan: Uses the thrifty diet plan for a family of specified size and ages or lowest cost diet which meets recommended dietary allowances, established by the National Research Council of the National Academy of Sciences, for all nutrients for which reliable food composition data are available, whichever is less. Prohibits the use of food stamps for items of low nutritional value or insignificant enhancement of palatability, such as ice cubes, artificial food colorings, powdered and liquid cocktail mixes, chewing gum, carbonated beverages, and cooking wines.

Specific groups:

Strikers, college students, and other voluntarily unemployed persons are made ineligible;

Drug addicts and alcoholics are exempted from work registration requirements if in rehabilitation program the director specifies it would interfere with rehabilitation;

Defines elderly as 65 or over;

Makes minors ineligible—using the age of majority in State—if attempting to qualify as a separate household, and

Aliens: makes persons who are not citizens or legal aliens ineligible, and requires transmission to Department of Justice of any information indicating applicant may be illegal alien.

Definition of income:

Codifies current exclusions—payments for medical costs made on behalf of household; child self-employment income; relocation assistance; infrequent and irregular income; most loans; and the cost of producing self-employed income.

Requires any in-kind income and other public assistance benefits for food or housing to be counted.

Requires VISTA payments and income tax refunds to be counted.

Work requirements:

Requires four-part work component: Work registration, job search, job acceptance if available, and participation in public work programs if offered.

Requires work component be applied to all able-bodied adults between the ages 18 and 65 except: Caretakers of children under 6, same as in AFDC program; bona fide primary or secondary school students, or students in an equivalent training program, and persons employed and working at least 30 hours per week.

Prohibits voluntary reduction in hours worked to qualify, as well as voluntary quit.

Defines good cause for voluntary quits and refusal to accept employment.

Fraud control: Includes, as a requirement where feasible:

Countersigned coupons;

Photo-identification card;

Earnings clearance system, to cross-check earned income against reported income;

National application cross-check, to discover multiple applications;

Monthly income reporting;

Immediate reapplication and recertification 30 days after household moves, and

Increase in Federal sharing from 50 to 70 percent in the costs of all investigations, prosecutions, collection of Federal funds and related activities.

Penalties: Contains system of civil money penalties; makes ineligible for up to a year for fraudlently obtaining coupons; does not lower fine for certain criminal activities.

Definition of household: Defines household as a group of individuals:

Sharing common living quarters;

Who are not residents of an institution or boardinghouse;

Who have cooking facilities, and

For whom food customarily is purchased or prepared in common. Requires Secretary to establish precise criteria for determining and verifying the number of separate households sharing the same housing quarters and for detecting any fraudulent practice employed by such individuals in attempting to qualify as separate households.

These are substantive reforms. Their adoption would reduce the number of those currently enrolled in the food stamp program from about 18 million to about 14 million. The Democrat proposal, on the other hand, would add

about 8 million persons to the food stamp rolls.

I do not think the taxpayers will stand for this. The voters have shown in the last election that they will no longer buy the solution of throwing more and more money at a program in hopes that its problems will disappear.

There are problems with the food stamp program, and we Republicans have come up with a plan which deals with them in an effective manner. It insures that the nutritionally deprived get the supplemental help they need to manage their diets, while cutting out flagrant abuse from the program.

It also says to the American people that there is no program so sacrosanct that it should not be looked at with an eye open to the hard pressed taxpayer, as well as the citizen in need.

BOY SCOUT TROOP 7 OF EAST CHICAGO, IND., CELEBRATES 60TH ANNIVERSARY

HON. ADAM BENJAMIN, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. BENJAMIN. Mr. Speaker, it is a privilege to join with the community of northwest Indiana in commemorating the 60th anniversary of Boy Scout Troop 7 of East Chicago, Ind. The troop will be celebrating the 60th year of its founding by the late Father Michael Gadacz, the first scoutmaster, this Saturday, May 21, 1977, at St. Stanislaus Church Hall, 150th Street and Indianapolis Boulevard, East Chicago, Ind.

The reunion of present and former scouts, leaders, parents, and friends affiliated with the troop will be celebrated with a banquet, the honoring of a new Eagle Scout, Kevin Klocek, a special presentation of the history of the 60 years and accomplishments of those who have passed through the troop, and several distinguished speakers. The spokesmen will be the Honorable Judge William Obermiller, judge, Whiting City Court, representing scouting, and Mayor Robert Pastrick, representing the city of East Chicago.

There have been more than 1,600 boys who have passed through the ranks of this distinguished troop. Of those, 78 have earned the Ad Altare Dei Award, 7 have received the Pope Pius Award, and 47 have earned the coveted rank of Eagle Scout. Of these 47, 5 were from one family, the Szczepanskis, a first for the council as well as the State of Indiana.

Scoutmaster Ed Szczepanski is the present leader of Troop 7. Members of the troop are Michael Brown, Steve Brown, Tim Evans, Wally Churby, Rolando Flores, Edward Garbasik, Stan Gravos, Kevin Klocek, Ted Radziwiecki, and Edward Szczepanski, Jr.

The past leaders attending this special event will be Sam Lula, Mike Czapla, Ed Kenar, Joseph Kish, Terry Kish, John Haburay, Wes Hopf, Barney Savage, Joe Matusik, Tom Szczepanski. Toni Czapla, Tom Augeris, Joseph Volsega, Adam Marszalek, Father Joseph Niezgoda, Milt Bowman, Ziggy Golan, Paul Klocek, William Brown, Ed Kniecik, and present leader Ed Szczepanski.

Among the many remarkable accomplishments attributable to the history of this troop are the awarding of eight Eagle Scouts in one ceremony in 1967—six of whom subsequently graduated from college—one Eagle Scout with 86 merit badges and distinguished leadership, past and present. Of the present leaders, five have received the Catholic Scouting Adult St. George Award, four are Vigil Order of the Arrow Members and two are recipients of the Silver Beaver Award. In past leadership, two leaders received the St. George Award, one received the Vigil Order of the Arrow and one received the Silver Beaver Award. These gentlemen have devoted from 2 to 23 years to boys and scouting.

I am happy to inscribe the accomplishments of this great group of boys, to pay tribute to a group of leaders who devoted their energies to our future decisionmakers and to bring them to the attention of my fellow members. They are to be saluted for their dedication, devotion, and loyalty, as well as accomplishments, for Scouting, their church and the principles on which this great country was founded.

DIRTY CLOUD OVER DENVER

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. ROGERS. Mr. Speaker, during the debate on the Clean Air Act amendments, there were many questions asked about the need to tighten the automobile emission standards. Yesterday there appeared an article which reflected this question.

The story is about Denver, Colo., but as is noted, the same thing is happening all over. Dr. Jim Chandler, a resident of Denver, points out that a "dirty brown cloud" now sits atop Denver many days of the year. It is caused by automobile pollution.

Aside from detracting from the beauty of that city, there is a more important issue—the one of health.

Dr. Chandler now heads the Department of Emergency Medicine at the University of Colorado Medical Center in Denver. He and two colleagues kept records on the days of heavy air pollution and found a correlation between residents' complaints of chest pains and shortness of breath and the city's high readings on carbon monoxide.

The work done by Dr. Chandler is only a small part of the body of work compiled by men and women of science and medicine which sets out the dangers of air pollution. Last week, a more formal and detailed outline of health effects was circulated to Members of this body. It was concern over these health effects which led Congress to enact the Clean Air Act, and has led the American Medical Association, the American Public Health Association, and the American Lung Association to endorse the Clean Air Act amendments as reported by the Commerce Committee. I would hope that each Member would read the story which was in yesterday's Washington Post. If additional materials on health are needed, I would be glad to forward them to any Member:

A "POISON CLOUD" OVER DENVER

(By Bill Richards)

DENVER.—Every morning as he pilots his 1966 Volkswagen to work here, Jim Chandler must leave his suburban mountain home and head down into what he refers to with a wince as "that awful brown cloud."

"When I moved here 12 years ago and was a lineman for a power company, you could climb a pole in the morning and see every building in the city sparkling in the sun," Chandler said. "Now all I see in the morning is a polluted cloud."

Denver, which once boasted air so clean that doctors around the country sent their asthmatic patients here for relief, now has what one senior state official described recently as "a poison cloud" hanging overhead.

During the fall and winter months, when the pollution is most severe, Denver is neck-and-neck with Los Angeles as the American city most polluted with carbon monoxide, nitrogen oxides, hydrocarbons and particulate matter. If Denver had Los Angeles' humidity, a Colorado official said, its pollution would be twice as bad.

Chandler, who left his lineman's job some time ago to become a physician, now heads the department of emergency medicine at the University of Colorado Medical Center here. This past winter he and two colleagues made a disturbing discovery.

The three began keeping tabs on the relationship between the patients coming into their emergency room—the city's third busiest—and the air-pollution level. During a 92-day period they discovered an apparent correlation between people complaining of chest pains and shortness of breath and peaks in the city's carbon monoxide levels.

They reported their findings to the American Association for the Advancement of Science at the group's February meeting here and are planning an expanded study on the relationship. "Our numbers indicate a trend," said Chandler, "and it's enough to make us concerned."

To experts who have studied the problem, Denver's brown cloud—a reference that nearly everyone here immediately understands—is no surprise. Similar polluted clouds have been forming in recent years over unexpected places such as Vail and Aspen, Colo., Albuquerque, Las Vegas and Phoenix.

"These were the places you used to head for to get away from that sort of thing," said Frank Covington, director of the Environmental Protection Agency's Air and Hazardous Material Section in San Francisco. "Now they're finding clean air is becoming a rather scarce commodity wherever vehicular traffic has sharply increased."

The 1.2 million people who live in Denver and its suburbs have a love affair with the automobile that surpasses even that of Los Angeles residents. Denver's nearly 1 million cars and trucks make it the heaviest vehicle-using city in the nation for its size and the city with the lowest numbers of riders per vehicle.

"We know where the problem lies," said Joseph Palumba, technical secretary for the Colorado Air Pollution Control Board. "The only improvements in our air are going to follow improvements in auto emissions."

To some extent that may be happening. EPA officials said federal emission restric-

tions have cut auto pollution 80 percent below 1970 levels. Full federal standards, scheduled to be enforced by 1978, appear likely to be pushed back under President Carter's energy program. But Colorado and other states where auto pollution is bad are moving slowly to enact their own emission standards. California is the only state with such standards now in effect.

Observers here believe the Colorado legislature, which has voted down a state emission-control standard on two occasions, will pass a watered-down version this year.

But even with a new law, Colorado Air Pollution Control Board members predict that only mandatory gas rationing or radical engine redesign to lower emissions could cut vehicle pollution to acceptable levels.

According to federal clean air experts, the West is particularly vulnerable to auto pollution because of its sprawling cities and lack of mass transit, causing a dependence on the automobile that is likely to get worse, particularly in the so-called Sun Belt, where growth projections are the heaviest. One auto industry study last year showed that eight of the nine cities with the highest auto use are in the Sun Belt.

The same areas also are undergoing some of the worst vehicle-produced increases in smog. In Denver the situation has reached the point where the brown cloud often blocks out the city's spectacular Rocky Mountain backdrop. The legislature is deciding whether to spend $100,000 to renew smog-damaged gold leaf on the capitol dome and state maintenance officials complain of a never-ending war against a brown tinge that discolors the marble on state buildings.

"I've experienced Los Angeles smog," said Dick Dillon, who flies a traffic helicopter for radio station KIMN here, "but this stuff is browner and just looks dirtier."

One problem is the city's altitude—5,280 feet. Studies have shown that Denver has 17 per cent less oxygen in its air than is found at sea level. The low oxygen level causes poor engine combustion and leads to excessive pollution. Carbon monoxide emissions pose the most serious problem, according to Dr. John C. Cobb, a university medical center researcher.

In a report delivered to the AAAS in February, Cobb noted that a nationwide test of blood samples taken in various cities showed carbon monoxide levels in the blood were higher in Denver. Other researchers have discovered that Denver's heart-attack death rate goes up significantly on days when carbon monoxide levels are high.

Vehicle air pollution also has caused an ozone problem. The sun, which is more intense in the "Mile High City" than it is at sea level, converts more hydrocarbons and nitrogen oxides of the pollution into the colorless, orderless and tasteless gas than it does in other cities. Ozone aggravates attacks of such respiratory diseases as asthma. Ironically, the National Asthma Center was built here because of Denver's altitude and dry climate.

"People used to come out here for their health," said Denver EPA official Charles Stevens. "Now they go somewhere else because it just isn't healthy here anymore."

THE ILLEGAL ALIEN PROBLEM—ARE WE NOW LISTENING?

HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. SISK. Mr. Speaker, after years of neglect by the national media, public officials, and the general public, some attention is finally being given to illegal immigration, the source of almost half of our population growth. Although this body has twice passed legislation to deal with the problem, neither the Senate nor the White House have shown much interest. I am pleased, therefore, that our new President has vowed to do something about the estimated 1 million aliens who enter surreptitiously or overstay as visitors or students each year. However, an important element of his plan, which administration sources say will be presented to the Congress shortly, will be to grant amnesty to a vast portion of the estimated 6 to 8 million illegal aliens already here. These newly legalized aliens would be free to bring their immediate families and dependents to the United States. Perhaps some form of amnesty is essential for the acceptance of any effective program to stem the illegal alien tide, but as noted by New York Times columnist James Reston, who has written quite extensively on this issue of late:

The chances are that this problem will increase unless the administration and the Congress look at . . . Cabinet recommendations with the utmost care.

I highly recommended two recent columns by Mr. Reston to my colleagues:

IS ANYBODY LISTENING?

(By James Reston)

WASHINGTON, May 7.—One of the odd things about life in America these days, as Eric Hoffer and many others keep pointing out, is that we don't know what is happening to us. We have the most advanced and sophisticated communications systems the world has even known, but somehow—despite our computers, pollsters and information satellites—the elemental facts don't seem to penetrate the American mind.

It is not that the facts are not available. This city is drowning in statistics. But here is Joe Califano, the new Secretary of Health, Education and Welfare, complaining that popular myths about the poor overwhelm the facts and that "the real welfare problem may well be the widespread lack of public understanding of what the welfare picture really is . . ."

Here also is the retiring commissioner of the United States Immigration and Naturalization Service, Leonard F. Chapman Jr., complaining on his way out that illegal immigration into the United States "is hopelessly out of control . . . but we as a nation are refusing to acknowledge it and we are taking few, if any, steps to cope with it."

In an interview with this reporter before he left, General Chapman made the following points:

The United States still has the most generous immigration policy in the world. Every year we accept 400,000 legal immigrants, "more than the total number of immigrants accepted by all the rest of the nations on earth." But the illegal immigrants far outnumber the legals every year.

"There are in the United States today," General Chapman said "six to eight million illegal aliens and that number is increasing by half a million a year. The Immigration Service arrested 900,000 of them last year, and we are only skimming the surface."

This is not merely a Mexican problem—though Mexico is the source of about three quarters of the illegals. Every year about 6 million aliens enter the United States on visitors' or student visas "and about 10 percent of them remain illegally and take jobs whenever they can."

Smuggling illegals into the country, even arranging bogus marriages to keep them here, has become big business. "We apprehended over 82,000 illegal aliens who had been aided last year by smugglers," General Chapman said, "and we caught 9,600 smugglers."

Up to half a million aliens enter the United States every year with counterfeit, altered or borrowed documents, but patrolling 6,000 miles of land borders and searching out illegals in a U.S. population of 210 million with 2,900 enforcement officers is clearly inadequate. Last year the Immigration Service had exactly one helicopter to patrol the 2,000-mile Mexican border. Now it has two.

Like Mr. Califano, General Chapman complains about the popular myths that have impeded reform of the immigration policy. One of these is that the jobs illegals take are the underpaid dog-work U.S. citizens reject.

"This is only partly true," he says. "About two-thirds of the illegal aliens we apprehend are working in industry, service and construction jobs that pay good salaries—jobs that might be filled by the 20 percent of jobless American teen-agers or by the 40 percent of black American youths who are out of work."

Mr. Califano is clearly impressed by the difference between popular myths and facts. "The most pernicious and widespread myth," he says, "is that people are poor because they don't work and don't want to work and that the welfare rolls are replete with loafers.

"The facts," Mr. Califano insists, "are quite different. Nearly 71 percent of the 26 million poor individuals in the nation represent people that we do not normally ask to work: children and young people under 16; the aged; the severely disabled; students or mothers with children under 16. . . . Thus 90 percent of poor Americans either work full or part-time, or are people no civilized society would force to work."

Mr. Califano is not defending the present system. He is staggered by the magnitude and complexity of the welfare problem. But in the end, like General Chapman, he is even more baffled about how to get the facts across to the people and their representatives in the Congress.

Even the new President and the new Vice President, who concentrated during the campaign on the internal problems of the nation, are now off again this month in London and elsewhere in Europe concentrating in foreign problems, though the major threat to the free nations of the world is not the traditional threat of war but the unfamiliar threat of disunity and disruption within their own societies.

"We are a different people living in a different country," Eric Hoffer has observed, but he doesn't tell us how different.

We are vaguely aware that something is happening to the American family and to the coherence of our society, that almost half the human race is under 25, most of them living in misery and more and more of them gaining illegal refuge in the United States before we have even been able to take care of our own poor. But as Messrs. Chapman and Califano testified, nobody seems to be listening.

PUBLIC POLICY ON ILLEGAL ALIENS

(By James Reston)

WASHINGTON.—President Carter's Cabinet committee on what to do about the six million to eight million illegal aliens in the United States has now sent its recommendations to the White House, and these recommendations raise some fundamental questions of public policy.

For example, it is understood that Secretary of Labor Marshall and Attv. Gen. Bell have proposed that there should be some kind of limited amnesty for aliens—primarily Mexicans—who have entered the United States illegally. It is suggested in the Cabinet proposals, according to our information, that those who have been here for five years on good behavior should be given the status of permanent legal resident aliens.

On this basis, these suddenly legalized aliens would be free to bring their immediate families and dependents to the United States, and this is a formidable number—

averaging more than five Mexican dependents now residing in Mexico for each illegal Mexican now living in the United States.

Outside of the welfare and race problems in the United States, the illegal movement of Mexicans across the Rio Grande is probably the most complex and poignant social dilemma facing the Carter administration, and as with welfare, the new officials here do not quite know what to do about it.

It is getting deeply involved in the politics and economics of the country. Last year, more than 700,000 illegal aliens, most of them from Mexico, were arrested in the United States. The departing commissioner of the U.S. Immigration and Naturalization Service, Gen. Leonard F. Chapman, former commandant of the Marine Corps, has called it "the Silent Invasion," and he has done more than any commissioner in recent years to bring this problem to the attention of the Congress and the public, much to the distress of the increasingly powerful Mexican-American political leaders.

Accordingly, he is now leaving his post, which is normal at the change of administrations, but is being replaced by Leonel J. Castillo, a 37-year-old Mexican-American and former city comptroller of Houston, Texas, who served with the Peace Corps in the Philippines, and is the state treasurer of the Democratic party in Texas.

Castillo is a highly intelligent and widely respected public servant, who came to Washington after the Carter inauguration to lobby for more Mexican-American jobs in the administration, and made such a good personal impression here that Carter tapped him to head the Immigration and Naturalization Service.

Nevertheless, this has been a controversial appointment. Some unions in Texas have opposed his appointment, as they said in a telegram to President Carter, on the ground that "we firmly believe he condones the hiring of illegal aliens, which has caused high unemployment to the citizens of Texas."

Other unions have opposed him on the ground that he opposes a policy of criminal penalties for employers who hire illegal aliens, and is also opposed to noncounterfeitable identity cards that would enable employers to be sure that they were employing legal rather than illegal workers.

In short, despite the general approval of Castillo's intelligence and personality, even some of President Carter's principal advisers here feel there is a conflict here between Castillo's personal interest in the welfare of the Mexicans in this country and the national interest in getting control of the illegal alien problem and reforming the whole immigration system.

Castillo is not the main issue. He has lived on the border and has some good ideas about how to improve the administration and surveillance of the border patrols, but the main hope of controlling "the silent invasion" lies in denying jobs to illegals and making sure, that employers can identify them and that they risk legal punishment if they employ them. Beyond that, there is the larger question of what kind of immigration policy this country needs whether that policy is to be established in Washington by law, and enforced, or whether it is to be settled by illegal aliens, who are granted amnesty, and then are free to bring their dependents into the United States.

It is obviously easier to define the problem than to resolve it, but for the first time in a generation, the government here is on the verge of doing something about it.

The pressure from Mexico is not decreasing but increasing. Its population has almost tripled from 20 million in 1945 to more than 60 million now, and by the projections of its own government, will be more than 120 million by the end of the century. It has no effective Social Security or unemployment insurance, and no matter how much President Portillo tries to cooperate with President Carter, he cannot keep his unemployed from emigrating north across an undefendable border of 2,000 miles.

The result is that we already have more illegal aliens in the United States than we have unemployed, and the chances are that this problem will increase unless the administration and the Congress look at these Cabinet recommendations with the utmost care.

HOWARD AND HARRIET KURTZ

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. TEAGUE. Mr. Speaker, in the Washington Post for Sunday, May 8, 1977, there appeared an article on two people with whom I have met and discussed their efforts to bring about an end to the arms race on many occasions.

In order that all may read the article in the event it was overlooked, I include it at this point in the RECORD:

CAN HARRIET AND HOWARD PUT AN END TO THE ARMS RACE?

Earnest reader, if you are sincerely sick of the nuclear arms debate, if your mind is thoroughly boggled by the confusion of rocket stockpiles and hard-target kill ratios and throw-weight projections, if you are totally doped out by the diplomatic thunder between Washington and Moscow, here is a sweet idea to consider instead.

Here is what Harriet and Howard are selling as their alternative to the arms race. This is what Harriet and Howard would tell the President if they ever got in to see him (which they won't, because presidents are protected from seeing people like Howard and Harriet).

Mr. President, they might say, the Golden Rule is whirling around out there in space—all you have to do is grab hold of it. Change the world. Open a new epoch. Save humankind from its own worst impulses.

"There has to be a conceptual breakthrough," says Howard. "It's a new use of power, not like the Peace Corps, not like AID. Nothing like this has happened in history."

"Right," says Harriet. "It is a historical breakthrough. That's why we have to be so patient."

These two people, Howard and Harriet Kurtz, are as patient as unhonored prophets. For 20 years, they have been pushing their idea. Sending out reams of letters and bulletins, carefully typed with the key thoughts underlined in red. Calling on scores of government officials with their home-made slide-show briefing. Talking to countless editors and reporters, who listen politely and often stuff the printed materials deep into the file for unsolicited, wacky ideas.

In the meantime, the world's nuclear arsenals have doubled and tripled and the capacity for mass destruction is spreading to additional governments.

And Harriet and Howard are in their sixties now. She has cancer (or she had it until the operation, the prognosis is good). Five years ago, they sold their home in upstate New York and moved their "War Control Planners Inc." to Washington, a ninth-floor apartment on 21st Street NW. They are living on his Social Security, deeply in debt.

Futility? Despair? Sympathetic reader, hers is the startling twist. Howard and Harriet are happy in their work. More than that, they are increasingly confident that their idea, as Harriet puts it, "is just coming down the pike."

The Golden Rule in the sky was a vision which they began promoting in the early 1960s as "War Safety Control." Now, of course it is technologically established—the United States has dozens of space satellites which orbit the globe, collecting data and photos, monitoring everything from wheat blight to weather to troop movements.

The Kurtzes propose that the President of the United States create and promote, with the urgency of JFK's race-to-the-moon, a "global information cooperative" which would plug every nation of the world into the system, friend and foe alike—sharing not only the commercial-environmental benefits, but eventually the military intelligence which is now kept Top Secret.

That's the point where a lot of people throw the Kurtzes' material into the wastebasket. It is not an idea whose time has come—the notion that U.S. security would be strengthened by helping every other nation to protect its own security.

Undaunted, Harriet and Howard argue that the idea makes sense, not just morally, but militarily. When they talk out their idea, it is like a family *pas-de-deux* between the church and the state. She is an ordained minister of the United Church of Christ, commissioned in 1964 to follow an independent mission for peace. He is a former lieutenant colonel in the Air Force, an engineer who prefers practical explanations.

They got into this crusade a generation ago in the strangest way. After World War II, Howard was working for American Airlines, doing the planning for the first New York-to-Moscow air service. The CAB granted a license in 1946. Howard and Harriet were studying Russian at Columbia.

The Cold War intervened. Howard was in Moscow on May Day of 1947 and saw the new Soviet weaponry on display there. "I could see the next war beginning," he said. "We could see our two babies being caught in it."

So they became permanent amateur students of global politics. In the 1950s, they held regular roundtables on the subject, collecting ideas, drafting hopeful proposals. Their children, as teenagers, used to bring home friends to join the discussion. Today they are grown (Brenda is an actress in New York; Bryan is a banker in Chicago) and still encourage their parents.

"Bryan," says Howard playfully, "is trying to make enough money to catch us as we fall out of the nest."

In 1965, Howard lost his job with a management consulting firm, an event which he attributes to pressure from two defense manufacturers who were clients. "I was given the choice of either dropping this foolishness about peace or involuntarily resigning," he said. "I had no other choice but to be true to my conscience and Harriet's."

Since then, they have both done peacemaking full time. They mail out their newsletter, Checkpoint, to a network of about 3,000 friends and supporters, some of whom respond with occasional contributions. "Our parish," Howard calls them.

As they flash slides of global perspectives on their living-room screen, the Kurtzes describe the grand strategic thinking to support their proposition. It starts with feudal castles in Europe. Pictures of ruined castles flash on the screen.

Howard: "For centuries men sought security behind the walls of castles."

Harriet: "The larger the castle, the greater the sense of security. Then technology produced gunpowder-in-cannon. The castle became indefensible. An historic era began to collapse."

Howard (flashing a cartoon of a cracked castle): "If the Lord of a castle was a dove and turned weak in the face of his enemies, he and his people were defeated."

Harriet: "On the other hand, if the Lord

of a castle was a hawk, he and his enemies shot more and more holes in each other's castles. In time the ruins of castles all across the landscape signaled the final collapse of the old security systems."

As the Kurtzes recount it, security defined by castle domains was replaced (after centuries of bloodshed) by the modern nation-state with its own defensible borders. Modern technology has spent most of the 20th Century attempting to break down the national defensive boundaries. It has at last succeeded.

Harriet: "The nation-state is becoming indefensible. A historic era is collapsing all around the world. Both sides of a nuclear war may be obliterated. Our strategic weapons are becoming suicidal weapons. We will find new ideas or risk mutual destruction."

Howard: "The problem we face today may be simply stated: we will now develop global systems and institutions to assure the security and well-being of all nations—or no nation will ever find security again."

Between the preacher wife and the engineer husband, the basic technique of "War Control Planners Inc." is to take the latest marvels of war-and-space technology and try to imagine how this same hardware might be used to assist in global peace-keeping.

Back in 1961, for example, the Kurtzes sent a far-out package to the new President, proposing an "all-nation declaration of independence" and suggesting how the United States might use modern electronics to help all nations protect their borders. Some of the same techniques—electronic sensors as sentinels—showed up in Vietnam a few years later as the famous "electronic battlefield." Something similar is now being proposed as an element in the Middle East peace-making. The Kennedy White House did not reply to Howard and Harriet.

Ten years ago, the Kurtzes shifted their tactics somewhat, talking up the non-military possibilities of the satellite systems which were just then emerging, urging that the new marvels be organized on a broad global basis, rather than exploited commercially by only the most developed nations.

Their theory is that, once hostile nations begin sharing the fruits of weather-geological-agricultural information, the benefits of sharing military intelligence will become obvious. "If you say we ought to share it, that sounds moralistic," Howard warns. "What we're saying is that, unless we share it, we can't use it."

The non-military information collected by NASA satellites is, in principle, available to all nations, shared with anyone who wants it. As a practical matter, the expertise needed to make good use of mineral readings or new agricultural mapping is still largely limited to major multinational corporations and the industrialized nations.

The potential benefits, for peace or for profit, are still unknown, but easy to imagine. One NASA-Department of Agriculture experimental satellite, for example, is able to identify 17 different crops from 570 miles up. It can determine whether the crops are seedlings or mature, healthy or blighted, well-watered or parched.

"Should the United States—or the Soviet Union—have monopoly control of this global intelligence and this power to corner the agricultural markets of the world?" the Kurtzes ask. Or should the United States, on its own, launch a global system which would serve everyone, enable the world to plan its food supplies on an interdependent basis? The Kurtzes propose a CAIA (Central Agricultural Intelligence Agency) without secrecy—and without having to ask the Soviet Union whether it approves.

The sharing of military data will also seem more plausible in time, the Kurtzes insist, when Americans begin to understand that the Defense Department can no longer defend us.

"Conceptually," Howard says, "the Joint Chiefs are now working on a Kamikaze strategy, threatening to destroy ourselves by throwing more and more of our firepower at the enemy."

"The only reason the concept hasn't changed," adds Harriet, "is that strategy usually changes in the ashes of defeat and we haven't had this defeat. We can't have it."

This future of "war safety" which the Kurtzes envision would actually entail a whole new future for the American military, once the generals begin to see national security differently. In the meantime, the government is spending about $225 million on peaceful applications of space satellites and about 10 times that amout on secret military uses.

The armaments continue to build up, the arms treaties notwithstanding, but somehow the Kurtzes are not discouraged. They report that dozens of people inside the government agencies discreetly encourage their crusade, offering better space photos for the slide-show, correcting their technical mistakes, sharing this idea that a "global information cooperative" is a genuine route to a peaceful world.

President Carter's new director of the White House Office of Science and Technology, Frank Press, recently sent them a cordial response, assuring them that scientists generally share their broad goals and urging them to be patient with the constraints of experimentation.

"As is often the case, political and social progress lags behind technological possibilities and sometimes prevents us from moving as rapidly as we might wish in these areas," Press wrote. ". . . The global satellite system which you have so eloquently pleaded for is in fact evolving, but it cannot be created full-blown overnight."

Sometimes, Howard says, "we feel like the people who spent years building a boat in the basement, only to find there was no door big enough to let it out."

Harriet says: "If we have a contribution to make, it's likely to be a very small but a very crucial one. That's what we tell ourselves when we're trying to keep afloat. I don't know whether that's right or not."

And, now, patient readers, armed with the hope of the Kurtzes, you may return to reading about the arms race.

CITIZEN'S CONSERVATION CHECKLIST

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mrs. SCHROEDER. Mr. Speaker, I think we have all finally come to the realization that our natural resources are finite, and that we can no longer continue to deplete them with abandon. Moreover, the individual citizen has become aware that conservation does not have to be a Government-mandated program of monumental proportions. They realize that all conservation measures, no matter how small they may seem, are important, and that the conservation efforts of millions of Americans added together will significantly affect the lives of our citizens today, as well as the quality of life of future generations.

As an example of the involvement of the individual citizen, I would like to share with my colleagues a conservation checklist addressed to President Carter, over 3,000 of which were given to me in Denver on May 8. I plan to deliver all 3,000 checklists to the White House in the near future.

I am encouraged by the initiative taken by the citizens of Colorado. In the statement preceding the checklist, it says:

The task requires more than the Government alone can accomplish, which only reaffirms my belief that the Government does not solve the problems—the people do.

The conservation checklist follows:

DEAR PRESIDENT CARTER: I believe that now is the time for each citizen to express his or her willingness to take action to protect our environment and conserve our natural resources for future generations. I agree with your statements that the task requires more than government alone can accomplish.

I have taken or will take the following steps to reach our common goal:

( ) To help conserve heating fuel, I keep my thermostat set at 65 in the day and lower at night.
( ) My home is properly insulated: —ceiling —walls.
( ) I own or plan to buy energy efficient appliances.
( ) I am interested in using solar energy in my home.
( ) To help conserve gasoline and in the interest of safety, I obey the 55-mile per hour speed limit.
( ) I either walk, bike, use public transportation, or share a ride to my place of employment.
( ) To help conserve fuel, I own or plan to purchase a car that averages more than 20 miles per gallon of gasoline.
( ) To help conserve water, our family uses less than 50 gallons per person per day in the home and minimal amounts on lawn and garden.
( ) To help conserve natural resources, I recycle paper, cans, and glass whenever possible.
( ) Whenever possible, I purchase long lasting, high quality merchandise and avoid "throw-away" products and containers.
( ) To avoid unnecessary packaging and shipping (and for better nutrition), I grow a portion of the food I eat in my garden.
( ) I will reduce or eliminate my consumption of alcoholic products, so that the grain may be used more directly for food.
( ) I plan to reduce my consumption of grain fed (as opposed to range fed) beef, so that the grain may be used for food.
( ) To help protect the quality of our air, I do not buy products in aerosol spray containers.
( ) My entertainment and recreational activities will be consciously chosen to conserve energy and have a minimal impact on the environment.
( ) I will encourage my employer to conserve energy.
( ) In order to make my views known on matters of importance, I am committed to contacting an elected or appointed official at least once a month.

I am willing to commit to the items I have checked because of a sincere belief that when I do what is right, it has a positive effect both for me and the whole world.

Name
Address
City, State, Zip

Check as many as you can. Return to the person who gave the letter to you, or mail to Build the Earth, 1176 Monaco, Denver 80220, or bring it with you to the Capitol Building steps on Mother's Day at 12:30 PM.

FAILURE OF KEYNESIAN ECONOMICS

HON. THOMAS B. EVANS, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. EVANS of Delaware. Mr. Speaker, The Wall Street Journal on May 9 contained a discussion on the need for developing a new economics policy. The article points out the failure of Keynesian economics—with its view toward a governmentally manipulated economy, and its claim for value in deficit spending. In stressing the need for a new policy, it notes that for the first time in half a century, it is conservative ideas that hold intellectual honesty and vigor. I include in the RECORD:

TOWARD A "NEW" ECONOMICS?

(By Irving Kristol)

"We do not dance even yet to a new tune. But change is in the air. We hear but indistinctly what were once the clearest and most distinguishable voices which have ever instructed political mankind."

So wrote John Maynard Keynes in 1926, in a book called "The End of Laissez-Faire." He was pointing to the intellectual impotence of the prevailing economic orthodoxy, which seemed less and less capable of explaining what was happening to the economic universe, and quite incapable of providing a coherent set of economic policies which statesmen could look to with confidence. And, of course, he was predicting—with a prescience matched only by his self-assurance—the emergence of a new economics, what we today call Keynesian or neo-Keynesian economics, to replace the old.

It all came to pass as he foretold. During the next 50 years, Keynesianism established itself as the new economic orthodoxy. Even conservative politicians eventually were to be heard saying "We are all Keynesians now."

But the number of politicians saying it has, in the past five years, dwindled remarkably. For the Keynesian orthodoxy itself is showing clear signs of sclerosis, even senility, and is well on the way to suffering the fate of its predecessor. It cannot explain the key economic phenomenon of our time, "stagflation," i.e., the coexistence of inflation and unemployment. And the "stimuli" it recommends mysteriously fail to stimulate, but only enfeeble.

In desperation, Keynesian economists are now beginning to recommend that we consider seriously the virtues of wage and price controls. Well, for such advice we don't need economists. Politicians have always been able to think up such "cures" for themselves.

THE "CLASSICAL" ECONOMICS

The "classical" economics which Keynes challenged really had no theory of economic policy. Its major contributions were in the area of microeconomics—specifically, the rational allocation of scarce resources—and its work in this area is of enduring validity. As for the economy as a whole, the "classical" tradition assumed that equilibrium at a high level of employment was a "natural" and potentially steady state. It could not convincingly explain recessions or depressions, and its advice to governments consisted of little more than keeping the budget in balance and letting things follow their natural course. Good advice, on the whole—but not for all seasons.

Keynes perceived this deficiency even before the Great Depression made it obvious to everyone, and he spent a decade developing a new theory to correct it. This involved the creation of "macroeconomics" as an independent field of economic theory, in which efforts were made to explain the general level of economic activity by establishing the "proper" relations of aggregate demand to other agreegates (e.g., GNP, national income, etc.).

At the heart of his own "general theory" was the proposition that a modern economy was naturally unstable, because it had an inherent tendency toward a deficiency in aggregate demand—or, to put it another way, once full employment is reached, people's propensity to save tended to outweigh their tendency to invest. The maintenance of high demand, therefore, became the central object of economic policy, regardless of its unbalancing effect on the budget.

And economic policy consisted of government's manipulation of fiscal and monetary affairs—"fine tuning," we have come to call it—to achieve a level of demand that would ensure full employment and prosperity.

That Keynes was a giant in the history of economic theory is beyond question. "Macroeconomics" is here to stay and will remain his permanent testament, as will governmental responsibility for the level of employment. But, with every passing year, his limitations have also become more apparent.

For instance, his extraordinarily cavalier attitude toward budget deficits—"deficits don't matter," as his leading disciple put it—may have soothed the consciences (and quickened the appetites) of politicians, but it never did make any obvious economic sense. Why should a nation's debt be a different economic species from a family's debt? The only visible difference is that a nation can pass on its indebtedness to future generations, while parents have no such right vis-a-vis their children. But does that make it any less real or burdensome? A "psychohistorian" might wonder whether the fact that Keynes himself was childless might have had something to do with shaping this attitude.

Similarly, a cultural historian might properly wonder to what degree the fact that Keynes was a charter member of the "Bloomsbury circle"—a group of talented upper-class aesthetes—had a bearing on his faith in government's ability to "manage" the economy. His masterwork, "The General Theory of Employment, Interest, and Money," reveals a frank disdain for the traditional bourgeois virtures (thrift, industry, diligence) and for the bourgeoisie as a class. There is also a strong implication that ordinary people are just too short-sighted to make capitalism work, and that they needed the likes of John Maynard Keynes to manage the system for them.

None of this would matter much if his policy prescriptions worked. But they don't. Financing those "unimportant" budgetary deficits turns out to cause inflation. And to the degree that the deficits give rise to heavier taxation, the economy stagnates. It also turns out that the effectiveness of governmental stimulus to the demand side of the economy, accompanied by governmental stifling of the supply side (through taxation), only works if everyone is under the spell of a "money illusion"—i.e., if they notice only the increased number of dollars in hand, and fail to observe that each dollar has lost some of its purchasing power. But the people are cleverer than Keynes thought. They do make the requisite observation; they demand that their purchasing power be maintained; and inflation swells from a ripple to a wave to an oceanic storm.

THE "MONETARIST" SCHOOL

In reponse to this crisis in the theory of economic policy, a "new" economics is beginning to emerge. Based on the critique of Keynesianism by the "monetarist" school, as further developed (in a rather heterodox way) in the work of such economists as Robert Mundell and Arthur Laffer, and as vigorously publicized by Jude Wanniski of The Wall Street Journal and Congressman Jack Kemp (R, N.Y.), it is still in an embryonic condition and the world has not yet taken much notice of it. To requote Keynes: "We do not dance even yet to a new tune. But change is in the air."

One uses the inverted commas around that term "new" because, in truth, much of the "new" economics is very old—as old as Adam Smith, say. Its focus is on economic growth, rather than on economic equilibrum or disequilibrium, and it sees such growth arising from a free response (e.g., investment, hard work, etc.) to the economic incentives of a free market.

It does retain the Keynesian macroeconomic apparatus for diagnostic purposes, but its inclination is "conservative" rather than "liberal"—i.e., it believes that only the private sector can bring us sustained economic growth, and that whatever tasks one might wish to assign to the public sector, economic growth cannot be one of them.

This "new" economics is sometimes described, rather cumbersomely, as "supply-side fiscal policy." (There is also an international monetary aspect which a critic has called, not inaccurately, "global monetarism"—but that is another story.) It arises in opposition to the Keynesian notion that an increase in demand, by itself, will increase supply and therefore accelerate economic growth. The "new" economics asserts that an increase in demand, where the natural incentives to economic growth are stifled, will result simply in inflation. It is only an increase in productivity, which converts latent into actual demand by bringing commodities (old and new) to market at prices people can afford, that generates economic growth.

At the moment, and under existing circumstances, the major emphasis by far of the "new" economics is on the need for a substantial, across-the-board cut in tax rates, because it is the high level of tax rates that is stifling incentives to growth. This has caused some concern and confusion among Republican Congressmen, and business executives too, who sense a continuation of the Keynesian unconcern with budget deficits. But the "new" economics is all in favor of balanced budgets—only it believes that, to achieve such a goal, temporary imbalances may be required. Its emphasis on tax-cutting flows from its conviction that this will, through economic growth, eventually lead to a balanced budget.

SUBSTANTIAL TAX CUT

Simply to reduce government expenditures, in a depressed economy, creates too many problems. (And a ruthless dismantling of the welfare state is, in any case, unthinkable.) It is only a substantial tax cut that will, in time, permit us to reduce the relative size of the public sector by an expansion of the private sector.

This is a highly simplified and much foreshortened version of a set of economic ideas that is beginning to reshape our thinking on economic policy. Its political appeal to conservatives is obvious (just as the political appeal of Keynesianism to liberals was obvious) and helps explain the recent willingness of congressional Republicans to vote in favor of a permanent tax cut despite the state of the budget. They were not "playing politics," as some criticis claimed. They were acting on an economic theory which, if only dimly understood, was nevertheless persuasive. After all, as Congressman Kemp has pointed out, all that Republicans were urging is a tax cut similar to the Kennedy tax program of 1963—also made in the face of a deficit. And it worked: The deficit soon declined, employment went up.

It is hard to overestimate the importance of the fact that, for the first time in half a century, it is the economic philosophy of conservatives that is showing signs of intellectual vigor, while the economic philosophy of liberalism keeps tying itself into ever more elaborate knots. As some sage once observed: You can't beat a horse with no horse. Conservatives, who believe in limited government and a strong private sector, may be in the process of acquiring a horse.

FOUR MYTHS ABOUT WORLD HUNGER

HON. EDWARD W. PATTISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. PATTISON of New York. Mr. Speaker, the following article from the Washington Post of May 8, 1977:

FOUR MYTHS ABOUT WORLD HUNGER

(By Frances Moore Lappe and Joseph Collins)

Learning often begins with unlearning. Several years' research on world food problems has helped us see through four pervasive myths that keep most Americans paralyzed by guilt and fear. These myths prevented us from grasping how hunger is generated and that basic food self-reliance is possible for every country in the world.

Myth one: People are hungry because of scarcity—both of food and of agricultural resources. They are hungry because populations exceed the limited amount of food-producing resources.

Can scarcity seriously be considered the cause of hunger when even in the "food crisis" of the early 1970s there was plenty to go around—enough in grains alone to provide everyone with 3,000 calories a day and ample protein?

Such global estimates mean little, we are told; what matters is the food available for each person in the "hungry countries." We found, however, that in countries accounting for 86 per cent of the total population of the underdeveloped world, food production has kept pace with and often exceeds the growth in population during the last 20 years.

The very countries that most of us think of as food-deficient and import-dependent are themselves major agricultural exporters. Forty per cent of all agricultural imports into the United States, itself one of the world's top three agricultural importers, come from countries of supposed scarcity. In 1973, 36 of the 40 nations classified by the United Nations as being most seriously affected by inflated world food prices actually exported agricultural goods to the United States.

Agricultural exports from the Sahelian countries dramatically increased during the early 1970s, in the face of drought and widespread hunger. Still, a U.N. Food and Agriculture Organization survey, squelched by displeased aid-seeking governments, documented that every Sahelian country, with the possible exception of mineral-rich Mauritania, actually produced enough grain to feed its total population, even during the worst drought year. So, while many went hungry, it was not because of scarcity of agricultural production or even of food.

And what of land scarcity? Several authoritative studies agree that only 44 per cent of the world's cultivable land is actually being cropped. Many landowners who hold land as an investment, not as a source of their food, leave vast amounts unplanted. In Colombia the largest landholders, in control of 70 per cent of the agricultural land, planted only 6 per cent in 1960. But it was in assessing *what* is grown that we came to understand the true magnitude of the waste of land needed by hungry people. In Central American and Caribbean countries, where as many as 70 per cent of the children are undernourished, at least half of the agricultural land, often the best land, is made to produce crops for export, not food for the local people.

If "too many people" were the cause of hunger, we should expect to find more hungry people in countries with greater density of people per agricultural acre. We can find no such correlation. In China, for example, 80 per cent more people live from each cultivated acre than in India. Yet today, in what was once called the "land of famine," no one starves. Country-by-country investigations, even of the so-called basket cases like Bangladesh, led us to believe that in fact there may well be no country without adequate agricultural resources to feed its population.

Neither the size of today's population nor population growth is now the cause of hunger. But it is self-evident that continuing to grow at current rates would seriously undercut the future well-being of all of us. This self-evident truth should add even greater urgency to the search for the *real* causes of rapid population growth. And these causes—the insecurity and poverty of the majority caused by the monopolization of food resources by the few—are the same as the real causes of hunger.

Myth Two: The solution to the hunger problem is to produce more food.

Diagnosing the cause of hunger as scarcity inevitably leads to thinking that greater production itself will solve the problem. Thus, for at least 30 years, governments, international agencies and multinational corporations have promoted greater production through "modernization"—large-scale irrigation, chemical fertilizers, pesticides, machinery and the seeds that give higher yields if they receive such inputs.

But when a new agricultural technology enters a system shot through with inequalities, it profits only those who already have some combination of land, money, credit "worthiness" and political influence. This fact alone has excluded most rural people and all the world's hungry.

Once agriculture becomes a speculative investment in which sheer control of the basic inputs ensures financial successes, a catastrophic chain of events is set into motion. Competition for land sends land values soaring. Higher rents drive tenants and sharecroppers into the ranks of the landless who now make up the majority in many countries. With their increased profits, the powerful buy out small farmers. Large commercial operators, taking advantage of government credits and subsidies, mechanize to avoid labor "management problems." Many made landless by the production focus, finding ever fewer agricultural jobs, join the hopeless search for work in urban areas.

To be cut out of production is to be cut out of consumption. The observation of a 36-cent-a-day agricultural laborer in Bihar, India, confirms this truth: "If you don't own any land, you never get enough to eat, even if the land is producing well."

Indeed, in many countries more food per person is being produced, yet many are more hungry. This is not a theoretical point. Study after study around the world documents a consistent pattern: the retrogression of much of the rural population even as production advances. One extensive, just completed study of seven Asian countries containing 70 percent of the rural population of the non-socialist underdeveloped world concludes that "the increase in poverty [of 20 to 80 percent of the rural population] has been associated not with a fall but with a rise in cereal production per head."

Ignoring the social roots of hunger and focusing instead on production increases has taken us backward, not forward. The real obstacle to people feeding themselves is that they do not have control over productive resources. People who know they control their resources will, through their ingenuity and labor, make them ever more productive. The Chinese experience shows that people are a country's most underutilized resource. Human energy, properly motivated and organized, has transformed deserts into granaries.

The reality is that democratic redistribution of control over agricultural resources has historically been shown to result in dramatic production advances in countries as different as Japan, Taiwan, China, and Egypt; moreover, it is the *only* guarantee that the hungry will eat.

Myth Three: An underdeveloped country's best hope for development is to export crops in which it has a natural advantage and use the earnings to import food and industrial goods.

There is nothing natural about concentrating on a few largely low-nutrition crops. The same land that grows cocoa, tea and sugar could grow an incredible diversity of nutritious crops. Nor is there any advantage. Reliance on a limited number of crops generates economic as well as political vulnerability.

Among the many flaws in the natural advantage theory, the most serious is that the people who benefit from the foreign exchange earned by the agricultural exports are not the people who work to produce those exported crops and who need food. Even when part of the foreign exchange earned is used to import food, it is generally not the needed staples but items to satisfy the tastes of the better-off urban classes. In Senegal, the choice land is used to grow peanuts and vegetables for export to Europe. Much of the foreign exchange earned is spent to import wheat for foreign-owned mills that turn out flour for French-style bread for the urban dwellers.

Indeed, the very success of export agriculture can further undermine the welfare of the poor. When world commodity prices go up, self-provisioning farmers may be pushed off the land by cash crop producers seeking to profit on the higher commodity prices. An increase in the world price of a commodity can actually mean less income for the plantation worker or the peasant producer. When the price of sugar on the world market increased several-fold a few years ago, the real wage of a cane cutter in the Dominican Republic actually fell to less than it was 19 years earlier. A nominal increase in the wage of the cane cutter did not compensate for the inflation set off by the sugar boom.

Governments fixated on agricultural exports suppress labor reforms they believe would make their exports uncompetitive. Furthermore, in countries such as the Philippines, governments exempt land producing for export from land reform, and thereby not only maintain the poverty of the rural landless but further undercut food production as growers shift to export crops to avoid redistribution.

By contrast, food self-reliant policies would measure success in terms of the welfare of the people, not export income. Food self-reliance is not isolationist. But trade would become an organic outgrowth of development, not the fragile hinge on which survival hangs. Clearly, no country can hope to "win" in international trade as long as its people's very survival depends on selling one or two products. Once the basic needs are being met, however, trade will no longer be at the cost of the food well-being of the peo-

ple, as evidenced by countries such as Cuba and China.

Myth Four: Hunger is a contest between the Rich World and the Poor World.

Terms like "hungry world" and "poor world" make us think of uniformly hungry masses, while in reality hunger afflicts the lower rungs in both so-called developed and underdeveloped countries. Worse still, the "rich world" versus "poor world" scenario makes the hungry appear as a threat to the majority in countries like our own. In truth, however, the problems of the hungry will never be addressed until the majority in the United States can see that the hungry abroad are their allies, not their enemies.

The poor majority in underdeveloped countries and ordinary Americans are linked through a common threat: the tightening of control over the most basic human need—food—both within countries and on a global scale. The very process of increasing concentration of control over land and all other productive resources that we have identified as a direct cause of hunger in underdeveloped countries is going on right here at home. Only 5.5 per cent of all farms in the United States have come to operate over one-half of all land in farms. The resulting landlessness and joblessness in rural America are at the root of much of the persistent hunger in the midst of agricultural bounty. In food manufacturing, the top four firms in any given food line control, on the average, over half of the market. In 1972, the Federal Trade Commission staff calculated that such oligopolies in 13 food lines cost consumers $2.1 billion in overcharges. For the 1 out of 10 Americans who must spend 69 per cent of all income on food, such inflated prices mean undernutrition.

Many of these same oligopolistic corporations are now expanding their operations into underdeveloped countries. Multinational agribusiness is busily creating a Global Farm to serve a Global Supermarket. Finding production sites in underdeveloped countries, where land and labor can cost as little as 10 per cent of stateside costs, large food corporations are shifting production of high-value items—vegetables, fruits, flowers and meat—out of the industrial countries. They find ready partners in foreign elites who, given the increasing impoverishment of much of the local population, face a stagnated internal market for their production.

In the Global Supermarket the poorest in the Philippines, Colombia and Senegal must reach for food on the same shelf as hundreds of millions of consumers around the world. Every item has a price and that price is determined by what the Global Supermarket's better-off customers are willing to pay. And the sad reality is that even Fido and Felix in countries like the United States can outbid the world's hungry. Consumers in the industrial countries unwittingly become a suction force, diverting food resources in the underdeveloped countries away from local needs.

And the significance for us? In our country, farmers and workers are losing their jobs as agribusiness roams abroad. The United States imports annually between $9 billion and $10 billion in agricultural products, two-thirds of which compete directly with what farms grow here. Moreover, a Global Farm gives the U.S. government further rationale for supporting political and economic structures abroad that block hungry people from growing food for themselves. Nor should we conclude that consumers here get cheaper food. Studies show that lower production costs for food oligopolies on foreign soil do not get passed on to consumers.

The Global Supermarket is the type of interdependence no one needs. "Interdependence" in a world of extreme power inequalities becomes a smokescreen for the usurpation of food resources by the few for the few.

THE FUTURE THAT DOES NOT WORK

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 16, 1977

Mr. HAGEDORN. Mr. Speaker, a sobering article by Mr. Peter Jay, economics editor of the London Times, appeared in this weekend's Washington Post. Drawing upon the British experience, instructive to the United States in so many ways, Mr. Jay concludes:

So we reach the depressing conclusion that the operation of free democracy appears to force government into positions (the commitment to full employment) that prevent them from taking steps (fiscal and monetary restraint) that are necessary to arrest the menace (accelerating inflation) that threatens to undermine the condition (stable prosperity) on which political stability and therefore liberal democracy depend. In other words, democracy has itself by the tail and is eating itself up fast.

Mr. Jay, currently embroiled in other controversies, very perceptively, in my opinion, recognizes the political currents in Western democracies that seem to render them powerless to respond in an effective way to increasingly serious economic problems. I would like to call to the attention of my colleagues the complete statement of Mr. Jay which is incidentally excerpted from an excellent book analyzing the malaise of the British political system, "The Future That Doesn't Work," edited by R. Emmett Tyrell, Jr., editor of the Alternative:

THE FUTURE THAT DOES NOT WORK

(By Peter Jay)

We in Britain are a confused and unhappy people. So are those of our fellows on the continent of Western Europe who have their wits about them. So, too, are our many friends in the United States who rightly see in the anguish of the United Kingdom the advanced stages of a disease that has already taken hold throughout Western Europe and that is beginning to show its unmistakable symptoms in the United States.

We are unhappy because the foundations of our prosperity seem to be eroding faster and faster and because we can neither find nor agree upon any sure remedy for this decay. We are confused because we do not clearly understand why all this is happening to us, whether it is due to the malefactions of subversive groups, the incompetence of governments, defects of national character, the rhythms of history, the luck of the draw, or what.

The search for someone to blame adds to the confusion and the bitterness. Government and governed become more and more alienated from one another. The governors believe the governed to be irretrievably greedy, feckless, idle and recalcitrant, while the governed believe the governors to be stupid, corrupt, power-crazed and unrepresentative. Likewise, class is set against class, the middle classes denouncing the rapacity of the workers while the workers rail at the privileges and the hypocrisy of the better-off.

In Britain region is set against region, and separatism gains steady support in Ulster, in Scotland, in Wales and, by reaction, in England itself. Only the Labor Party can any longer claim a vestige of nationwide support, and even it could not get even 30 per cent of the potential electorate to support it in 1974; but for London and Bristol, the Labor Party would be virtually unrepresented from the whole of the south of England.

The fissures spread out in all directions like an ice fall: disintegration in slow motion. Labor unions, business management and financiers are locked in a triangle of mutual vituperation and incomprehension. Union leaders point to the lack of investment in productive industry. Industrialists complain that the capital markets and the banks do not support them because the financiers' time horizons are too short and their understanding of industry is negligible. And the investors ask how they can be expected to put up capital when the unions preempt all, or more than all, the potential return on new plant and equipment.

Weak labor unions with low-paid members loudly support same-all-'round ceilings on pay increases while their stronger brothers, in entrenched industrial positions with higher-paid workers, stoutly defend their "differentials" and angrily compare their lot with standards enjoyed by bloated captalists, whom they still imagine—not always wrongly—to be living like a caricature of a 19th Century railway baron. The media criticize everyone and everything, almost everyone blames the media for the lack of national unanimity and commitment.

It is an unedifying spectacle and an unprofitable arrangement. Nor does it touch at any point on the true causes of the problem. These causes are deep-seated and general, embeded in the very organization of our society. They are also complex and abstract. There are no guilty men, but there are defective institutions.

The political and economic organization of modern liberal democracies is dedicated, above all, to the satisfaction of individual wants. How are we to establish what individuals want? By asking them. How are we to ensure that they get what they want, at least so far as possible? By letting them make the decisions. How do we arrange that? By letting them elect their governments and by letting them spend their money in a free competitive marketplace.

This engagingly simple political philosophy may indeed have been a useful antidote to the depredations practiced on mankind by authoritarian and paternalist regimes in the name of higher values. But, alas, it already has built into it the tension that lies at the root of our present troubles. For, as the Austrian economist Joseph Schumpeter pointed out, the marketplace for votes and the marketplace for goods operate according to vastly different and frequently incompatible criteria. When the domains of the economic and political marketplace overlap—as they often do—they come into serious conflict.

The political arena is a marketplace in votes. Rival teams organize themselves to win a majority or at least a plurality of support so they can exercise power. The only cost of voting for one team is that you cannot vote for another. The teams naturally and inevitably seek to outbid each other by offering more of whatever they think the voters want. There is no mechanism that requires bids to be internally consistent or forces voters to balance more of one good against more of another.

The economic arena is—or at least supposedly starts out as—a marketplace in money. But here the individual chooses quite differently. He makes small decisions all the time instead of one big decision every few years. Each decision is marginal, to spend his next penny on a little more of this rather than a little more of that. He does not have to pledge all his income for the next few years to one of a short list of comprehensive packages.

The conflict between the different logics of political and economic choice is most clearly manifest in the relationship between unemployment and inflation. Since [John Maynard] Keynes, since the war, since the

British *Employment Policy* White Paper of 1944, and since the American Employment Act of 1946, a pledge of full employment has been an indispensable ingredient in any bid for electoral victory.

After the experiences of the 1930s, almost every voter—or so all politicians have assumed—has regarded the avoidance of mass unemployment as an overriding political objective. After the writings of Keynes and even more after the simplified popularization of his writings and their endorsement by government, the politicians and the public have also assumed that the means of security high employment always lay at hand.

Whenever unemployment looked like it was rising to politically embarrassing levels, the response was to put more spending power into people's pockets, whether by cutting taxes, increasing government spending or easing credit conditions through monetary policy.

It was recognized in theory that one might go too far in this direction, overheat the economy and cause inflation. But it was not doubted that there was a safe zone in which something approaching full employment could be maintained without running risks of serious inflation.

The economic realities were unhappily different.

The truth is that in the short term—for the first year or two—demand management, the regulation of spending power, mainly affects the real volume of spending, output and therefore employment, while in the longer run it mainly affects the price level. The notion inherent in the popular understanding of Keynes— that an economy could be indefinitely underemployed through deficient demand without prices eventually being forced down sufficiently to clear markets, including the labor market—was a dangerous misunderstanding of the unhappy experiences of the 1930s.

Nonetheless, the belief was almost universal in British economic circles and increasingly predominant in American and European circles that, provided overheating of the economy was avoided (and with it "overfull employment"), budget deficits and the associated expansion of the money supply could be used more or less without limit to head off any incipient rise in unemployment.

At the same time, there were objective reasons why unemployment was likely to rise above the levels regarded as "full employment," even in the absence of any positively deflationary actions by government and the central bank. These were and are of two kinds, both barely recognized and little understood: the general imperfections of the labor market; and the operation of what is variously known as "free collective bargaining" and as "trade union monopoly bargaining."

Imperfections of the labor market include anything that keeps job seekers and vacancies from being instantly matched to one another. As the pattern of demand and the techniques of supply constantly evolve, different kinds of workers are required by different entrepreneurs in different places. It takes time to convert some workers from one role to another. Others can never be converted and have to be replaced by a new and differently trained generation.

The role of free collective bargaining may be regarded as a second and separate reason why conventional postwar full employment policies were incompatible with price stability—or indeed with a stable rate of inflation—or it can be seen as a special case of the first general reason. The latter way of putting it emphasizes the monopolistic character of collective bargaining by labor unions.

The effect of charging a monopoly price for labor must be to reduce "sales," that is, employment, below the market-clearing level. Some people will get paid more than they would under perfect competition in the labor market, but others will not get jobs at all.

The effect, therefore, of a widespread pattern of monopolistic bargaining in the labor market will be to increase the numbers unemployed—in other words, to raise the "natural" rate of unemployment. This, as has often been pointed out, is in itself a once-and-for-all effect. But like the once-and-for-all effects of other labor market imperfections, it gives rise to an accelerating, eventually explosive rate of inflation when it is combined with a government commitment to maintain by demand management a lower rate of unemployment than this new "natural level."

As soon as unemployment begins to approach the higher "natural" rate, government rushes in with injections of additional spending power, whether by fiscal or monetary means. These monetary or fiscal injections initially increase demand and so check or reverse the rise in unemployment. But this creates an imbalance of supply and demand in the labor market. Either unemployment is now below the natural rate, or it is below the rate that is needed just to inhibit the further exercise of labor unions' monopoly bargaining power.

In consequence, the price of labor rises once again. If final prices are not raised to cover this, businesses close and unemployment rises once again. If prices do go up, consumers' incomes will buy less, the volume of sales falls, output falls and unemployment rises once again. Whereupon government is forced to intervene again with another injection of extra spending power.

Before long, consumers and pay bargainers—indeed, everyone involved in the economy—gets used to inflation. It becomes built into expectations, and so the stimulative effects of any given amount of governmental "reflation" are eroded. Governments then begin to increase the dose; there is no end to this process of trying to keep the actual inflation rate permanently ahead of constantly catching-up expectations until the stage of hyperinflation—and breakdown—is reached.

Surely, it will be said, Western democracy is not going to wreck itself on such absurd and obvious nonsense. Unfortunately, it probably will, at least on the eastern side of the Atlantic.

It takes more and more inflation (or bigger and bigger balance-of-payments deficits, which are in some circumstances an inflation substitute) to achieve—or, more often, to fail to achieve—any given employment level. This evidence has been overlooked because we have all been watching the ends of the seesaw go up and down, without seeing that the fulcrum on which the whole contraption rests is steadily rising.

Even if the danger is fully appreciated, it is far from clear that the right action will be possible. The logic of ballot-box choice enables us—indeed, almost forces us—to vote for full employment without thereby also voting for the means to achieve it, which must include a willingness to sell one's own labor at a market-clearing price. Even that would not be enough. Everyone else would have to be committed to such individual bargaining; and that would imply the end of collective bargaining and therefore of unions in their main historic role.

It would further be necessary to vote for other measures that would reduce the "natural" level of unemployment until it coincided with our chosen definition of full employment. This could certainly include in Britain an end to subsidized municipal housing.

Thus, even though the mass of voters may dislike inflation more than they dislike unemployment, the logic of ballot-box choice may still give rise to inflationary policies. Voters can vote against inflation—or imagine they are voting against inflation—but actually to stop inflation they would have to vote against collective bargaining, housing subsidies, and the like. Even the statesman who fully perceives the nature of the dilemma is debarred from campaigning accordingly. He knows—or thinks he knows—that this would be the road to political extinction, which, as he will say, solves nothing.

Likewise, the fully intelligent citizen is debarred from voting for an option that no party puts forward. Even if the fully perceptive statesman and the fully intelligent voter could somehow establish contact, it is still not certain that it would be rational for the voter to support the statesman. The voter may fear the certainty of a deep and prolonged recession for three or four years more than he fears the eventual crash to which he knows traditional policies must one day lead.

So we reach the depressing conclusion that the operation of free democracy appears to force governments into positions (the commitment to full employment) that prevent them from taking steps (fiscal and monetary restraint) that are necessary to arrest the menace (accelerating inflation) that threatens to undermine the condition (stable prosperity) on which political stability and therefore liberal democracy depend. In other words, democracy has itself by the tail and is eating itself up fast.

There is nothing inevitable, in the absolute sense, about a process that consists of human actions. We could all decide to travel a different route, but that is an extremely difficult thing for people in groups of many millions to do in the absence of a system that reconciles public with private goods, that harmonizes the logic of political choice with the logic of economic choice.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of all meetings when scheduled, and any cancellations or changes in meetings as they occur.

As an interim procedure until the computerization of this information becomes operational, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, May 17, 1977, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MAY 18

9:30 a.m.

Energy and Natural Resources

Public Lands and Resources Subcommittee

To hold hearings on S. 1360, to establish an Advisory Committee on Timber Sales Procedure.

3110 Dirksen Building

Human Resources

Alcoholism and Drug Abuse Subcommittee

To hold hearings on S. 1107, the Occupational Alcoholism Prevention and Treatment Act of 1977.

Until 12:30 p.m. 4232 Dirksen Building

Rules and Administration

To resume hearings to receive testimony

in behalf of requested funds for activities of Senate committees and subcommittees.
301 Russell Building

10:00 a.m.
Agriculture, Nutrition, and Forestry
To hold a business meeting.
324 Russell Building
Appropriations
Transportation Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1978 for DOT.
1224 Dirksen Building
Commerce, Science, and Transportation
To hold hearings on the nomination of John McGrath Sullivan, of Pennsylvania, to be Administrator of the Federal Railroad Administration.
5110 Dirksen Building
Judiciary
Criminal Laws and Procedures Subcommittee
To hold hearings on S. 1382, to establish rational criteria for the imposition of the death penalty.
2228 Dirksen Building
Select Indian Affairs
To hold hearings on S. 103, 667, and 785, to convey certain Federal land to the Ely Indian Colony, Paiute, and Shoshone Tribes.
Room to be announced
Special Aging
To continue hearings concerning development of alternatives to institutional health care for older Americans.
6226 Dirksen Building

11:00 a.m.
Foreign Relations
Near Eastern and South Asian Affairs Subcommittee
To receive testimony on the framework of problems in the Middle East.
4221 Dirksen Building

2:00 p.m.
Appropriations
Military Construction Subcommittee
To mark up proposed appropriations for fiscal year 1978 for military construction.
S-126, Capitol
Rules and Administration
To continue hearings to receive testimony in behalf of requested funds for activities of Senate committees and subcommittees.
301 Russell Building

MAY 19

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings on S. 1471, to increase Tax credit for contributions to candidates for the U.S. Senate.
2221 Dirksen Building
Human Resources
Alcoholism and Drug Abuse Subcommittee
To continue hearings on S. 1107, the Occupational Alcoholism, Prevention and Treatment Act of 1977.
Until 12:30 p.m., 4232 Dirksen Building
Judiciary
Antitrust and Monopoly Subcommittee
To hold hearings on S. 825, to foster competition and consumer protection policies in the development of product standards.
2228 Dirksen Building
Rules and Administration
To continue hearings to receive testimony in behalf of requested funds for activities of Senate committees and subcommittees.
301 Russell Building

9:45 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 695, to impose on former Federal procurement personnel an extended time period during which they may not work for defense contractors.
5302 Dirksen Building

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold oversight hearings on efforts being made by the Department of Housing and Urban Development to assist victims of the recent floods in Eastern Kentucky.
324 Russell Building
Appropriations
Transportation Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1978 for DOT.
1224 Dirksen Building
Energy and Natural Resources
To resume hearings on the President's energy program.
3110 Dirksen Building
Foreign Relations
To hold hearings to be followed by a business meeting to consider pending nominations.
4221 Dirksen Building
Judiciary
Criminal Laws and Procedures Subcommittee
To continue hearings on S. 1382, to establish rational criteria for the imposition of the death penalty.
1318 Dirksen Building
Select Ethics
Open, to be followed by a closed business meeting.
1417 Dirksen Building

MAY 20

9:30 a.m.
Governmental Affairs
Energy, Nuclear Proliferation, and Federal Services Subcommittee
To resume hearings to receive testimony on a report of the Commission on Postal Service.
3302 Dirksen Building

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposals to reprogram certain fiscal year 1977 funds for the Army, Navy, Air Force, and Marine Corps.
1223 Dirksen Building
Banking, Housing, and Urban Affairs
To continue hearings on S. 695, to impose on former Federal procurement personnel an extended time period during which they may not work for defense contractors.
5302 Dirksen Building
Joint Economic
To receive testimony on the economic impact of the President's energy proposals.
6202 Dirksen Building
Select Intelligence
To hold a closed business meeting.
H-403, Capitol

11:00 a.m.
Foreign Relations
Near Eastern and South Asian Affairs Subcommittee
To receive testimony on the framework of problems in the Middle East.
4221 Dirksen Building

MAY 23

9:00 a.m.
Energy and Natural Resources
Public Lands and Resources Subcommittee
To hold overnight hearings on the implementation of the Wild Horses and Burros Act.
3110 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To continue hearings on S. 695, to impose on former Federal procurement personnel an extended time period during which they may not work for defense contractors.
5302 Dirksen Building
Governmental Affairs
Intergovernmental Relations Subcommittee
To hold hearings on S. 600, the Regulatory Reform Act of 1977.
6226 Dirksen Building
Select Indian Affairs
To hold hearings on S. 905, the Central Arizona Indian Tribal Water Settlement Act of 1977.
Room to be announced

MAY 24

9:00 a.m.
Governmental Affairs
Subcommittee on Reports, Accounting, and Management
To resume hearings to review the processes by which accounting and auditing practices and procedures, promulgated or approved by the Federal Government, are established.
6202 Dirksen Building

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on S. 657, to establish an Earth Resources and Environmental Information System.
5110 Dirksen Building
Select Small Business
To resume hearings on alleged restrictive and anticompetitive practices in the eyeglass industry.
424 Russell Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on bills dealing with Federal regulation and supervision of financial institutions (S. 1433, 895, 71 and 73).
5300 Dirksen Building
Energy and Natural Resources
Energy Production and Supply Subcommittee
To hold oversight hearings to review the proposed exchange of land between the Superior Oil Company and the Federal Government.
3110 Dirksen Building
Finance
Private Pension Plans and Employee Fringe Benefits Subcommittee
To resume joint hearings with Select Committee on Small Business on S. 285, proposed Tax-Exempt Private Pension Investment Act of 1977, and S. 901, proposed Pension Simplification Act.
2221 Dirksen Building
Foreign Relations
To hold hearings on the Convention on the Prevention and Punishment of the Crime of Genocide (Exec. O. 81st Cong., 1st sess.).
4221 Dirksen Building
Governmental Affairs
Intergovernmental Relations Subcommittee
To continue hearings on S. 600, the Regulatory Reform Act of 1977.
6226 Dirksen Building

10:30 a.m.
Judiciary
To hold hearings on the nomination of Francis J. Boyle, of Rhode Island, to be U.S. district judge for the district of Rhode Island.
2228 Dirksen Building

11:00 a.m.
Judiciary
To resume hearings on S. 1096, to strengthen Federal regulations concerning use of false identification when applying for Federal identification documents.
2228 Dirksen Building

2:00 p.m.
Select Intelligence
Charters and Guidelines Subcommittee
To hold a closed business meeting.
H-403. Capitol

MAY 25

9:00 a.m.
Energy and Natural Resources
Energy Conservation and Regulation Subcommittee
To hold hearings on S. 19, S. 743, and H.R. 130, to provide for the protection of franchised distributors and retailers of motor fuel.
3110 Dirksen Building

*Veterans' Affairs
To hold hearings on S. 247 and S. 1414, to provide recognition to the W.W. II Women's Air Forces Service Pilots and W.W. I Signal Corps telephone operators, respectively; and S. 129, to restore rights and benefits to certain Filipino combat veterans of W.W. II.
Until noon 318 Russell Building

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on S. 657, to establish an Earth Resources and Environmental Information System.
5110 Dirksen Building
Energy and Natural Resources
Energy Production and Supply Subcommittee
To resume hearings on S. 977, to conserve gas and oil by fostering increased utilization of coal in electric generating facilities and in major industrial installations.
4200 Dirksen Building
Select Small Business
To continue hearings on alleged restrictive and anticompetitive practices in the eyeglass industry.
424 Russell Building
Select Indian Affairs
To hold hearings on S. 660, seeking an agreement with the Cherokee, Choctaw, and Chickasaw Indian Tribes of Oklahoma for the purchase or lease of their rights in the riverbed of the Arkansas River.
Room to be announced
Banking, Housing, and Urban Affairs
To continue hearings on bills dealing with Federal regulation and supervision of financial institutions (S. 1433, 895, 71 and 73.
5300 Dirksen Building
Finance
Private Pension Plans and Employee Fringe Benefits Subcommittee
To continue joint hearings with Select Committee on Small Business on S. 285, proposed Tax-Exempt Private Pension Investment Act of 1977, and S. 901, proposed Pension Simplification Act.
2221 Dirksen Building
Government Affairs
Intergovernmental Relations Subcommittee
To continue hearings on S. 600, the Regulatory Reform Act of 1977.
6226 Dirksen Building
Joint Economic
To receive testimony on the economic impact of the President's energy proposals.
1114 Dirksen Building
Select Small Business
To hold hearings on S. 807, to authorize grants to assist individuals and small business concerns in developing solar energy equipment and energy-related inventions.
235 Russell Building

1:00 p.m.
Governmental Affairs
Government Efficiency Subcommittee
To hold hearings to receive testimony on a GAO study alleging inaccurate financial records of the Federal flood insurance program.
1224 Dirksen Building

MAY 26

9:30 a.m.
Energy and Natural Resources
Public Lands and Resources Subcommittee
To hold hearings on S. 1338, to authorize the issuance of permits on public domain national forest lands for commercial outdoor recreation activities.
3110 Dirksen Building
Select Small Business
To continue hearings on alleged restrictive and anticompetitive practices in the eyeglass industry.
235 Russell Building

10:00 a.m.
Foreign Relations
To continue hearings on the Convention on the Prevention and Punishment of the Crime of Genocide (Exec. O, 81st. Cong., 1st sess.).
4221 Dirksen Building
Governmental Affairs
Subcommittee on Reports, Accounting, and Management
To continue hearings to review the processes by which accounting and auditing practices and procedures, promulgated or approved by the Federal Government, are established.
6202 Dirksen Building
Select Small Business
To continue hearings on S. 807, to authorize grants to assist individuals and small business concerns in developing solar energy equipment and energy-related inventions.
424 Russell Building

JUNE 3

11:00 a.m.
Joint Economic
To hold hearings to receive testimony on the employment/unemployment situation in May.
1202 Dirksen Building

JUNE 6

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on H.R. 5675, to authorize the Treasury Department to make short-term investments of any portion of its excess operating cash balance.
5302 Dirksen Building
Commerce, Science, and Transportation
Communications Subcommittee
To hold oversight hearings on the cable TV system.
235 Russell Building
Select Indian Affairs
To hold oversight hearings on the Indian Education Reform Act (Public Law 93-638).
Room to be announced

JUNE 7

9:30 a.m.
Select Small Business
To resume hearings on alleged restrictive and anticompetitive practices in the eyeglass industry.
424 Russell Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 1397, to increase from 16 to 19 the size of the Board of Directors of FNMA.
5302 Dirksen Building
Commerce, Science, and Transportation
Communications Subcommittee
To continue oversight hearings on the cable TV systems.
235 Russell Building
Foreign Relations
To hold hearings on an agreement with Canada concerning the transit oil pipeline (Exec. F, 95th Cong., 1st sess.), and the Inter-American Treaty of Reciprocal Assistance (Exec.. J, 94th Cong., 1st sess.).
4221 Dirksen Building
Human Resources
Health and Scientific Research Subcommittee
To hold hearings to evaluate information upon which the FDA based its decision to propose regulations banning the use of saccharin.
4232 Dirksen Building
Joint Economic
Economic Growth and Stabilization Subcommittee
To hold hearings on economic development in rural areas.
1202 Dirksen Building
Select Indian Affairs
To continue oversight hearings on the Indian Education Reform Act (P.L. 93-638).
Room to be announced

10:30 a.m.
Appropriations
Transportation Subcommittee
To mark up proposed appropriations for fiscal year 1978 for the Department of Transportation.
S-128, Capitol

JUNE 8

9:00 a.m.
*Commerce, Science, and Transportation
Science Technology, and Space Subcommittee
To hold hearings on S. 421, to establish a program to educate the public in understanding climatic dynamics.
5100 Dirksen Building

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue oversight hearings on the cable TV system.
235 Russell Building
Energy and Natural Resources Parks and Recreation Subcommittee
To hold hearings on S. 975, to improve the administration of the national park system.
3110 Dirksen Building
Foreign Relations
International Operations Subcommittee
To hold oversight hearings on the role of the media, business, banking, labor, National Security, etc. in the current and future international flow of information.
4221 Dirksen Building
Human Resources
Health and Scientific Research Subcommittee
To continue hearings to evaluate information upon which the FDA based its decision to propose regulations banning the use of saccharin.
4232 Dirksen Building
Joint Economic
To hold hearings to review economic conditions and to discuss the future outlook.
6202 Dirksen Building

JUNE 9

9:00 a.m.
*Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on S. 421, to establish a program to educate the public in understanding climatic dynamics.
5110 Dirksen Building

10:00 a.m.
Foreign Relations
International Operations Subcommittee
To continue oversight hearings on the role of the media, business, banking, labor, National Security, etc. in the current and future international flow of information.
4221 Dirksen Building
Governmental Affairs
Reports, Accounting, and Management Subcommittee
To resume hearings to review the processes by which accounting and auditing practices and procedures, promulgated or approved by the Federal Government, are established.
6202 Dirksen Building
Joint Economic
To continue hearings to review economic conditions and to discuss the future outlook.
1202 Dirksen Building

JUNE 10

9:00 a.m.
*Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on S. 421, to establish a program to educate the public in understanding climatic dynamics.
5110 Dirksen Building
10:00 a.m.
Foreign Relations
International Operations Subcommittee
To continue oversight hearings on the role of the media, business, banking, labor, national security, etc. in the current and future international flow of information.
4221 Dirksen Building

JUNE 13

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on S. 657, to establish an Earth Resources and Environmental Information System.
235 Russell Building
Finance
Taxation and Debt Management Subcommittee
To receive testimony on proposal designed to encourage economic growth and employment.
2221 Dirksen Building
10:00 a.m.
Governmental Affairs
Reports, Accounting, and Management Subcommittee
To resume hearings to review the processes by which accounting and auditing practices and procedures, promulgated or approved by the Federal Government, are established.
6226 Dirksen Building

JUNE 14

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on S. 657, to establish an Earth Resources and Environmental Information System.
5110 Dirksen Building
Finance
Taxation and Debt Management Subcommittee
To receive testimony on proposals designed to encourage economic growth and employment.
2221 Dirksen Building
10:00 a.m.
Joint Economic
Economic Growth and Stabilization Subcommittee
To continue hearings on economic development in rural areas.
1202 Dirksen Building

JUNE 15

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on S. 657, to establish an Earth Resources and Environmental Information System.
235 Russell Building
10:00 a.m.
Foreign Relations
To hold hearings on treaties with Mexico and Canada on prisoner exchanges (Exec. D and H, 95th Cong., 1st sess.).
4221 Dirksen Building
Joint Economic
Economic Growth and Stabilization Subcommittee
To continue hearings on economic development in rural areas.
6226 Dirksen Building

JUNE 16

10:00 a.m.
Foreign Relations
To continue hearings on treaties with Mexico and Canada on prisoner exchanges (Exec. D and H, 95th Cong., 1st sess.).
4221 Dirksen Building

JUNE 22

10:00 a.m.
Joint Economic
Subcommittee on Growth and Stabilization
To hold hearings to receive testimony from public pollsters on the current status of, and future conditions affecting the economy.
1202 Dirksen Building

JULY 12

10:00 a.m.
*Foreign Relations
To hold hearings on the Vienna Convention on the Law of Treaties (Exec. L, 92nd Cong., 1st sess.).
4221 Dirksen Building

JULY 13

10:00 a.m.
Foreign Relations
To review the operation and effectiveness of the War Powers Resolution of 1973.
4221 Dirksen Building

JULY 14

10:00 a.m.
Foreign Relations
To review the operation and effectiveness of the War Powers Resolution of 1973.
4221 Dirksen Building

JULY 15

10:00 a.m.
Foreign Relations
To review the operation and effectiveness of the War Powers Resolution of 1973.
4221 Dirksen Building

JULY 19

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To receive a report from the National Commission on Supplies and Shortages on materials policy research and development.
5110 Dirksen Building
Foreign Relations
To hold hearings on the following five tax treaties. Convention with Israel (Exec. C, 94th Cong., 2nd sess.); Convention with Egypt (Exec. D, 94th Cong., 2nd sess.); Convention with United Kingdom (Exec. K, 94th Cong., 2nd sess.); Convention with the Republic of Korea (Exec. P. 94th Cong., 2nd sess.); and Convention with the Republic of the Philippines (Exec. C, 95th Cong., 1st sess.).
4221 Dirksen Building

JULY 20

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To receive a report from the National Commission on Supplies and Shortages on materials policy research and development.
5110 Dirksen Building
10:00 a.m.
Foreign Relations
To hold hearings on the following five tax treaties; Convention with Israel (Exec. C, 94th Cong., 2nd sess.); Convention with Egypt (Exec. D, 94th Cong., 2nd sess.); Convention with the United Kingdom (Exec. K, 94th Cong., 2nd sess.); Convention with the Republic of Korea (Exec. P, 94th Cong., 2nd sess.); and Convention with the Republic of the Philippines (Exec. C, 95th Cong., 1st sess.).
4221 Dirksen Building

JULY 26

10:00 a.m.
Foreign Relations
To hold hearings on protocol to the Convention on International Civil Aviation (Exec. A, 95th Cong., 1st sess.), and two related protocols (Exec. B, 95th Cong., 1st sess.).
4221 Dirksen Biulding

CANCELLATIONS

MAY 18

9:00 a.m.
Governmental Affairs
Subcommittee on Reports, Accounting, and Management
To resume hearings to review the processes by which accounting and auditing practices and procedures, promulgated or approved by the Federal Government, are established.
6202 Dirksen Building
10:00 a.m.
Banking, Housing, and Urban Affairs
To continue oversight hearings on federally guaranteed loans to New York City.
5302 Dirksen Building

MAY 19

10:00 a.m.
Human Resources
Health and Scientific Research Subcommittee
To hold hearings on S. 1391, the Hospital Cost Containment Act of 1977.
4232 Dirksen Building

MAY 20

10:00 a.m.
Human Resources
Health and Scientific Research Subcommittee
To continue hearings on S. 1391, the Hospital Cost Containment Act of 1977.
4232 Dirksen Building

JUNE 21

10:00 a.m.
Foreign Relations
To hold hearings on the following prospective international treaties: Economic, Social, and Cultural Rights; Civil and Political Rights; and on the Elimination of all forms of Racial Discrimination.
4221 Dirksen Building

JUNE 22

10:00 a.m.
Foreign Relations
To continue hearings on the following prospective international treaties: Economic, Social, and Cultural Rights; Civil and Political Rights; and on the Elimination of all forms of Racial Discrimination.
4221 Dirksen Building