SENATE—*Thursday, November 12, 1981*

(Legislative day of Monday, November 2, 1981)

The Senate met at 11:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, LL.D., D.D., offered the following prayer:

Let us pray.

Our Father in heaven, as I pray this morning, I am mindful of each person who is part of the Senate family. Help us to see each other as Thou dost see us; to understand that each one is of inestimable value to Thee; that each is unique and irreplaceable. Forgive us for ever evaluating others on the basis of criteria which are false and unworthy. Forgive us for comparing ourselves with others, forgetting that each is intended to be unlike all others in the divine diversity and that in Thy love, no one is more or less important than another.

We remember those who are in the hospital, Senators GOLDWATER and LEAHY. We pray for complete recovery for them and Thy comfort for their loved ones. We pray for any others who are ill or facing difficulty and ask Thy special blessings upon them and their families. Gracious Father, teach us to care for each other, to treat each other as we would like to be treated. Help us to love each other, to see in each other the image of God, and to reverence life. We ask this in the name of Him who loved and cared in perfection. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

THE JOURNAL

Mr. BAKER. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

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

ORDER OF PROCEDURE TODAY

Mr. BAKER. Mr. President, according to my notes, this morning, we have special orders in favor of the Senator from Washington (Mr. GORTON), the Senator from Texas (Mr. TOWER), and the Senator from Texas (Mr. BENTSEN), to be followed by a period for the transaction of routine morning business to extend not past the hour of 1 p.m., during which Senators may speak for not more than 5 minutes each. It is my understanding as well, Mr. President, that at 1 p.m., under the order previously entered, the Senate will resume consideration of H.R. 4169, the Commerce-Justice-State appropriations bill, until not later than the hour of 6:10 p.m. At that time, the Senate will temporarily lay aside the Commerce-Justice-State appropriations bill if the same has not been disposed of at that time and resume consideration of S. 1112, the Export Administration authorization bill, at which time, the Percy-Dixon amendment will be the pending amendment, on which there is a time limitation of 20 minutes, to be followed by a rollcall, which has already been ordered, unless a second-degree amendment is offered to the Percy-Dixon amendment, in which case there will be 20 minutes of debate on the second-degree amendment, to be followed by a vote on the second-degree amendment.

After the disposition of the Percy-Dixon amendment as amended if amended, the Senate will turn to consideration of an amendment by the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD) the minority leader, on which there is a time limitation of 30 minutes for debate, to be followed by a rollcall which has already been ordered; to be followed thereafter immediately by third reading of S. 1112, the Export Administration authorization bill. The Senate will then proceed to the companion bill, H.R. 3567, at which time, it is anticipated that there will be a motion to strike all after the enacting clause of the House-passed measure and substitute the Senate language as finally adopted; then proceed to third reading and a final vote by rollcall, which has been previously ordered, for disposition of this measure.

At that time, Mr. President, the Senate will resume consideration of H.R. 4169, the Commerce-Justice-State appropriations bill, if the same has not been disposed of earlier.

I recite that schedule, Mr. President, since I wish to remind Senators that these arrangements were made before the 1-day recess in the Senate's activities on yesterday for Veterans Day, and also to point out, Mr. President, that today, being Thursday, will be a late day. I expect the Senate to be in session past 8 o'clock tonight.

CONGRATULATIONS ON A SUCCESSFUL LAUNCH OF THE "COLUMBIA"

Mr. BAKER. Mr. President, I wish to announce to the Senate that the space shuttle *Columbia* was successfully launched on her second historic flight this morning. I want to take this opportunity to congratulate all of those involved in the flight, which began just over an hour ago, once again with a breathtaking liftoff from its launching pad at Cape Canaveral. Astronauts Joe Engle and Dick Truly are in good shape and in routine communication with Mission Control in Houston. I am sure Dick Truly would agree that there is perhaps no better way to celebrate his 44th birthday, which is today, than this unprecedented reuse of a space vehicle.

I extend to the crew of the shuttle and all of those associated with the launch my best wishes and congratulations, and I presume to speak on behalf of the Senate in sending them congratulations and the best wishes of the Senate as a whole.

Our colleague from New Mexico (Mr. SCHMITT) was present at the liftoff and I am sure that it was an especially exhilarating experience for him, since he was among the crew of the last U.S. space mission to land on the Moon and to return.

Mr. President, I have no further need for my time. If any remains under the standing order, I am prepared to yield to any Senator seeking recognition.

Mr. BENTSEN. Mr. President, if I may, I wish only to join in the accolades of the distinguished majority leader and state on the part of the minority that he has stated it well and we join in the excitement and pleasure of a successful launch.

Mr. BAKER. I thank the distinguished acting minority leader. It is a matter of pleasure for both of us to acknowledge

that the space program, which has been so singularly successful, has indeed been a bipartisan effort, spanning the Presidencies of both Republican and Democratic Chief Executives.

Mr. President, I yield back the remainder of my time under the standing order.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDING OFFICER (Mr. COHEN). Under the previous order the acting minority leader is recognized.

Mr. BENTSEN. Mr. President, the acting Democratic leader has no need for the time allocated and I yield it back.

RECOGNITION OF SENATOR TOWER

The PRESIDING OFFICER. Under the previous order, the Senator from Texas (Mr. TOWER) is recognized for not to exceed 15 minutes.

CIA-DEFECTOR PHILIP AGEE AND THE EL SALVADOR WHITE PAPER

Mr. TOWER. Mr. President, on June 8 and 9 of this year, the Wall Street Journal and Washington Post, respectively, came out with articles highly critical of a State Department white paper on El Salvador issued in late February 1981. The two articles, while not the only critical statements on the subject, constituted the basis of a wide public perception that the white paper had been discredited and that the administration could not substantiate significant Soviet-bloc involvement in arming the leftist guerrillas in that country.

According to a Washington Post editorial on June 23, the white paper had been subjected to "closer inspection by this newspaper and the Wall Street Journal." It was consequently found to be "defective" and "in some degree discredited." A Newsweek article entitled "A U.S. White Paper Runs a Bit Dingy" cited "independent investigations" by the Post and Journal in raising "serious questions" about the State Department paper. The New Jersey Record exemplified local newspapers across the country when it wrote in an editorial:

> Now comes word that the White Paper . . . was incorrect and that the threat of direct Soviet intervention in El Salvador was more in the mind's eye of some CIA official than in anything resembling reality.

Representative MICHAEL BARNES, chairman of the House Inter-American Affairs Subcommittee, launched an attack on the white paper asserting that "the press interpretations seem sounder than the administration's interpretations." He declared that "it was only a matter of time until investigative reporters" demonstrated that the white paper evidence was circumstantial. My distinguished colleague, Senator ROBERT BYRD, in a column in the Washington Post stated:

> The nation's major newspapers have challenged the accuracy of the so-called White Paper.

The Post and Journal pieces were subsequently placed in the CONGRESSIONAL RECORD by my distinguished colleague, Senator LEVIN, and Representative VIN WEBER.

On April 9, 2 months before the Post and Journal analyses appeared, CIA defector Philip Agee issued his own 46-page critique of the white paper. It is a document which neither the Post nor Journal identified as a major source for their own articles. Agee is in fact not mentioned in either article although both newspapers now admit that their reporters had seen Philip Agee's critique before writing theirs. They also insist that any parallels between Agee and their own accounts were merely coincidental. Yet many of the criticisms offered by the two newspapers so closely parallel the Agee critique that errors in Agee's analyses are repeated in theirs.

Agee's paper, although released in April, received scant attention at the time. The exaggerated charges and errors in his criticism of the white paper were entirely consistent with his past record. But when two such respected newspapers as the Post and Journal printed reports reiterating Agee's inaccurate reading of the white paper, the effect was far greater. The criticisms gained credence because they were not attributed to Agee. The State Department issued an effective and specific rebuttal to the accusations of defects in the white paper. However, their response was buried on page 29 in the Post and not carried at all in the Journal until August 21 when the Journal attempted to defend its critique of the white paper.

On August 12, former Newsweek senior editor Arnaud de Borchgrave published an op-ed piece in the New York Times. It was mainly in response to the accusations he raised along with the investigations of Cliff Kincaid, a reporter for the weekly paper Human Events that the Journal felt compelled to answer charges of Agee influence on its reporting of the white paper. De Borchgrave charged in his New York Times article:

> Mr. Agee's allegations that the administration's white paper on Communist influence in El Salvador was a fraud were avidly gobbled up by the so-called alternative press before finding their way into other news reports. His material—supplied by his Cuban friends—was a primary source for recent articles in the Wall Street Journal and the Washington Post.

In early July, Cliff Kincaid had charged in his Human Events article entitled "The Invisible Hand of Philip Agee" that the Post and Journal stories were a warmed-over rehash of the work already done by Philip Agee. Kincaid presented for comparison statements from Agee's critique of the White Paper with the two articles from the Post and Journal. He also mentioned in his article that the Post reporter had cited Agee as a source in an early draft of his story, but at his editor's suggestion, that citation had been dropped.

There was a significant spinoff from the Post and Journal articles as local newspapers across the country and the international media carried the issue of the so-called faulty State Department white paper on El Salvador. Those seeking a way to discredit U.S. policy as well as those genuinely concerned with the validity of the white paper were presented with what appeared to be a case of the administration pursuing a defective central American policy based on faulty documentation.

Yet, the public would have reacted differently had it been told that CIA defector Philip Agee perhaps played a principal role in these critiques. The issue remains, that such instances of irresponsible journalism can only serve to damage U.S. foreign policy initiatives through misleading the American public as to what is at stake—and, I might add, misleading the foreign public as well.

I find it very disconcerting that the work of a man who was obviously a traitor to the United States of America would influence the American journalists and the kind of presentation of the news that they give to the American public.

Mr. President, I ask unanimous consent at this point to have printed in the RECORD a table providing point-by-point comparisons of Philip Agee's statements on the white paper, with the Washington Post and Wall Street Journal statements, as well as the State Department's response to the criticisms of the white paper.

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

POINT-BY-POINT COMPARISON

PHILIP AGEE, APRIL 9, 1981	THE WASHINGTON POST, JUNE 9, 1981	THE WALL STREET JOURNAL, JUNE 8, 1981	STATE DEPARTMENT RESPONSE
Statements in the State Department analyses supposedly based on the documents but which find no support whatsoever in the documents.	On several major points, the documents do not support conclusions drawn from them by the administration.	Much information about the White Paper can't be found in the documents at all. This information now is attributed by the State Department to other, still secret sources.	The Special Report is not based on captured documents alone, and was never claimed to be. The captured documents go far toward confirming the Report's conclusions. But the Special Report also contains photographs of weapons captured from the guerrillas, and specifically points out that it is based on information going beyond the documents. The Report's second sentence begins: "The evidence drawn from captured guerrilla documents and war material and corroborated by intelligence reports . . ." Further, "The Cuban and Communist role in preparing for and helping to organize the abortive 'general offensive' early this year is spelled out in the following chronology based on the contents of captured documents and other sources" (emphasis added). In the February 23 on-the-record press conference in which the Special Report was presented, Acting Assistant Secretary John Bushnell stated, ". . . let me say that whereas the documents lay out a great deal of information in one place, they are not our only source. We have a great many other sources through technical means and human intelligence, through other intelligence methods. . . ." Even if the captured documents had not fallen into our hands, the foreign weapons supply effort, if not all of its details, would have been known. But it would not have been possible to give so full a picture of that effort in a publicly releasable form.
The White Paper analyst, without giving reasons, says that the guerrilla leader who made the trip is Shafik Handal, the PCS Secretary General.	The White Paper, in summarizing this document, makes it appear that Handal wrote it. In the book of documents released with the white paper, this document is not attributed to any specific author.	The White Paper was more certainly wrong. Mr. Glassman indicates, in attributing to Shafik Handal the authorship of an account of an arms soliciting trip last summer to the Soviet Union and six other countries.	The Special Report did not intend to attribute authorship of the Handal trip report. While the editorial short-hand used in one instance could be read to imply authorship, the translation makes clear that Handal is referred to in the third person. In any case, this ambiguity about authorship is not material to whether Handal made the trip and the nature of commitments received. A September 1 report of an August 30 meeting of the guerrilla joint directorate (Document F), obtained separately from the trip report, confirms that a trip to Vietnam, Ethiopia, and Eastern Europe was made by the Secretary-General of the Communist Party—that is, Handal. This document details commitments made on the trip which substantially confirm the listing in the report of Handal's trip. Another separate report of guerrilla meetings in Havana notes the departure, on May 30, by "Simon" on a trip (Document D). The pseudonym "Simon" is known to belong to Handal. Other intelligence information exists on the trip and the commitments made.

POINT-BY-POINT COMPARISON—Continued

PHILIP AGEE, APRIL 9, 1981	THE WASHINGTON POST, JUNE 9, 1981	THE WALL STREET JOURNAL, JUNE 8, 1981	STATE DEPARTMENT RESPONSE
In document G the EMGC does note that it had a meeting with Arafat on July 22. But there is not a word about military equipment, much less arms and aircraft, being promised by Arafat.	There is not a single word in the document about Arafat promising arms and aircraft.	Other major assertions in the White Paper seem questionable. One is that on July 22, 1980, Yasir Arafat, the PLO leader, met Salvadoran guerrilla leaders in Managua, Nicaragua, and gave promises (of) military equipment including arms and aircraft.	The document reports the meeting with Arafat. The promises referred to in the special report were reported by intelligence sources other than the documents. It was made clear in the White Paper that non-documentary information was also used.
. . . nowhere in the document is there any mention of the Political Commission, nor is there any date contained in the two pages of notes, nor is there any mention of Handal. . . . There are two very different handwritings involved in these notes.	. . . It is obvious that the document is written in two distinctly different handwritings. The document contains no reference to Handal or to a meeting of the Communist party, and it is not dated.	The White Paper also says Mr. Handal wrote another document—two pages of handwritten notes called Document C. The notes don't contain Mr. Handal's name or any date or identification, but the White Paper says that they are notes "taken during an April 28, 1980, meeting of the Salvadoran Communist Party." The notes, however, appear to be written in at least two different handwritings, making them difficult to ascribe to one author.	Our source of information on the April 28 Communist Party meeting (Document C) is the detailed notes taken during the meeting. The notes are handwritten and the handwriting clearly does change. This phenomenon is seen in other lengthy, handwritten guerrilla reports and presumably represents a change of rapporteur during the session. The crucial issue of the accuracy of reporting, not identification of the rapporteur. The person speaking in the cited notes is "Simon"—the known pseudonym of Communist Party leader Handal. His remarks are cited as reported in the detailed notes.
One has to wonder why, if the analyst mentioned 100 U.S. M–16 rifles captured in this incident, he only mentioned that "several" were traced to Vietnam—instead of giving the exact number—especially since no M–16s appear on the Vietnam weapons list.	. . . but the M–16 assault rifle . . . was not on the detailed list given in the document. . . . Why only "some" could be traced to Vietnam was not explained.		There is no doubt that weapons from Vietnam have been shipped to the Salvadoran guerrillas. The AR–15 rifle mentioned in the Handal trip report is the civilian designation of a version of the M–16 rifle. Why the Handal trip report or the Vietnamese used the AR–15 designator to refer to the M–16s being shipped is not known. Although many weapons only have lot numbers that do not allow definitive traces, M–16s can be individually traced once corresponding records of serial numbers are located. Most of the M–16s in the truck referred to in the Special Report were successfully traced directly to Vietnam, where they had been delivered by the manufacturer to U.S. units they left behind. The other captured M–16 rifles could only be traced as having been delivered during the Vietnam war period to U.S. reports where no documentation on further movement was readily available.
But the Spanish notes do not say "war footing" but estado de pelea which, if literally translated, would mean "a state of quarrel, dispute or struggle."	In fact, the author of this part of the document did not use the phrase for war footing (estado de querra) but refers instead to a struggle or dispute (estado de pelea).		"Pelea" means fight in Spanish. Had either of the writers really been interested in translation accuracy (which is immaterial to the White Paper's content since only the Spanish originals were used in analysis) they would have noticed another translation error. Line 6–7 of the English translation of Document C reads "Main tasks: Make adjustments in the Party to carry out the struggle." The translation should have read, "Main tasks: put the party in shape to make war (querra)."
The inaccuracies, fabrications, embellishments and false claims made on the White Paper . . . into little more than a blatant propaganda exercise.		A close reading of the White Paper indicates . . . that its authors probably were making a determined effort to create a "selling" document, no matter how slim the background material.	Most of the criticisms of the Special Report are either based on incorrect assumptions or are inaccurate. The few points of misstated detail or ambiguous formulations that have been correctly identified do not in any way change the conclusions of the Report; and the analysis and conclusions of the Special Report are soundly based and fully valid.

POINT-BY-POINT COMPARISON—Continued

Document I is another fragment and we are told nothing of the rest of this report. The introductory comment to Document I asserts that this report is dated September 26, 1980, but no date is to be seen on the original document. What the State Department analyst fails to say, because it did not fit into his scenario, is that in Document I, when the 130 tons in "Lagos" are mentioned, it is also stated that the guerrillas have been able to bring into El Salvador only 4 tons of the 130 supposedly in Nicaragua . . . and for the meeting which is the subject of this report, the three people who met had not even made arrangements for a place to hold their meeting.		Oddly enough, Document I, which provides the rationale for this extrapolation, seems largely given over to complaints by the unidentified author about the ineptitude of guerrilla leaders in even finding a meeting place, and the slowness of arms deliveries from outside El Salvador. The document purports to be the minutes of a meeting of three men, said to be the "Guerrilla Joint General Staff." The State Department translation of the minutes includes a date at the top, Sept. 26, 1980, which isn't on the document, and only the first page of an unknown number of pages was distributed.	This is an excerpt of a longer document. The date appears elsewhere. Large-scale arms deliveries began to move into El Salvador in November in preparation for the January offensive.
In addition, the original notes say "we are not taking advantage of it." There is no "yet" in the original notes.	The translation quotes the author as saying that the attitude of the socialist camp "is magnificent." He adds "we are not yet taking advantage of it." In fact, though, the word "yet" does not appear in the Spanish original.		Translations were not consulted in making the White Paper analysis, State Department officials told us.
The document does mention that 130 tons are in storage in "Lagos", and that these 130 tons are "one-sixth of all the material obtained with which the DRU will count on concentrated in Lagos". It is from this passage that the White Paper analyst extrapolated the figure of nearly 800 tons of weapons committed to the guerrillas.		The 800 tons figure also represents an extrapolation, Mr. Glassman says. He says he multiplied 130 (the tonnage of arms one document says are stored in Nicaragua) by six to arrive at "nearly 800."	The impression conveyed by the newspaper's account—that the multiplication by six was arbitrary and designed to inflate the estimate—is misleading. The calculation is drawn directly from the guerrilla documents. The account of the September 26, 1980 guerrilla general staff meeting (excerpted as Document I in the published document collection) states explicitly that 130 tons of arms and equipment were then in Nicaragua, specifying that this was "equivalent to one-sixth of all the material obtained that the DRU (joint guerrilla directorate) will have concentrated in Lago (Lagos) (code name for Nicaragua)." 130 tons is one sixth of 780 tons.
Nowhere in the documents is it established that 200 tons (of weapons) actually arrived in El Salvador.	There is no concrete evidence to support this claim (of 200 tons of weapons to El Salvador) in any of the documents released with the White Paper.	But nowhere in the documents is there any mention of 200 tons.	The overall estimate of "nearly 200 tons" contained in the Report is an intelligence community conclusion based on separate reporting on the increased volume of captured imported military weapons, on the mounting pace of land, sea, and air movement, and on the arms, munitions and other equipment actually used by the guerrillas during their January offensive. There is some data in the documents on this point, but it is not definitive. The guerrilla logistics coordinator in Managua on November 1, 1980, reported (Document K) that the Sandinistas provided him with a delivery schedule of 109 tons for the month of November alone—a figure which, considered in conjunction with mounting later deliveries, could be used to justify an estimate larger than 200 tons.
However, the analysis failed to mention that this "agreement in principle" would have to be approved by higher authority. Moreover, according to the document, the final approval for air transport (for arms to the Salvadoran guerrillas) was not given.	Neither this nor any other document released by the State Department indicates that the Soviets ever did provide the requested air transport.		Handal, as noted in the report on his trip, did encounter initial difficulty in securing Soviet commitment to transport arms from Vietnam by air. We assume the transportation difficulties were overcome in some form, given the arrival of Vietnamese-origin U.S. arms in Central America and the greatly increased availability of arms for the guerrillas beginning in November 1980.

POINT-BY-POINT COMPARISON—Continued

PHILIP AGEE, APRIL 9, 1981	THE WASHINGTON POST, JUNE 9, 1981	THE WALL STREET JOURNAL, JUNE 8, 1981	STATE DEPARTMENT RESPONSE
I found it interesting that of only two paragraphs of the 19 documents that were not translated in the English versions, one was the lines quoted above: "The same cable says that this cargo would leave on our ship on August 5." It is possible that the analyst was confused over "our ship", and decided to leave these lines out of the translation thinking that no one would read the originals carefully.	But the one sentence in the Spanish original (also released by State) which the Department dropped in its English translation of the document, seems to confirm numerous other hints within the document that it was written by a Cuban. . . . The last sentence says that this cargo arms "will leave on our ship the fifth of August."		Dropping of the line in the translation was inadvertent. If the goal was deception, the lines would have been dropped in the Spanish language original. Whether the Handal trip report was written by a Cuban, a Vietnamese, or an Eskimo, the only relevant question is whether it is an accurate report.
Certain documents are said to be "excerpts" and include no name of writer or date in the Spanish original. Yet the introductory remarks to these documents describe them as being written by such and such a person on such and such a date.		Several of the most important documents, its obvious, were attributed to guerrilla leaders who didn't write them, and it's unknown who did.	The specific identity of the author in this case and other cases . . . is irrelevant to the evidence in the document. With operational documents and reports of meetings it is the content which establishes validity, not identification of authorship . . . the author and people and places mentioned are sometimes identified by code names or abbreviations. The identification of these code names or abbreviations necessarily involve intelligence judgments.
In Document G the EMGC does note that it had a meeting with Arafat on July 22. But there is not a word about military equipment, much less arms and aircraft, being promised by Arafat.		Other major assertions in the White Papar seem questionable. One is that on July 22, 1980, Yasir Arafat, the Palestine Liberation Organization leader, met Salvadoran guerrilla leaders in Managua, Nicaragua, and gave "promises (of) military equipment, including arms and aircraft."	This came from intelligence sources other than the documents. It was made clear in the White Paper that non-documentary information was also used.
In all of the documents, even if you believe them, the only support actually given by the Soviet Union was an airline ticket for the PCS Secretary General from Moscow to Hanoi.	". . . this document (the Handal trip report) is the only one that linked the Soviets directly to the Salvadoran civil war."	The only concrete instance of Soviet aid delivered to the Salvadoran rebels reported in the 19 documents was an airplane ticket for one guerrilla, presumably Mr. Handal.	This is simply not true . . . published Document B refers to a guerrilla meeting with Soviets in Mexico City in April 1980 and Document D refers to a meeting with Soviets in Managua in May–June 1980. The Soviet Union is also repeatedly referred to in unpublished documents as the "strategic ally" of the Salvadoran guerrillas. The character of relations among Communist countries makes it most unlikely that parallel arms and military equipment commitments from virtually all of Moscow's Warsaw Pact allies (minus only Romania and Poland) plus other close Soviet allies (such as Cuba and Vietnam) would occur without Soviet blessing.
Moreover, there is no indication in the notes that the person writing was referring to a "unification of the armed movement." In the notes themselves the unification question related to the trade union movement and the possibility of a joint leadership not the military struggle.		. . . the White Paper quotes a report allegedly prepared by Handal as saying, "In reference to a unification of the armed movement. . ." The discussion, however, appears to be about labor unions.	Agee and Kwitny are both wrong, the point relates to regional Communist "parties" rather than "labor unions."
I simply cannot understand why the White Paper analyst and Juan de Onis failed to understand that this was meant to be an internal Cuban report, except that if they described it as such, they would have been unable to explain how the report could have made its way into a "document cache" in El Salvador.	If this was a Cuban report on Handal's trip, why was it found in a cache of rebel documents in Salvador?	Mr. Glassman acknowledges that the report couldn't have been written by Mr. Handal because from the contest the author clearly wrote from Cuba after Mr. Handal himself had left.	Foreign and domestic origin reports were received and held by guerrilla groups in El Salvador. The report was probably written in Cuba, but not necessarily by a Cuban. If a Cuban, indeed, had written it, this fact would reinforce, not weaken, the White Paper's conclusions.
Moreover, it is evident in the document that the Salvadoran General Staff was kept waiting for ten days before Bayardo Arce finally went to see them . . .		This reference is contained in an unsigned report. "Document G," in the contest of much complaining that a delegation of Salvadoran leftists was cold-shouldered and otherwise insulted on a visit to Nicaragua for the anniversary celebration of that country's revolution.	These observations ignore the bottom line—Arce offered to provide ammunition and to exchange Western-manufactured arms in the Sandinista army inventory for Communist (arms) that the Sandinistas would be receiving.

POINT-BY-POINT COMPARISON—Continued

The documents contain no suggestion that coordination achieved by the guerrilla organizations through their unity agreement was a "precondition for large-scale Cuban aid."	At another point, the White Paper says that Salvadoran guerrilla leaders formed a united front "as a precondition for large-scale Cuban aid." Mr. Glassman acknowledges that there is nothing to that effect in the documents.	The precondition conclusion is fully substantiated by large amounts of intelligence reporting on Cuban involvemeint with Salvadoran and other Central American revolutionary groups. Havana's encouragement of unification was motivated by a desire to maximize insurgent strength and to avoid use of Cuban support by one guerrilla group against another. The Cubans fostered the coalescence of the major Salvadoran guerrilla groups in Havana where two unification agreements were signed. The May 1980 Havana unification agreement was publicized. Major Communist bloc assistance appeared subsequent to this fusion. A similar sequence of events occurred during the Nicaraguan insurrection.
It is signed by "Ana Maria" who, in the glossary to this document and several others, is said to be in reality Ana Guadalupe Martinez, a well-known leader of the ERP guerrilla organization . . . There is (no) evidence that "Ana Maria" is the "nom de guerre" of Ana Guadalupe Martinez . . . If "Ana Maria" is indeed the ERP leader Ana Guadalupe Martinez, she would have never put the slogan "Revolution or Death! The People Armed Will Win!" because this is not the slogan of the ERP. This slogan is the slogan used by the Popular Liberation Forces (FPL) . . .	The document itself—the most prominently featured document in the White Paper—bears the name "Ana Maria." The Salvadorans say the list was really drawn up by Ana Maria Gonzalez, who belongs to another group, according to Mr. Glassman.	This document—a DRU meeting report—identifies its author only as "Ana Maria." When the document collection glossary conjectured that this was Ana Maria Guadalupe Martinez of the ERP guerrilla group, one official of the Salvadoran Embassy in Washington offered as his opinion that the author was instead Ana Maria Gomez of the FPL guerrilla group. It was we who first made this question of the author's identity known to reporters. The Analysis in the Special Report depends only on this being an account of an actual guerrilla meeting, not on which one of the Ana Marias wrote it.

RECOGNITION OF SENATOR BENTSEN

The PRESIDING OFFICER. Under the previous order, the Senator from Texas (Mr. BENTSEN) is recognized for not to exceed 15 minutes.

A SKILLED LABOR CRISIS—THE LOCATION OF NEW JOBS IN THE 1980's

Mr. BENTSEN. Mr. President, this speech is the fifth in a series I am devoting to a review of the prospects for a skilled craftsman and technical personnel shortage this decade.

In my fourth talk in this series, I summarized the outlook for growth in our labor force this decade. The conclusion was not encouraging. Because of the markedly low birth rates in our Nation during the 1960's and 1970's, our labor force may well grow as little as 15 million persons this decade. That is 4 million fewer persons than the number of jobs added to our economy during the sluggish 1970's. Consequently, if our economy grows as fast or faster this decade than it did during the 1970's, our Nation faces a prospective labor shortage of major magnitude in the coming years.

I noted, Mr. President, that this prospective labor shortage should result in reducing unemployment, rising real wages, and rising productivity—good news for us all. However, I also noted that this looming shortage could become a noose about our economy's throat and lead to a major wave of inflation if we does not rapidly develop laborsaving or laborstretching devices and equipment.

My speech today moves away from general macro labor markets to a review of the geographic distribution of new jobs this decade. I will examine where jobs are expected to be created through 1990. As we will see in a moment, the statistics on this question are revealing. It is important that Congress and our Nation have a clear view of where the benefits and burdens of employment growth are projected to fall in coming years as they debate the wisdom of new labor policies. In particular, it is important for us all to realize that the question of growth in the Sun Belt or Snow Belt greatly oversimplifies a complex issue.

REGIONAL JOB GROWTH

I noted in my last speech that our labor force will expand some 15 percent to about 120 million men and women by 1990. That growth will occur in an uneven pattern across our Nation and at a different pace for various occupations.

In November 1980, the Department of Commerce released a detailed study entitled "Regional and State Projections of Income, Employment, and Population to the Year 2000." This study contains a current review of prospective job growth by geographic location. It suggests that the pattern of job creation in the 1970's will be generally repeated this decade with the Sun Belt States of Texas, California, and Florida experiencing more growth than States elsewhere.

It is important to note that the Commerce Department projected an absolute rise in employment during the 1980's for every State. However, because of the declining rate of growth in the Nation's work force, virtually no State is projected to experience an increase in its employment growth rate through the year 2000 compared to the robust 1970's.

The two exceptions are service industry-intensive Rhode Island and New York. And the increased employment growth rate in New York State is the result of an employment gain projected for the 1980's compared to the loss of over 200,000 jobs in the past decade.

The rate of decline in employment growth projected by the Commerce Department was sharpest in those regions—the Far West, Rocky Mountains,

Southeast, and Southwest—which grew the fastest in the 1970's. Even so, the projected employment growth in these areas for the period 1978 to 1990 is far above the national average. The projected increase for the Southwest region, for example—a region which includes Arizona, New Mexico, Oklahoma, and Texas—is almost 50 percent more than the increase projected for the Nation as a whole. An even greater disparity from the national average exists for States in the Rocky Mountain region. Table I summarizes this regional data and I ask unanimous consent, Mr. President, for a table, entitled "Table I, Projected Regional Job Growth, 1978–90," to be printed at this point in the RECORD.

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

TABLE I—*Projected regional job growth, 1978–90*

[In percent]

Region:	Job Growth
Rocky Mountain	35.7
Southwest	30.8
Far West	27.3
Southeast	25.3
Great Lakes	17.3
Claims	16.7
New England	15.2
Mideast	10.5

Source: Department of Commerce, Survey of Current Business, November, 1980.

Mr. BENTSEN. Mr. President, this data reveals that the Southwest region, which includes my State of Texas, will see new jobs this decade created at about double the rate of New England and at about triple the rate of the Mideast States.

STATE JOB GROWTH

This regional relative growth data muffles much greater differences between individual States. For example, employment in Wyoming is projected to grow 45 percent and in Texas by 30 percent this decade, compared to less than 6 percent projected for New York State, or 11 percent for Pennsylvania. Relative data on employment growth rates are useful as one indicator of the stress which particular regions will experience in meeting the infrastructure demands posed by a growing work force. Perhaps more useful, however, are data on the absolute increase in jobs expected to occur among the States. Table II summarizes Commerce Department data projections of job growth for the 13 States expected to experience the greatest absolute increase in employment over the 1978–90 period. I ask unanimous consent for that table to be printed at this point in the RECORD.

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

TABLE II.—*State employment growth projected, 1978-90*

State:	Employment growth
California	2,572,000
Texas	1,905,000
Florida	1,174,000
Michigan	804,000
Ohio	786,000
Illinois	762,000
Tennessee	614,000
Pennsylvania	604,000
North Carolina	564,000
New Jersey	561,000
Virginia	559,000
Colorado	545,000
Washington	533,000

Source: Department of Commerce, Survey of Current Business, November, 1980.

Mr. BENTSEN. Mr. President, this table reveals where the greatest burden, as well as benefits, of job growth over this decade will fall. Keep in mind that about 19 million new civilian jobs are projected to be created over the period 1978 to 1990, by the Labor Department, comparable to the 15 million persons which I projected in an earlier speech to enter our labor force over the shorter period of the 1980's.

The new jobs will not be evenly distributed among the States. One in every four of these new jobs is projected to be added to the labor force either in Texas or California. One in every 10 new jobs will be in Texas, alone. For every one job added in Pennsylvania or Tennessee in the 1980's, better than three jobs are projected to be added in Texas and four in California. Other comparisons are equally striking. For every job added in New England to its labor force in the decade, over two other jobs will be added in Texas.

There will be two jobs added in Massachusetts for every one job in New Mexico and over two jobs in New York for every one added in Nevada or Utah. There will be six times as many jobs added to the labor force in Texas as in Massachusetts and four times as many in Texas as in New York State.

The States noted in table II will receive a disproportionate share of employment growth this decade. We saw a moment ago that the Sunbelt regions are expected to grow faster than the Snowbelt. The data in table II reveal, however, that the actual growth in employment is projected to be more evenly distributed than this statement suggests.

The hoopla over Sunbelt versus Snowbelt is not without justification because the States expecting the biggest job growth are Texas, California and Florida. Yet, it is also true that many other States and regions will experience major employment gains, as well. In fact, of the top 13 job growth States in the 1980's, four are in the Southwest or West, three are in the upper Midwest, four are in the South and two are in the East.

Consequently, while the burden and benefits of job growth in the 1980's fall relatively heavily on the Sunbelt, they will exist to a significant degree in every area of our Nation. No State will be immune to the burdens of growth or bereft of its benefits this decade.

For example, yesterday, I was in Detroit. It was interesting to me to note that the newspaper with the third largest circulation there is the Houston Chronicle, delivered daily by airplane. The reason it has the third largest circulation in Detroit is its classified section and the jobs that are being offered.

So what we are seeing is a transfer of employment. There are a lot of people who think that turns into a blessing for the State that is expanding, it is just not necessarily true.

Anyone who tries to use the Houston mass transit system will find it is one of the most clogged trafficways one can find anyplace in the Nation. And, because of continued growth, it is one that they are having a very difficult time overcoming.

PARAMETERS FOR ACCOMMODATING JOB GROWTH

Our Nation has always applauded economic and job growth, albeit more vigorously when it occurs down the street rather than next door. We have generally been willing to accept the burdens of such growth—congestion, noise, rising school populations—as a necessary tradeoff to the employment and income benefits of growth. Over the last decade, in fact, it has been our Nation's inability to sustain robust growth which created major voter discontent with both the Ford and Carter administrations.

In the last tax bill, I sponsored legislation that would give a very substantial tax credit for the refurbishing of old plants in order to encourage job creation and growth in places where jobs and people are now.

But if we try to go beyond that, I think we run into some problems that result in some very uneconomic results. There is some debate now, whether the Federal Government—acknowledging the benefits of growth—should go further than this and much more actively seek to spread that growth to all regions of our Nation. I do not believe that economic growth patterns should be subject to that sort of major manipulation. In fact, I am not convinced that the Federal Government—even should it want to—could effectively turn aside, much less halt, the population and job trends at work now. It would be a very inefficient use of taxpayer funds, in any case, to try to tilt against these winds. Indeed, it is important that public policy be designed in recognition of these trends and to accommodate them.

At the same time, it is important that steps taken now and in the future to deal with our current and prospective skilled labor shortage not be viewed as merely benefiting growth States.

The Congress placed a major stress in the recent tax bill in trying to put incentive into the economic system, with our shortened depreciation schedules and investment tax credits, to boost productivity in this country. It has really been lagging behind productivity growth in all other major industrial nations in the world except England.

We had been the world productivity leaders—out front in the past. Now, the Japanese are the ones who are leading and we are at the tail end. We put provisions into the tax structure to turn that situation around, but the one thing that we have not taken proper recognition of is what is going to happen to our supply of skilled labor as investment and productivity growth in the years ahead. We will have over a million new jobs created in the computer industries in this decade for which training facilities do not exist. Yet we have other major industries that are slowing down and where we see vast unemployment lines. I saw that yesterday in Detroit in the automobile industry.

We have to find a way to provide

those men and women in the auto and other labor-surplus industries with skills needed in the computer and other labor-short industries. Otherwise, we are going to continue seeing the paradox of page upon page of classified ads asking for people to come take jobs side by side with line after line of unemployed men and women whose skills do not meet the requirements of these new jobs.

We have some answers already. We must do more with our vocational school system. We have to do more to assist private industry find ways to accommodate and remedy the lack of labor skills that we are going to need in this decade. Other remedies will be needed, as well.

My point, Mr. President, is that we can take care of productivity on the one side with capital investments, but unless we have taken care of it on the human investments side, we are not going to achieve the kinds of gains in productivity that are being accomplished today in Germany and Japan and most of our other trading competitors.

There is little reason to expect the geographic pattern of labor-short skilled occupations to follow the general pattern of future labor force growth. Consequently, in designing remedies for our skilled labor shortage, it is not sufficient to merely target them at States projected to experience relatively rapid employment growth in the future. The needs of each State and region must be assessed before a truly efficient and comprehensive program to reduce the skilled labor shortage can be initiated.

This point cannot be emphasized too strongly. Even among the two States projected to grow the fastest through the 1980's, for example, a dissimilar occupational pattern of new job creation is projected to occur. Based on State government data, new jobs for computer system analysts will increase only 19 percent in California from 1980 to 1985, far less than the 38 percent projected by Texas for the longer 1978 to 1985 period. Growth comparisons for other labor-short occupations in these two States are presented in table III; this data emphasizes their disparate interstate growth rates. I ask unanimous consent. Mr. President, for a table entitled "Table III, Project Employment Growth. Selected Occupations. California and Texas" to be printed at this point in the RECORD.

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

TABLE III.—*Projected employment growth, selected occupations, California, Texas* [1]

[In percent]

Occupation	California	Texas
Blue-collar worker supervisor	12	19
Computer systems analyst	19	38
TV and radio repairer	23	21
Tool and die worker	10	36
Licensed practical nurse	22	52
Millwright	6	25
Machinist	9	11

[1] Growth periods in California, 1980–1985; in Texas, 1978–1985.

SOURCES: Texas Employment Commission; California Employment Development Department.

Mr. BENTSEN. Mr. President, let me conclude by reemphasizing the finding based on current Federal data that every State and region of our Nation will enjoy the benefits and bear the burden of employment growth this decade. As always, however, those benefits and burdens will not fall evenly on individual States. The design of any steps to address these impacts must reflect these two realities. Similarly, any program designed to ameliorate our skilled labor shortage must be crafted as to reflect these realities, as well.

In my next talk, Mr. President, I will review the pattern of occupational skill training in Japan and Germany. As we move toward a review of the capability of our own training system to meet our skilled labor shortage, it will be useful to know how our major trading partners train their own skilled craftsmen.

Mr. President, I yield such time as I may have left to the Senator from Texas (Mr. TOWER).

Mr. TOWER. I would simply like to commend my distinguished colleague from Texas on his very thoughtful statement. I agree we should not be in the business of trying to manage the business and industrial growth in this country or try to change the demographic shifts that are already underway.

I note with some pride that when I was born in Houston, Tex., just a few short years ago it had a population of 230,000. Now it has a population of 10 times that, because there has been created in Texas and other States of the Southwest a favorable climate for business and industrial growth.

I am very proud of the fact that Texas stands out among the major industrial States in this country in having the highest per man productivity, of having the best return on the labor dollar, and having the lowest rate of unemployment of all the major industrial States.

While the national average is around 8 percent, in Texas it is slightly over 5 percent. I think some of the older States of the North and of the Midwest might think in terms of themselves creating a more favorable climate for business.

Certainly Senator BENTSEN has pointed to one problem, and that is very often our job-training programs are not meeting the needs that are going unfilled. I think that is an area in which perhaps we could be useful.

Mr. BENTSEN. I thank the senior Senator from Texas for his comments. To continue along that line, you can pick out States like New Hampshire where you are seeing job expansion—an area which has succeeded in encouraging business and industry to grow. It has been able to keep jobs instead of seeing jobs being transferred out to other States. States may not be able to generate a large growth in new jobs but they can successfully prevent the loss of existing jobs.

I yield back the remainder of my time.

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

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

The bill clerk proceeded to call the roll.

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

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

ORDER TO VITIATE SPECIAL ORDER

The PRESIDING OFFICER. The special order for Senator GORTON is vitiated.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond the hour of 1 p.m., with statements therein limited to 5 minutes each.

VICTORY FOR THE SENATE PAGE FOOTBALL TEAM

Mr. ROBERT C. BYRD. Mr. President, among the many traditions which occur on Capitol Hill is the annual House versus Senate page football game. On Wednesday, November 11, 1981, Veterans Day, the Senate—now, get this; pay close attention, I say to all Senators—the Senate defeated the House by a score of, now, get this, 21 to 0—a great big goose egg for the House. Twenty-one to zero. Long live the Senate page football team.

This was the second game of an ongoing struggle.

I commend our Senate pages, both Republicans and Democrats. I ask unanimous consent that the names of our players be printed in the RECORD. The commendation of the day goes to our Senate page football team for plastering the page football team from the "other body." Our Senate pages will show 'em.

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

NAMES OF PLAYERS

Leon Calomiris, Bill Lanham, Tony Nicholas, Jeff Garn, Ashby Stokes, John Flowers, John Gilmer, Keith Brigman, Tim Page, Mike Prescott, Wilson Parry, Steve Boyden, Nancy Dynan, Hollie Iverson, Ken Dean, McKinley Hackett, Charles Carlson, Kevin Henry.

Head coach: Michael Henry.

Alumni: Bob Bean, Drew Griffith, John H. Harris III, John Pitts, Brad Smith, Bill Norton.

Mr. ROBERT C. BYRD. Mr. President, I thank all Senators for the interest that they have demonstrated in this matter. I thank our pages. Excelsior. Ever upward.

SPAIN BELONGS IN NATO

Mr. HARRY F. BYRD, JR. Mr. President, last month King Juan Carlos of Spain paid an official visit to the United States and was received by President Reagan at the White House.

The President took the occasion to endorse publicly the complete integration of Spain into both the North Atlantic Treaty Organization and the European Economic Community.

I wish today to express my total support for the President's statement. Indeed, the time is long past due for the full membership of Spain in the European family of nations and the Atlantic alliance.

My support for Spanish membership in NATO goes back just over a decade.

In 1971, during a trip to Spain, North Africa, and NATO headquarters in Brussels, Belgium, I became particularly aware of the importance of including Spain in the Western alliance.

Its strategic location, relatively strong military force and strong anti-Communist commitment all argued for Spanish integration into NATO.

Returning to the United States, I reported my findings to the Senate in a speech which began as follows:

Mr. President, it is my view that the time has come to invite Spain to become a member of the North Atlantic Treaty Organization.

Five years later, after the death of Gen. Francisco Franco, and after I had had further opportunity to study the strategic situation in the Mediterranean and eastern Atlantic, I again spoke in the Senate, urging that our West European allies accept Spain as a full partner.

It seemed to me then, and seems to me today, that the passing of Franco, the accession of Juan Carlos and the institution of widespread democratic reform in Spain removed any objections which our European friends might have had in earlier years on ideological grounds.

So today, once again, I express the hope that Spain will be admitted as a full partner in the European family and the defense of the West.

I ask unanimous consent that the texts of my speeches on this subject on May 6, 1971, and April 27, 1976, be printed in the RECORD.

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

[From the CONGRESSIONAL RECORD, May 6, 1971]

SPAIN SHOULD BECOME A MEMBER OF NATO

Mr. BYRD of Virginia. Mr. President, it is my view that the time has come to invite Spain to become a member of the North Atlantic Treaty Organization.

During the Easter recess of the Congress, I visited Spain, North Africa, and NATO headquarters at Brussels in an effort to assess two things:

The extent and significance of Soviet penetration of the Mediterranean region, particularly North Africa; and

The situation concerning the commitments of the United States and our partners in the North Atlantic Treaty Organization in Europe.

I came away deeply impressed with the strategic importance of Spain in the defense of Europe and the Mediterranean.

Spain always has been of great importance in European defense plans. The United States recognized this as early as 1951, when diplomatic relations between this country and Spain were renewed after the interlude of World War II and the immediate postwar period.

In 1953 the United States negotiated its first base agreement with the Spanish Government, which has been twice extended, with modifications.

Today the Spanish bases have greater importance than ever before.

One reason why this is so is the extensive penetration of the Middle East, the Mediterranean, and North Africa by the Soviet Union. During my visit to that region, it was driven home to me that the Russians are seeking to become the dominant power in the entire Mediterranean area.

Not only do the Soviets maintain a sizable fleet in the Mediterranean waters, but they have become the major force supporting the Arab Nations in their continuing struggle against Israel.

Today Egypt has become virtually a dependency of the Soviet Union. And just this month an Arab federation was formed.

Actually, of the five nations on the African shore of the Mediterranean, only Tunisia and Morocco are friendly to the West. Algeria, while not yet in the Soviet orbit, is unfriendly to the Western allies and represents a fertile field for Russian penetration.

After a revolution deposed the former Government of Libya, the United States was forced to close down the operations at Wheelus Air Base located in that country. These operations were moved to Zaragoza, one of two modern U.S. air bases in Spain. A third air base is on a standby basis in Spain.

The U.S. naval base at Rota, on the Spanish Atlantic coast near Gibraltar, is extremely important to the operations of the U.S. 6th Fleet in the Mediterranean Sea.

Given the present political and strategic situation in the Mediterranean region, it is clear that Spain is of critical importance to the south flank of the NATO alliance.

The exclusion of Spain from NATO results primarily from the opposition of powerful socialist parties in several European nations, notably Norway, Denmark, the Netherlands, and Belgium.

Much of the opposition to Spanish entry into NATO can be traced to the role of Spain in the early years of World War II.

It seems to me that it is time for such matters to be forgotten. We should bear in mind that two of this Nation's strongest allies are Japan and Germany, the nations who were the chief opponents of the Allies in World War II.

Portugal is already a member of NATO. Inclusion of Spain in the alliance would extend NATO coverage across the Iberian Peninsula. This in turn would greatly strengthen the position of NATO both in Europe and in the Mediterranean.

The peacetime army of Spain consists of five divisions and 16 brigades. The mobilization potential of this army is considered to be 40 divisions.

Spain also has a navy of 80 ships and an air force of nearly 200 modern aircraft. Both the navy and the air force could be more than doubled in time of war.

In overall military power, only two of our NATO partners—West Germany and Turkey—clearly are stronger than Spain. Spanish membership in NATO certainly would represent a desirable strengthening of the alliance.

I think it would be a step in the direction of realism if Spain were to be admitted to NATO. Differences of political ideology within member countries of the alliance have not destroyed it in the past, and there is no reason to suppose that the addition of Spain to the ranks of the allies would in any way weaken it.

We should bear in mind that the Soviet Union is never reluctant to cooperate with other nations whose governments are ideologically opposed to communism.

Realism suggests that the members of NATO should not attempt to insist that all members of the alliance be models of democracy.

Addition of Spain to NATO could help reduce the burden on the United States of maintaining a huge contingent of forces in Europe. Today the United States has 300,000 servicemen and 200,000 dependents in the European area.

There has been a great deal of discussion in this country as to whether the United States should maintain its present level of troop commitments in Europe. In the Senate itself, Senator Mansfield has sponsored a resolution calling for a reduction in the U.S. troops level in Europe.

Addition of Spanish forces to NATO would help to make feasible a reduction in the American burden and would make a solid contribution to the strength of the alliance.

Spain is a member of the West European family of nations. She belongs in the ranks of the alliance which is the principal instrument of West European security.

[From the CONGRESSIONAL RECORD, Apr. 27, 1976]

SPAIN BELONGS IN NATO

Mr. HARRY F. BYRD, JR. Mr. President, the death of Gen. Francisco Franco last year ended his nearly 40-year reign over Spain.

Franco's successor, Juan Carlos de Borbon, was inaugurated as King of Spain, only 2 days after Franco's death, on November 22 of last year.

The transition in Spain's political leadership has to date not produced any major outbursts of violence, and the fear that Spain would follow the tumultuous and uncertain path of Portugal has not yet been realized.

In the 5 months that King Juan Carlos has been in power he has shown strong leadership and sensitivity in meeting the problems confronting his country.

He defused the political impasse between Spain and Morocco over the Spanish Sahara through personal diplomacy, and he has also undertaken steps to meet with the Catalans and Basques, who are seeking greater autonomy from the central government for their respective regions.

Early this year the new Spanish Government also announced its intent to develop a program of domestic reform, which will include among other things, the creation of a two-house parliament and a modification of the antiterrorists decree.

Both of these proposals are seen as a major shift in policy, and the creation of a two-house parliament, in particular, should provide the Spanish people with more direct, and responsive representation in their Government.

This is not to say, however, that it will provide a democracy such as we have in the United States.

But I have had the opportunity to discuss the current political situation in Spain with the distinguished Senator from Rhode Island (Mr. Pell), who is a member of the Foreign Relations Committee, and who recently had the opportunity to visit Spain.

Senator Pell was most impressed by the steps taken by King Juan Carlos, to ease the internal political restrictions. These steps have included, among others, the release of political prisoners, open political activity, and freedom of the press.

Senator Pell feels, as I do, that the United States, and the free world, now have the opportunity to encourage this progress in Spain.

The Senator from Missouri (Mr. Eagleton) also made an excellent speech in the Senate on February 5 concerning the situation in Spain.

In this context, it deserves to be emphasized that Spain's clandestine, but well-organized, Communist Party has not been able to exploit the political situation, as its Portuguese counterpart did in neighboring Portugal. Nevertheless, Spain's new young King faces numerous domestic and international problems, and Spain's extremist elements appear ready to challenge his authority should a political vacuum develop, or should a political or economic crisis arise.

Undoubtedly many of these elements will promote dissidence in the hope of undermining the new Government. But with sup-

port and encouragement from the United States, and our European allies, the new Government of Spain will be able to respond to the challenges it will encounter, and it will be able to undertake the reform of its own institutions, in a responsible and enlightened way, without fear of intrusion from outside powers.

The United States and Spain have, in fact, just concluded a new defense agreement. This agreement is the latest in a series of defense agreements between the two countries which date back to 1953. A that time the United States recognized the strategic importance of Spain in the defense of Europe and the Mediterranean.

Indeed, Spain should have been permitted to join the NATO alliance when it was formed. But opposition from some of our European allies prevented Spain from being admitted to NATO.

At the outset much of the opposition to Spain's entry into NATO could be traced to the role of Spain in the early years of World War II. Later the opposition continued more out of opposition to the nature of the Franco regime.

In 1971, I urged that Spain be admitted to NATO, but strong opposition to Spain entering the alliance continued from some of our other European allies.

The strategic importance of Spain for Europe and the Mediterranean, particularly its importance to the southern flank of the NATO alliance, has, however, not diminished over the years. On the contrary, given the present political and strategic situation in the Mediterranean region, Spain is of more importance to the security of the free world than ever before.

The southern flank of the NATO alliance is in precarious balance.

Two traditional U.S. allies and friends, Greece and Turkey, find themselves embattled over Cyprus, with both threatening to decrease or eliminate their NATO roles unless a mutually satisfactory solution to the Cyprus problem can be found.

The political revolution in Portugal in 1974 also brought domestic disorder and government instability to that NATO ally. Vast Soviet expenditures supported the activities of the Portuguese Commmunist Party, as it sought to circumvent constitutional procedures, overrule the outcome of popular elections through its organized cadres, and sympathetic elements in the military forces, and assume government control, contrary to the popular will.

While the pendulum now seems to have swung back in favor of the moderate forces in Portugal, the outcome is far from certain, and its role in NATO remains in question.

The political and economic chaos in Italy, which threatens to bring formal Communist participation to the national government, is illustrative of the internal weakness and potential difficulties facing NATO in all of the countries which constitute the alliance's southern flank.

But while the publicity surrounding detente may have dimmend the popular awareness of existing military and political threats to the free world, which in turn has contributed to an erosion in the western alliance system, Communist Russia has no such problems.

The Warsaw Pact's land forces represent one of the most awesome military machines ever created, and Russia is simultaneously seeking dominance over Europe's waters.

The day has long gone since the U.S. 6th Fleet sailed the Mediterranean Sea unchallenged. The Soviets now maintain a sizeable fleet in the Mediterranean, and they seek to become the dominant power in that region.

So Spain, which has always played an important role in the formulation of European defense plans, assumes ever-increasing importance for West European security.

Through bilateral agreements, the United States has had base rights in Spain, the most important of which is Rota. Located near the strategic Atlantic approaches to the Mediterranean, Rota serves as a base for the U.S. naval fleet, a communications center, and as a monitoring center for Russian naval activities.

The United States has now signed a new 5-year agreement with Spain for continuing these base rights, but the two governments have also agreed to a "Treaty of Friendship and Cooperation," which must be approved by two-thirds of the U.S. Senate.

The new treaty between Spain and the United States illustrates the importance the United States attaches to the stability and orderly development of that country, and it represents an American commitment of support.

But I think the time has come to go even further.

Spain belongs in NATO, and it is my view that now is the time for the United States to spearhead a drive for Spain to become a member of that defense organization, in cooperation with our European allies.

At a time when the resolve of the free world is being questioned, admitting Spain into the North Atlantic Treaty Organization would help restore some of the declining credibility confronting the alliance today.

With Spain in the NATO alliance the strategic security of Europe would be strengthened, and that country's military forces would also add meaningfully to the defense capability and readiness of NATO's conventional forces.

Spain has a navy of approximately 90 ships, including 10 submarines, 1 helicopter carrier, 1 cruiser, 13 destroyers, as well as a number of mine sweepers, torpedo boats, patrol craft, landing ships, and frigates.

The air force consists of 200 combat aircraft, and the peacetime army of Spain consists of 5 divisions, and 16 brigades.

The mobilization potential of this army is considered to be 40 divisions.

Spain has more than 300,000 men under arms, of which 213,400 are conscripts, and in 1974 that country spent $1.43 billion on defense out of a GNP of approximately $65 billion.

In overall military power, only two of our continental NATO partners—West Germany and Turkey—clearly are stronger than Spain.

Spain, then, could make a solid contribution to the NATO alliance, and would represent a desirable strengthening of the alliance.

As a member of the West Europe family of nations, Spain belongs in the ranks of the alliance which is the principal instrument of West European security. And on time could be more propitious than now.

As Spain enters a new stage in her history she should do so with the full support of the countries that constitute the North Atlantic Treaty Organization.

FEDERAL HIGHWAY PROGRAM WINS GOLDEN FLEECE AWARD

Mr. PROXMIRE. Mr. President, today I am giving my "Golden Fleece" of the month award for November to the Federal Highway Administration for the worst record of civilian cost overruns in the Federal Government. When you have the worst record in the Federal Government, Mr. President, you are really the super bowl champion of waste. Mismanagement, delays, and confusion in the construction of our interstate highway system have caused a 267 percent, $100 billion cost overrun that dwarfs any other civil project. While it is said that the road to perdition is paved with good intentions, no one expected this to apply to the U.S. highway program.

When it comes to civilian cost overruns, Mr. President, the Interstate Highway System under the Federal Highway Administration stands at the top of the list—the undisputed champion of mismanagement and waste. Every other civilian project pales by comparison.

Even the numbers involved are so staggering that they numb the mind. When Congress first aproved the estimates for the Interstate Highway System in 1958, the firm, hard figures showed a cost of $37.6 billion. Now that same program stands at $137.9 billion, an increase of $100.3 billion.

The cost growth in the highway program is as big as the entire defense budget in 1977 or as large as the combined 1982 budgets for the Departments of Agriculture, Education, Energy, Housing and Urban Development, Interior, Justice, State, and Transportation.

The blame for this mammoth cost overrun cannot pe placed solely at the doorstep of inflation. Of the current $100.3 billion overrun, $55.9 billion represents inflation. Taking inflation out entirely still leaves an unbelievable real overrun of $44.4 billion or more than the project was supposed to cost in the first place.

Mr. President, funding for the Interstate Highway System continues to the present day, so the end of cost overruns is not yet in sight. On October 3, 1981—just a few weeks ago—the Senate passed a transportation appropriations bill which contained about $3.2 billion in funding for the system. Note: this Senator opposed the bill, which passed by a vote of 77 to 15. From $35 billion to $53 billion remains to be spent on the Interstate System.

Perhaps the worst example of spending in the highway program is the Westway in New York City. The final cost of this 4 mile long road will reach an incredible $1 billion per mile—that is $16 thousand an inch, Mr. President—making it, inch for inch, the most expensive highway ever built by mankind any time, anywhere.

Federal taxpayers will pay for 90 percent of Westway including the actual construction of a tunnel along, in, and above the Hudson River bed, creation of 234 acres of real estate, and upgrading of a parallel 6- to 8-lane highway next to Westway.

The Glenwood Canyon project in Colorado is another example of an outrageous throw-away. It has been exempted from the new cost reduction program, as has Westway. This 12.6 mile four-lane highway is currently estimated to cost $300 million but more likely will run to over $600 million during the 8-year construction period.

Every year, Mr. President, the Comptroller General of the United States makes a detailed listing of all major Federal acquisitions. The most recent list includes 1,040 projects.

The total cost growth in these 1,040 projects is $325.8 billion. Thus, the Federal Highway Administration, by itself,

accounts for over 30 percent of the total Federal overruns. The only challenger to the Federal Highway Administration is the U.S. Navy, with a cost growth of $104.2 billion, but this includes 96 different Navy programs.

RATIFICATION OF THE GENOCIDE CONVENTION IS NECESSARY FOR A STRONG HUMAN RIGHTS POLICY

Mr. PROXMIRE. Mr. President, it is essential that our Nation pursue a consistent and outspoken human rights policy in order that we may expose and counter the Soviet threat to political and individual freedom. This was made clear in a State Department memorandum approved by Secretary of State Haig and published in the New York Times last Thursday.

The State Department noted in the beginning of the memorandum that:

Human rights is at the core of our foreign policy because it is central to what America is and stands for.

According to the memo, human rights is also what is ultimately at issue in our contest with the Soviet bloc. "The fundamental distinction," the State Department explains, "is our respective attitudes toward freedom. Our ability to resist the Soviets around the world depends in part on our ability to draw this distinction and to persuade others of it."

In short, an important objective of our human rights policy is "to demonstrate, by acting to defend liberty and identifying its enemies, that the difference between East and West is the crucial political distinction of our times."

Yet, Mr. President, our abiilty to carry this out is impaired as long as we remain vulnerable to Soviet charges of hypocrisy in our policy on human rights. Our failure to ratify the Genocide Convention has long been used by the Soviets in attempts to discredit us in the international community.

Simply put, Mr. President, we cannot hope to persuade others of the distinction between ourselves and the Soviets when we, ourselves, have failed to recognize in an international treaty the most fundamental human right—the right to live.

In the memo, the State Department asserts that:

Overall U.S. foreign policy, based on a strong human rights policy, will be perceived as a positive force for freedom and decency.

Yet, Mr. President, for our human rights policy to be truly strong and effective, it must be consistent. And consistency demands that we ratify the Genocide Convention.

Virtually every President since Harry Truman has recognized and affirmed the need to act on the Genocide Treaty to solidify our international posture on human rights.

Mr. President, we cannot delay any longer; we must act now to ratify the Genocide Convention.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

VOLUNTARISM

Mr. DURENBERGER. Mr. President, Americans have a proud and long-standing tradition of assisting those in need without receiving financial reward for their efforts. The spirit of voluntarism continues today, even during this period of economic difficulty when many who had once stayed home to raise their families are entering the work force in order to stay ahead of the rising cost of living. Concerned Americans still find time to devote their talents to helping the needy.

I have often said that the efforts of private citizens can be at least as effective as those of governments. Volunteers seem to have a keen sense for getting to the heart of a problem and arriving at sensible and effective solutions. I have spent most of my life in voluntary public service of one kind or another. It is through that process that I have learned how much we have lost over the last 20 years when we continually turn to Government to solve all our problems.

More important, I have learned that there are solutions to a lot of problems that we have considered traditionally as public sector problems that lie in private enterprise. While Government agencies and international organizations are often most adept at coordinating relief efforts and long-range programs, individuals provide the people-to-people contact that makes the projects they undertake so successful. Their efforts achieve not only the material goals, but the even more important one of understanding between people. Volunteers in service to others enjoy an intensely personal reward of self-satisfaction.

Minnesota has produced its share of dedicated volunteers, from the medical professionals who have served in the refugee camps at the Thai border to those who helped build a clinic in Haiti. The latest example of this generosity is the work that Dr. and Mrs. Roger Belisle and Mr. and Mrs. Del Asmussen have performed in the small village of El Casco, in the State of Durango, Mexico.

Roger Belisle and Del Asmussen, both employees of Control Data Corp., in Minnesota, received 18-month leaves of absence to further their efforts. They formed the American-Mexican Medical Foundation in 1979 as a vehicle for improving the health care and standards of living of the people of El Casco. With the cooperation and support of their wives, the people of El Casco, and the Mexican Government, a clinic is being built and essential health classes are being taught. The efforts of these individuals and the cooperation of companies like Control Data are a tribute to the spirit of volunteerism in America.

Another group of Minnesotans has helped construct an orphanage in Leogane, Haiti. Members of a number of Minnesota churches donated their time and talents to work with the Haitian people to build a school and auditorium as well. The different language and customs have made the time spent in Haiti a unique and satisfying experience.

Mr. President, I ask unanimous consent to have printed in the RECORD the news articles about these Minnesotans.

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

SUBURBAN CHURCH MEMBERS BUILD AN ORPHANAGE IN HAITI

(By Ruth Hammond)

For the suburbanite who's an inexperienced traveler, doing mission work in Haiti can be frightening. Yet three groups of people, most from Lutheran Church of the Master in Brooklyn Center, have traveled to that Caribbean island country since last December to build an orphanage for 105 children and spread "the good news about Jesus." Another group of 10 women just returned from 10 days in Leogane, a coastal village, where they helped build a school near the orphanage.

The latest group is made up of members of St. Nicholas Episcopal Church in Richfield, Woodlake Lutheran Church in Richfield and Jesus People Church in downtown Minneapolis. St. Nicholas Pastor John McMillan's interest in Haiti was sparked after he talked with Church of the Master Pastor Paul Swedberg. The $42,000 project to build the orphanage was Church of the Master's "first world mission."

McMillan mentioned the need for further work in Leogane in a Sunday sermon at St. Nicholas in June. That night St. Nicholas's mission committee, which had been praying for guidance in choosing a mission, decided to join other area churches working in Leogane. In the past four months, the 120-family congregation has raised $12,000 of its $30,000 goal. Mary Jackson, a committee member, said she hoped other churches in the southwest suburbs would join them in their effort.

One evening in early September, Fred Morrissette, 28, leader of this and other Haiti missions, sat in the old Chevrolet bus that he planned to drive from his Monticello home to Florida before the Haiti trip. The bus was parked in the St. Nicholas parking lot and he was drinking Coke with his brother-in-law, Ron Holmberg, and his friend, Mike Power of Hibbing, who would accompany him as far as Florida, while they waited for the start of a pre-trip meeting in the church.

Among the supplies Morrissette had loaded in his bus to bring down to Haiti was his air conditioner. He figured it would be of use. He had dealt with the red tape to get electricity in the orphanage by going to the electric company every day for a month and getting the signatures of the prime minister, the secretary of state and three other government officials, he said.

Haiti is an extremely poor nation. Those who go on the missions are warned to expect that, but a few are still surprised and feel endangered by conditions, Morrissette said. The first night a mission group arrived in Leogane last April, its members witnessed a voodoo ceremony of striking unfamiliarity. "A hundred people came by, beating drums and blowing horns, and they (the Twin Citians) got scared," Morrissette said.

During such voodoo ceremonies the Haitians "wear weird costumes."

"Like Mardi Gras in New Orleans," Holmberg said.

"It couldn't be any weirder than Mardi Gras," Power said.

One member of the St. Nicholas mission group did not return with the others. Grace Barberg of Jesus People Church plans to remain in Haiti for three months. She also

went to Haiti in June. She said, "I see a real need for the gospel, the good news of Jesus to be spread there." She said the people are friendly and eager to talk to Americans. She tells them "Jesus loves you" in Creole and invites them to a Biblical movie. After the movie, translators convey the Americans' message of what Jesus means to them. It is not uncommon for 400 people to attend a movie, Morrissette said.

On her last trip Barberg concentrated more on preaching than on construction of the cinder-block orphanage. "I laid five blocks and had to rest," she said.

The blocks weigh "only 26 pounds," Morrissette said. Haitians are the people laying the blocks for the school and an attached auditorium, both designed by Morrissette. The Minneapolis-area missionaries hauled the blocks from a pile to the work site and conveyed their religious messages.

Chrystal Linn, a Woodlake member, was undaunted by the weight of the blocks. "I was raised on a farm and I know how to work," she said. She took the trip because it seemed like "a new way to serve the Lord."

The 400-seat auditorium will be used to train ministers to go into the interior. Six or seven Haitians will teach the 300 children expected to attend the school. Morrissette believes it's important for the Haitians to be able to carry on the mission by themselves if necessary.

The youngest members of the St. Nicholas mission group are 18-year-olds Betsy Stark and Laura Greimel, both of whom have worked with Hmong refugees in St. Paul. Greimel just graduated from Jefferson High School in Bloomington and is starting at the University of Minnesota this fall. She said she's interested in observing another culture and learning why there are differences and similarities among human beings.

Morrissette, who attends Assembly of God Church in Monticello, said the interdenominational nature of the mission has never been a matter of conflict. He compared it with building a house: Everyone's not a carpenter and everyone's not a plumber, but together they can build something as long as the carpenter doesn't pound nails into the plumber's pipes.

[From the Rochester (Minn.) Post-Bulletin, Sept. 15, 1981]

STATE MAN HELPS BUILD MEXICAN CLINIC

(By Karren Mills)

EL CASCO, MEX.—Life slowly changes in El Casco, as the rural Mexican village inches into the 20th century. Some of the credit goes to a Minnesota man helping villagers build a medical clinic.

When Roger Belisle first visited the village of 400 nearly 12 years ago, he found an existence rather than a life. There was no electricity. Cars and trucks were novelties. Medical care was primitive.

The Bloomington man was moved to help.

"I decided to help these people as much as I could," said Belisle, who expanded his studies in biomedical engineering at the University of Minnesota and became licensed to practice medicine in Mexico.

Belisle and his wife Eva, who was born in El Casco, and their two young children then began traveling to the village on vacations, bringing bandages, aspirin, vitamins and other essentials for the villagers.

As Belisle, an idealist, came to know the people better, his frustration with conditions in the village grew. He was driven by his need to help, but knew he couldn't accomplish much by himself.

So in 1979, Belisle and other interested Minnesotans formed the nonprofit American-Mexican Medical Foundation and began work on a 2,700-square-foot free clinic to serve El Casco and surrounding communities. Villagers are providing the construction labor. Materials are being purchased with money donated to the foundation.

"People in the United States like to think of Mexico as a very romantic area, an area that exists the way it is because the people want it that way. But that's not the case," said Belisle.

But change comes slowly. Even when it is being given a boost.

There are now seven old trucks and two cars in El Casco, located about 300 miles south of El Paso, Texas. But most of the farmers still use mules and horses to get to and from their fields.

The government has run an electric line into the village, and a half-dozen villagers have brought in refrigerators. But when most villagers have money for milk, they can buy only enough for one day. When someone kills a pig, there is a village feast because the meat won't keep.

There is a handful of porcelain toilet stools, but there is no running water. Those with porcelain toilets must pour water into the bowl to flush them. The majority of the villagers, however, don't have outhouses and use the smooth, flat rocks from the riverbed instead of toilet paper.

A few of the women now are having their babies delivered by doctors in a nearby town, but many still use midwives.

El Casco is a poor village, but the people aren't poverty-stricken.

When the corn and bean crops fail—which happens often because there is no irrigation system—the men go to the large cities of Mexico or slip across the border into the United States for a few months to work.

Besides food, those trips—and children who have moved into the larger cities—provide money for the cars and trucks, the refrigerators, the porcelain toilets and the electric blenders that sit on tables next to the wood-burning cook stoves in many kitchens.

The villagers and Belisle would like to see El Casco become more self-sufficient, so the men don't have to leave and find other work to keep their families alive.

As they see it, water for irrigation and drinking and good medical care are the keys to achieving that self-sufficiency.

The Mexican government drilled a deep well and installed a pump in the village three years ago to provide pure drinking water.

However, the pump worked only a short time and efforts to have it fixed have been unsuccessful. So the villagers still get their drinking water from a shallow well next to the riverbed and wash their clothing in the river.

The government also began building a dam about a mile from El Casco four years ago, but there were delays and it hasn't been completed.

"When it is done, all the farmers in El Casco will be able to irrigate their fields. Water is the key to everything—the fields, good drinking water so the people don't get sick," said Jose Rivas, postmaster and owner of the only restaurant.

"But who knows when it will be done. We're not getting any promises. It could be three months, it could be a year," Rivas said.

"Farming in the last five years has been real bad. It's been so dry. That has made life here much worse," Rivas said. "When they don't have the crops, they don't have money for anything. The men leave to find work in other places."

About 90 percent of the men leave the village for work when the crops are bad. Rivas said 1948 was the last good year for farmers in El Casco.

Guadalupe Amaya, village official and a farmer, said he has to go to the United States to work for about nine months every three years. In between, he works in large cities in Mexico for one or two months each year.

"I only go to the United States when I really can't make it anymore," said Amaya, who has done carpentry and restaurant work in Arizona. "I feel very lonesome because I don't know what's going on with my family. When I get a letter saying one of the children is sick, I don't know what happened."

Having the clinic completed and a full-time doctor in town will be a major step forward in helping the villagers cope with their problems, Rivas added.

"Because if we're healthy, we can work and make money so we can eat."

MINNESOTAN'S HEALTH PROJECT IN MEXICAN VILLAGE GOES SLOWLY

(By Karren Mills)

EL CASCO, MEX.—Roger Belisle has a dream for the people of rural Mexico. He wants them to have access to the same quality of medical care that he and his family have in Minnesota.

Sometimes, however, it is difficult to turn a dream into reality.

Belisle is finding that out.

The 43-year-old Bloomington, Minn., man is spearheading construction of a medical clinic in El Casco, the small village in northern Mexico where his wife Eva was born.

When he first visited El Casco in the late 1960s, he was troubled by the lack of medical care. Parasite infestation was rampant. Nutrition was poor. Babies were dying "from the simplest of problems," Belisle said.

"I saw that a health program was needed," he said. The nearest hospital was 125 miles away and people had to travel 30 miles to the nearest clinic.

So Eva's brother Filiberto Nunez went to the state Capitol in Durango and asked if the government could set up a clinic in El Casco.

"He was told a clinic could be set up, but he knew it probably would be many years," Belisle said.

In the meantime, Belisle earned a license to practice medicine in Mexico and began driving 2,000 miles to El Casco with his wife on vacations to provide medical care.

"As time went on it turned out that what I was doing was making a pretty big impact. That encouraged me," Belisle said. "So we contacted the Mexican government to find out what their plans were and to tell them what we were trying to do."

The government said they still had the El Casco request, but Mexico is big and they couldn't possibly cover all areas at once, Belisle said.

"So we planned a clinic. We talked to people about just exactly what they thought they would need and started construction," Belisle said.

"We contacted the Mexican government again to see if they could help. They said if we were better organized, if there was some way we could represent all of the people in a large area in the state of Durango, that they probably would be able to help us," Belisle said.

So in 1979, the American-Mexican Medical Foundation was formed and the Belisles and other volunteers began working on the project in cooperation with the Mexican Department of Public Health and other government agencies.

Control Data Corp. gave Belisle and Del Asmussen of St. Paul, Minn., 18-month social service leaves from their jobs at full pay to raise the money needed to complete the clinic and hire a fulltime doctor.

Those leaves end in December. Meanwhile, the walls of the 11-room clinic are up and the windows are in storage. But money is still needed to buy cement for the roof and floor.

Belisle and Asmussen also discovered in August when they returned to El Casco that the cost of construction materials had gone up again.

And they found that the government had

finally responded to the village's request for help.

Since Belisle's last visit in December, the Mexican Social Security Department had constructed a small first-aid station, one of 65 built in Durango this year. The station opened in March.

A medical school resident from the state Capitol is on duty from 9 a.m. to 1 p.m. weekdays, along with a village girl who received 22 days of training as a social worker. Another village girl was trained to give shots, take blood pressures and temperatures and weigh and measure patients on weekends.

Main functions of the first-aid station are treatment of infections, physical examinations, simple suturing of cuts and some health teaching, said Fe Sanchez Castaneda, 17, the social worker.

The station sees about 6 to 10 patients a day from a 12-mile radius covering six villages.

"We see a lot of parasites in adults and children People come for illnesses such as diarrhea and anemia and for family planning (condoms, birth control pills and intrauterine devices are offered)," Miss Castaneda said.

While the villagers are glad to have the government first-aid station, they maintain that it is not enough, that they still need Belisle's clinic, which will serve a 60-mile radius and will handle more complex problems.

Miss Castaneda said the government first-aid station hopes to work together with Belisle's private clinic.

"When his clinic is finished, many more people will come because they have so much confidence in him," Miss Castaneda said. "There is plenty of need for both. But we have medicine here and a lot of people who are suffering now have some relief."

Belisle agreed. However, reducing the needs of the people makes it more difficult to obtain the money needed to complete the private clinic.

"The Mexican government is a very proud government and I don't think they really want to have Americans think that they cannot survive without American help," Belisle said. "This maybe has slowed up our efforts to help the people.

"We're not claiming to be gods where we can go in and solve the problems. But if there is any way that we can help these people, we would be willing to offer that assistance."

Belisle says he would like to see the people achieve a state where they can take care of themselves. "It's a dream, but it's a dream that I very much believe in.

"If they had water to grow their crops, they could afford to hire the doctors from the big cities. But until they do, we're going to provide that care. If I have to do it all by myself, they're going to have it. As much as I can provide."

MEXICANS GET HELP WITH "ACCEPTABLE" BIRTH CONTROL DATA

(By Karren Mills)

EL CASCO, MEX.—Filiberto Nunez and his wife Gloria have eight children ranging from 18 months to 19 years, a normal sized family in El Casco.

But Nunez says people in the small northern Mexican village don't always have large families by choice.

"Most families in Mexico are large because we don't know how to prevent it," said Nunez, 42, who has been married 20 years. "Only last year were we aware of family planning."

Mr. and Mrs. Nunez were among villagers who gathered this summer to learn about a natural family planning method developed by Carman and Jean Fallace. Fallace is natural family planning director for the Human Life Center at St. John's University in Collegeville, Minn.

Carol and Felix Rosado of Milford, Pa., teach the Fallace method of natural family planning to Spanish-speaking families for Family Life Promotion of New York Inc. They were brought to El Casco by the American-Mexican Medical Foundation, a non-profit Minnesota corporation that is building a free medical clinic in the village, to offer classes.

Under the Fallace method of natural family planning, changes in the woman's temperature, cervical mucus, and the opening and height of the cervix are observed to determine when she is fertile and can conceive a child. If a couple wants to prevent conception, they abstain from intercourse during the fertile period.

The Rosados do not try to tell the people how many children they should have.

"We don't say to them have less, we don't say to them have more. What we say is that they have the decisionmaking power to determine if they want another baby this year or wait another year," said Rosado, a Mexican native who grew up in Merida.

"The goals of our being here are, first, to spread the good news that there is such a thing, whether they use it now or five years from now. And second, that there is an alternative, and one recommended and approved by the Catholic Church, to what the government is teaching and which may not be suitable for them for religious reasons," he said.

About 96 percent of Mexico's 67 million people are Roman Catholic.

The government embarked on an aggressive family planning campaign a few years ago, encouraging the people to use birth control pills and other forms of contraception, but many resisted because the Catholic Church opposes artificial birth control and many in rural areas were never reached.

While birth control pills and intrauterine devices are available to the women of El Casco through a new government-run first-aid station and doctors in a larger town 30 miles away, most women do not use either.

"Most of the people object, I think, because of their religion," said Sylvia Alvarado Nunez, 24, who has taught in the village's elementary school for five years and was married six months ago.

"A lot of people are interested in the natural family planning classes. Even the elderly have been talking about it. They are saying we've learned a lot of good things we never knew before," the teacher said.

The Rosados, who were in El Casco for three days, met with the men and women together for the first family planning session, then met separately with the two groups for the final two days. The separation was necessary in the Mexican culture, they said, because the men and women weren't willing to discuss such a private matter in a mixed group and there wasn't time to work with individual couples.

About 80 people crowded into a large room in one of the adobe homes for the introductory session. More than 30 women and nearly as many men attended the later sessions.

"I have never seen as many people turn out for a meeting here," said Fe Sanchez Castaneda, 17, social worker for the government first-aid station.

"For our health education meetings, maybe two or three women show up," she said.

Nunez wasn't surprised, however. He said he doesn't believe that Mexican couples have large families so they will have someone to take care of them when they are old.

"If you have one child who loves you, he will help you when you are old," he said. "I think it's worse when we have so many children. It has been very hard for me to take care of eight children."

But the Rosados aren't under any illusion that their three days of classes will make an overnight difference in El Casco.

"My main concern is that we convince a lot of people that the people here want to learn more about natural family planning and sex education, so when the clinic is finished somebody will be here to do followup, to help the people when they have questions, so that these people will eventually be able to have their own program," Mrs. Rosado said.

"I don't know whether that will happen," she added. "People are funny about their sexuality, very private. They don't like to change."

Mrs. Rosado also noted that the men in El Casco and other rural villages may not want their women to change too much.

"They don't know what's going to happen if the women stop having children. Are they going to get restless and want something to do—to go out and work where there is no work? Having children is a way of keeping that woman in the house until she's 45 years old.

"Our coming here for three days, I don't know how much that's going to accomplish in tearing down the taboos of centuries. But if they can talk to each other over the next few months about something like sex, that's going to do an awful lot."

MEXICAN VILLAGE HELPED BY A DAUGHTER WHO BROKE AWAY

(By Karren Mills)

EL CASCO, MEX.—Eva Nunez Belisle was born 40 years ago in El Casco, a poor village in northern Mexico, and didn't have a bed to sleep in until she was 12.

When she was 14 she moved to Monterrey, where she later met her husband-to-be Roger Belisle, an American who was vacationing in Mexico.

Mrs. Belisle now lives in a split-level rambler in an upper middle-class area of Bloomington, Minn., but those early years are never far from her mind.

"I had a very hard life when I was growing up," said Mrs. Belisle. "Now I want to help my relatives and friends as much as I can."

So when she and her husband, who is licensed to practice medicine in Mexico, travel back to El Casco on vacations to provide free medical care and work on a clinic they are helping build, Mrs. Belisle has their station wagon stuffed to the brim with used and new clothing for the villagers.

She also tries to bring single relatives to the United States for visits, hoping they will meet and marry someone who will offer them an easier life. There have been a couple of successful matches.

While everyone in El Casco now has a bed to sleep in, most of the young villagers will never have the opportunity—as Mrs. Belisle and some of her relatives have had—to leave the village and find an easier life.

A major problem for those growing up in El Casco is education.

The village has only an elementary school, which goes through sixth grade. The nearest secondary school—grades seven through nine—is 20 miles away. There is no daily bus service, so the children must board in the town where they go to school.

"It's big problem, because any good job requires secondary school. Often in the large cities, they even require secondary school for housekeepers," said Sylvia Alvarado Nunez, 24, a teacher in El Casco.

Those without secondary school can expect a life of hard manual labor, she said.

"The teachers meet with the parents and encourage them to send their children to secondary school but many say the children must work in the fields and others don't have the money," Mrs. Nunez said.

During her five years as a teacher in El Casco, Mrs. Nunez said about one-fourth of the 41 students who completed primary school went on to secondary school. Only one of those who went on was a girl.

But Mrs. Nunez, who grew up in the capital city of Durango, said attitudes are changing

and people are becoming more aware of the importance of education.

"I've heard a lot of women tell their daughters they should look at me as an example," she said. "And girls tell their mothers, 'I want to be like her.'"

The changes will occur faster once a relay station—now in the talking stages—is built so television can be brought into the village, Nunez predicted.

"That will be very good because it will give the people access to many new ideas," she said. "In Mexico, they show a lot of educational programs for both children and adults."

In the meantime, the people are exposed to new ideas largely through magazines and through relatives who have moved away and come back to visit, Nunez said. The adults and older children in the village all read and write, she added.

However, those who stay in El Casco aren't all there because they have no place else to go.

Mrs. Belisle's brother, Filiberto Nunez, 42, a farmer with a wife and eight children, has tried life in Monterrey and once spent five months in Minnesota with the Belisles to see if he would like to move to the United States.

But he returned to El Casco, despite its drawbacks.

"El Casco is not a good place to raise a family because the children can only go to elementary school and there is little medical care," he said.

"You don't feel that you like it much when the crops are failing because there is no rain. But you love it when the crops are good and you are able to live," Nunez added.

"The climate here is so beautiful. I love to hunt and we can hunt rabbits and deer in the mountains."

Nunez has made his choice. He'll remain in El Casco and work to get the government to complete its irrigation system so the farmers can get better crop yields. And he'll continue helping Belisle build the free medical clinic so the villagers can look forward to better health.

Belisle doesn't plan to give up either.

"What we're doing is like a raindrop in the desert. But eventually it will help." Belisle said.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS FOR 1982

The PRESIDING OFFICER. The clerk will now report H.R. 4169.

The legislative clerk will read as follows:

A bill (H.R. 4169) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1982, and for other purposes.

The Senate resumed consideration of H.R. 4169.

The PRESIDING OFFICER. The Senator from Connecticut.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

Mr. WEICKER. Mr. President, the appropriations bill before the Senate provides $435,240,000 for U.S. contributions to international organizations. These payments are made pursuant to conventions, treaties, or specific acts of Congress. The amount provided in the bill is the amount requested by the administration. It reflects the deferral of contributions to a number of international organizations as requested by the President. However, it was the judgment of the committee that contributions to two prominent Latin American organizations—the Organization of American States and the Pan American Health Organization should not be deferred. The full amount of our assessment for these two organizations is included in the bill. It is the judgment of the committee that the withholding of payment of our obligations for these organizations might call into question our commitment to this important area of the world.

I ask unanimous consent that a table indicating the amount provided for each international organization be printed at this point in the RECORD.

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

Contributions to international organizations

[In thousands of dollars]

	Fiscal Year 1982 Recommendation
Organization: United Nations and Specialized Agencies:	
United Nations	$120,438
United Nations Educational, Scientific and Cultural Organization	42,233
International Civil Aviation Organization	5,113
World Health Organization	44,990
Food and Agriculture Organization	32,146
International Labor Organization	25,491
International telecommunication Union	4,293
World Meterological Organization	2,554
Intergovernmental Maritime Consultative Organization	251
Universal Postal Union	489
World Intellectual Property Organization	443
International Atomic Energy Agency	19,077
Subtotal	297,518
Inter-American Organizations:	
Inter-American Indian Institute	154
Inter-American Institute for Cooperation on Agriculture	4,280
Pan American Institute of Geography and History	396
Pan American Railway Congress Association	23
Pan American Health Organization	27,209
Organization of American States	55,636
Subtotal	87,698
Regional Organizations:	
South Pacific Commission	738
North Atlantic Treaty Organization	18,683
North Atlantic Assembly	332
Colombo Plan Council for Technical Cooperation	9
Organization for Economic Cooperation and Development	21,866
Subtotal	41,628
Other International Organizations:	
Interparliamentary Union	261
International Bureau of Permanent Court of Arbitration	7
International Bureau of the Publication of Customs Tariffs	45
International Bureau of Weights and Measures	369
International Hydrographic Organization	70
International Wheat Council	0
International Coffee Organization	736
International Institute for the Unification of Private Law	47
Hague Conference on Private International Law	71
Maintenance of Certain Lights in the Red Sea	19
Bureau of International Expositions	20
Customs Cooperation Council	1,946
International Center for the Study of the Preservation and Restoration of Cultural Property	455
International Legal Metrology	56
International Agency for Research on Cancer	974
General Agreement on Tariffs and Trade	2,467
International Office of Epizootics	100
World Tourism Organization	196
International Tin Council	0
International Cotton Advisory Committee	124
International Rubber Study Group	46
International Seed Testing Association	4
Lead and Zinc Study Group	29
International Sugar Organization	354
International Rubber Organization	0
Subtotal	8,396
Total CIO	435,240

UP AMENDMENT NO. 606

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Does the manager of the bill wish to temporarily set aside the committee amendments?

Mr. WEICKER. Mr. President, I ask unanimous consent that the committee amendments be temporarily laid aside.

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

The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alaska (Mr. STEVENS) proposes an unprinted amendment numbered 606:

On page 8, between lines 12 and 13, add the following paragraph:

FISHERMEN'S GUARANTY FUND

For payment of claims and expenses to carry out the provisions of Section 7 of the Fishermen's Protective Act of 1967 (Public Law 90-482), as amended, there are appropriated not to exceed $1,800,000 from the fees collected from fishing vessel owners pursuant to Section 7 of that Act, to remain available until expended.

Mr. STEVENS. Mr. President, the Fishermen's Protective Act of 1967 was extended in Public Law 97-68 through the act passed by the Senate several weeks ago. Section 7 creates a voluntary insurance program to cover certain financial losses to U.S. commercial fishing vessels resulting from seizure by a foreign nation: First, on the basis of ocean jurisdictional claims the United States does not recognize or, second, under a general jurisdictional claim the United States recognizes, but, on the basis of conditions and restrictions that are not related to fishery management, are more onerous than comparable conditions and restrictions imposed by the United States on foreign vessels that are subject to its jurisdiction, fail to take into account traditional U.S. fishing, or fail to allow U.S. vessels equitable access to that foreign nation's fisheries.

Mr. President, that is a summary of the act we have already passed.

The purpose of the provision is twofold: First, to insure that the U.S. juridical position on coastal nation jurisdiction—for example that a coastal nation should not have exclusive management authority over tuna within 200 miles of its shores and should not arbitrarily exclude U.S. shrimp fishermen or others from its fisheries—is not compromised de facto by U.S. fishermen fearful of vessel seizures, and, second, to help compensate fishermen who, in accordance with U.S. laws and policy, are seized by a foreign nation.

Any U.S. fishing vessel owner may join the program by entering an agreement with the Secretary of Commerce and paying the required fee. To date, 60.3 percent of the costs of the program have been paid by fishing vessel owners. Industry pays for all administrative costs. Under rules recently promulgated by the Department of Commerce, the fees will be increased and are expected to total $1.8 million from commercial fishing vessel owners in fiscal year 1982. It is the policy of the Department that fee income should defray all administrative expenses of the program and cover at least 50 percent of claims historically paid even though the statute sets a minimum of 25 percent.

The moneys in the Fishermen's Guaranty Fund, including those contributed by fishermen fees and the interest generated from those fees as now allowed under Public Law 97-68, can be paid for claims only if provided for in advance in appropriation acts. I refer to section 7 (e).

Mr. President, because this program was just reauthorized, the administration did not request appropriations for the Fishermen's Guaranty Fund in its fiscal year 1982 budget requests. Therefore, we are faced with a situation of not having funds in this bill. The last appropriations were made in the fiscal 1981 supplemental appropriations bill enacted this summer, but those funds have been exhausted by prior claims. At present, somewhere in excess of $1.5 million in claims are now pending with the Department of Commerce.

On October 26, 1981, the President signed legislation to extend the voluntary insurance program under section 7 through 1984. The amendment I now offer provides appropriations not to exceed the amount paid in fees by our fishing fleet.

It is an amendment, in other words, that appropriates funds that are to be derived from the program described above and will not entail additional Federal moneys. Mr. President, I offer the amendment on that basis.

Mr. WEICKER. Mr. President, it is my inclination at this point, after I discuss a few matters with the distinguished Senator from Alaska, to accept his amendment. Let me underline the point I believe he has already made.

I understand that this amendment will have no net outlay effect, since expenditures will be offset by $1.8 million in fees to be collected from fishing vessel owners under section 7 of the Fishermen's Protective Act during fiscal year 1982. Is that the Senator's understanding?

Mr. STEVENS. It is my understanding, Mr. President.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WEICKER. 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. WEICKER. Mr. President, I am prepared to accept the amendment. I just want the record to show that I reserve the right vis-a-vis the issue of jurisdiction over tuna. I have some disagreement with the present policy. I do not want to have my agreement to the amendment indicate that I think the present policy is necessarily the best. With that stated reservation, I am prepared to accept the amendment.

Mr. HOLLINGS. Mr. President, we are prepared to accept the amendment. There is no outlay effect whatever?

Mr. STEVENS. Mr. President, it is an insurance program. The money comes from fees to be paid by the fishermen themselves. It is my understanding that this $1.8 million projected in budget authority will be offset by the amount to be paid in fees this year by the fishermen.

Mr. WEICKER. That is correct, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 606) was agreed to.

Mr. STEVENS. I move to reconsider the vote by which the amendment was agreed to, Mr. President.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I do understand the Senator's position dealing with tuna within our domestic waters. That is not an issue that is directly impacted by this amendment. I thank the Senator for his consideration.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

UP AMENDMENT NO. 607

(Purpose: To establish minimum levels for the Small Business Administration's Pollution Control Bond Guarantee program)

Mr. HAYAKAWA. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

Mr. WEICKER. Mr. President, I ask unanimous consent that the committee amendments be set aside.

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

The amendment will be stated.

The bill clerk read as follows:

The Senator from California (Mr. HAYAKAWA), for himself and Mr. LEVIN, proposes an unprinted amendment numbered 607.

Mr. HAYAKAWA. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 21, line 4, before the period insert the following:

": *Provided*, That during 1982, the Administrator of the Small Business Administration shall enter into commitments to guarantee not less than $175,000,000 of contingent liability for principal, subject only to the absence of qualified contracts pursuant to section 404 of the Small Business Investment Act of 1958".

Mr. HAYAKAWA. Mr. President, the amendment I am offering today, on behalf of myself and the Senator from Michigan (Mr. LEVIN) attempts to address a problem of authority, and make clear where the authority rests.

On May 7, 1981, I chaired a hearing in the Small Business Committee on legislation to increase the annual authorization level of the Small Business Administration (SBA) pollution control program from $110 to $250 million. At that time, the administration recommended that the level for fiscal year 1982 be reduced to $95 million. Notwithstanding that recommendation, the committee agreed to include the $250 million authorization in the Omnibus Reconcilia-

tion Act of 1981; the Senate accepted the committee recommendation; the conferees agreed to the $250 million mark; and the President signed the act into law.

Now the administration is attempting to subvert congressional authority, completely ignoring the intent of the statute, by placing a ceiling on the pollution control program of $50 million for fiscal year 1982.

Mr. President, I could understand a desire to reduce the size of the program if it was ineffective, or if there was rampant abuse, or if the default rate was exceptionally high, or if there was no demand for it. However, none of these is the case. In his testimony before the House Small Business Subcommittee on Energy, Environment and Safety on November 4 of this year, Mr. Edwin T. Holloway, Acting Associate Administrator for Finance and Investment of the SBA says:

During its nearly five years of operation the program has assisted 213 companies. Through Fiscal Year 1981 the amount of principal that SBA has guaranteed totals $256 million. Since its inception the program has experienced only two defaults, which resulted in $66,000 of payments from the reserve fund. In these cases, our collateral position and work-out agreements with the companies indicate that no losses will occur.

Later in his statement, Mr. Holloway concludes:

This program has proven to be of significant merit in meeting the needs of the small business community in pollution control financing.

I ask unanimous consent that the full text of Mr. Holloway's testimony be printed in the RECORD at this point.

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

STATEMENT OF EDWIN T. HOLLOWAY

Mr. Chairman and members of the subcommittee: I am pleased to have this opportunity today to discuss the Small Business Administration's Pollution Control Financing Guarantee Program.

Public Law 94–305, passed in 1976, authorized the SBA to guarantee 100 percent of the payments due from eligible small businesses under qualified contracts for the planning, design, financing or installation of pollution control facilities or equipment. The program was designed to allow small businesses to obtain access to the municipal bond markets. This would put them on a more equal footing with their large competitors, who are already able to receive favorable rates and terms for their pollution control financing. Under the program small business concerns are now able to obtain access to an existing supply of funds which were not previously available to them.

Over 200 small business concerns have utilized the tax-exempt bond financing SBA guarantee program. The process begins when a public entity issues tax-exempt pollution control revenue bonds. The term of repayment of the bond is typically 20–25 years. The business enters into a contract with the issuer of the bonds stipulating that periodic payments in sufficient amounts to cover the interest payments to the bondholders and to redeem the bonds as they mature will be made by the small business. The ability of the small business to comply with the terms of this contract is guaranteed by SBA.

Small businesses, because of their limited size and lack of investor recognition in the market, have not been able to obtain tax-exempt financing. The SBA guarantee of the contract between the small business and the issuer provides that recognition. As a result, eligible small businesses can obtain financing in the same manner as corporate giants. In this system that I am describing, the SBA's guarantee role is an "add-on" to the existing system of the municipal bond financing. While the SBA retains the authority for final credit approval, if neither regulates the market nor determines which business loans come into being.

The private sector operates this unique marketplace. This market consists of large and small commercial banks and investment bankers; bond buyers such as insurance companies, banks and individuals; and intermediaries such as bond traders. Through the SBA pollution control financing program, small businesses are added to this market as participants who can enjoy the favorable financing terms and rates previously available only to large firms.

Under the program, bond financing is available on terms up 30 years at competitive rates. Up $5.0 million per small business may be obtained through this bond financing method.

During its nearly five years of operation the program has assisted 213 companies. Through Fiscal Year 1981 the amount of principal that SBA has guaranteed totals $256 million. Since its inception the program has experienced only two defaults, which resulted in $66,000 of payments from the reserve fund. In these cases, our collateral position and the work-out agreements with the companies indicate that no losses will occur.

On an annual basis, the program has grown considerably since its inception. In FY 1977, 12 companies were assisted for a total principal of $5.7 million; in FY 1978, 14 firms for $9.9 million were assisted; in FY 1979, 45 firms for $41.5 million were assisted; in FY 1980, 77 firms for $98.5 million, and in FY 1981, 66 firms for $99.9 million were accommodated through the program. There are currently outstanding, 55 commitments to be closed totalling $91.2 million in principal. Additional applications from 47 companies totalling $77.8 million in principal have been received and are being processes. Further, a recent informal polling of many underwriters and bond issuing authorities active in the program reveal that 151 applications totalling $210 million are being processed for submission to SBA under the program.

The program was designed to be and is self-sustaining. Although Congress appropriated $15 million in 1976 to cover losses, this amount has never been needed and still remains available. In addition, through September 31, 1981, fees in excess of $20 million had been collected to cover any losses that might be experienced. This provides a total loss reserve of over $35 million including interest earned on the amounts collected. The probability of losses is minimized by the overall stringent credit criteria, the eligibility requirements of the program and the high levels of cooperation between the public and private sectors in implementing the program.

This program has proven to be of significant merit in meeting the needs of the small business community in pollution control financing.

Mr. Chairman, this concludes my prepared remarks. I will be pleased to answer any questions that you may have at this time. Thank you.

Mr. HAYAKAWA. Mr. President, in light of the SBA's and Congress' clear support for this program, I can not understand why the administration would choose to cut it so drastically. I understand that the economy is experiencing a recession, and that Federal intervention in the credit market usurps credit otherwise available to the private sector for productive investment and economic growth. But this program of guaranteeing tax exempt municipal bonds is used for pollution control facilities which are mandated by law, and merely assists small businesses in financing Federal requirements. These expenditures would not have to be made by small businesses were it not for the environmental regulations.

Since the Federal Government is not paying for the equipment it requires, the very least that must be done is assisting small businesses to finance the expenditures necessary to meet the Federal requirements. The SBA pollution control program carefully screens applicants for creditworthiness, and issues a guarantee on bonds and loans which the businesses have to obtain on their own, at a cost borne by the businesses. Taxpayers are not only not paying for this program, they are making money on the fees charged and the interest accrued on the fund.

Mr. President, there is no excuse for reducing the guarantee activity of this program. Doing away with the guarantees will not diminish the credit activity one iota—because small businesses are going to have to finance the means to comply with Federal standards in any case. Moreover, it does not modify the entitlement of these businesses to tax exempt financing, it merely reduces their ability to find the financing. In fact, the only possible reduction in credit activity that a reduction in this program would achieve would result directly from the inability of small businesses to obtain financing to meet the pollution requirements, culminating in a closure of the businesses.

There have been 55 commitments already made for 1982 guarantees totaling $91.2 million. In addition, 47 companies have made applications totaling $77.8 million, which are being processed. Finally, there are some 151 applications totaling $210 million being prepared. Combined, there is a demand for $380 million in guarantees for fiscal year 1982. With that in mind, Congress wisely raised the program ceiling to $250 million. If the administration's actions are left unaltered, not only will the applications being prepared and processed be ineligible, $41.2 million in committed guarantees will be abandoned. The SBA will have to tell those businesses, "Sorry, I know you spent a lot of time and money preparing your application, and paid to have our staff review it, and received a commitment from this agency, but we have decided to renege."

We cannot allow that to happen. This amendment requires that during 1982 the Administrator of the Small Business Administration shall enter into commitments to guarantee not less than $175 million of contingent liability for principal, subject only to the absence of qualified contracts. This floor level will allow all of the current commitments to be honored. and insure that at least $84 million of the potential $288.8 million in remaining requests are committed.

I believe this amendment is necessary

if we are to establish the authority of Congress to set levels of Federal credit guarantee activity, preserve the pollution control program, and, indeed, allow many small businesses to continue operating. I urge the adoption of the amendment.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement by Senator LEVIN, who is unable to be here today. He is a cosponsor of this amendment.

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

● Mr. LEVIN. As cosponsor of this amendment, I thank the Senator from California for his leadership on this issue, I understand this amendment is acceptable to the floor managers of this bill.

This amendment would simply require the Administrator of the Small Business Administration to satisfy the intent of Congress as contained in the Omnibus Budget Reconciliation Act of 1981. The amendment would direct the Administrator to utilize not less than $175 million of the $250 million authorized by Congress for SBA's pollution control financing guarantee program, subject only to the absence of qualified firms seeking SBA's guarantee for their pollution control financing.

Each year, many small businesses are faced with the need to install pollution control equipment in order to meet Government imposed pollution control requirements. These firms are often unable to secure financing from traditional sources. When financing is available, it can be obtained only on unfavorable terms at extremely high interest rates. Traditional lending institutions are often unwilling to loan money to small businesses for investment in nonproductive pollution control equipment. Furthermore, small firms are reluctant to borrow money for an investment which will not improve the productivity or profit of their business and will tie up needed capital. The pollution control financing guarantee program, used in conjunction with pollution control industrial revenue bonds, allows small firms to obtain funds at reasonable rates.

As a result, guarantees for pollution control financing are critically important to small businesses and this Nation. Without this program, many firms would be forced out of business with an obvious job loss. Without this program, progress on cleaning this Nation's air, water, and land would be slowed.

During consideration of the fiscal year 1982 Omnibus Budget Reconciliation Act, the Small Business Committee increased the authorized program level of the pollution control financing guarantee program to $250 million from $110 million in fiscal year 1981. This action was taken in response to the tremendous demand for pollution control guarantees experienced in fiscal year 1981. In fact, only 2 months into fiscal year 1981, $52 million in guarantees had been committed. At the same time, SBA had another $75 million in requests pending of what they considered to be worthy applications.

A similar situation is occurring this fiscal year, but under different circumstances. While demand continues to increase, the Reagan administration on November 5, 1981, imposed an arbitrary "cap" of $50 million on SBA's pollution control program for all fiscal year 1982.

This "cap" is contrary to the needs of small businesses and the intent of Congress. On November 4, 1981, SBA's Associate Administrator for Finance and Investment testified before the House Small Business Subcommittee on Energy, Environment and Safety, stated that there are currently outstanding 55 commitments totalling $91.2 million, of which $40 million will be closed by December 31, 1981. Additional applications from 47 firms totalling $77.8 million have been received and are being processed. Further, a recent informal polling of many underwriters and bond issuing authorities active in the program revealed that 151 applications totalling $210 million are being processed for submission to the agency, according to SBA.

Of possibly more importance, however, this artificially imposed cap flies in the face of the congressional desires and explicit statements that SBA's guarantees be available for this pollution control financing program. Last fiscal year, Congress specifically increased the program level to meet the demonstrated pollution control financing needs of small businesses. This increase would therefore be understood by the administration to mean that Congress intends guarantees to be made available to qualified firms so that investments can be made in equipment necessary to meet the Government's pollution control requirements.

This amendment, I believe, will insure the congressional intent on this one program is followed. However, there are other guarantee programs within SBA and outside where arbitrary caps have been imposed on agency utilization of guarantees—caps which bear no relation to the level of demand experienced in these programs. The administration's actions raised serious questions about the institutional role of Congress and whether our efforts to set budgets and program levels for agencies have any meaning at all when the executive branch arbitrarily makes changes without notification, let alone approval.●

Mr. WEICKER. Mr. President, I thank the distinguished Senator from California for his very perceptive remarks in relation to the amendment he has presented.

By using tax-exempt, SBA guaranteed pollution control revenue bonds, SBA cooperates with commercial and investment banks and local and State authorities to provide access to long-term, below market financing to eligible small businesses in the same manner that large corporations obtain their financing for pollution facilities.

This program has been one of SBA's most successful and problem-free programs. Since its inception, SBA guaranteed over $238,000,000 in principal amount of obligations, for over 200 small companies, employing nearly 20,000 people. Financing for pollution abatement facilities has occurred in 25 States with more participating States projected in the future. When this program was enacted in 1976, a revolving fund capitalized at $15,000,000 was created.

Fees charged borrowers for processing and guaranteeing the bonds are paid into the fund. Liabilities incurred through default would be paid out of that fund. To date, through collection of guarantees and other fees of over $16,000,000, this fund has more than doubled to approximately $31,000,000, without further appropriations required from Congress. In addition, through investment of the moneys in the revolving fund, SBA has earned an additional $738,000 during the first 6 months of fiscal year 1981 for the Government.

During the life of the program, only two defaults have occurred which according to CBO and SBA, will not result in any ultimate loss to the Government.

I commend my colleague from California for his amendment; and, on the part of the majority, I am delighted to accept it.

Mr. HOLLINGS. Mr. President, the program makes money for the Government. Let the record show that I believe this is the first one we have passed this year that would make money for the Government. We join in supporting the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 607) was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 608

(Purpose: To reduce funding for the Federal Trade Commission)

Mr. KASTEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Does the manager of the bill request that the committee amendment be set aside?

Mr. HOLLINGS. I ask unanimous consent that the committee amendment be set aside.

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

The amendment will be stated.

The bill clerk read as follows:

The Senator from Wisconsin (Mr. KASTEN) proposes an unprinted amendment numbered 608:

On page 16, line 17, strike "71,958,000" and insert in lieu thereof: "68,100,000".

Mr. KASTEN. Mr. President, this amendment would reduce funding for the Federal Trade Commission from $72 million to $68.1 million. The FTC is currently spending at a rate of $68.1 million a year, almost $4 million less than the level recommended in the bill before us today, and the Commission has voted to accept a budget as small as $61.1 million. I believe that $68.1 million is more than enough to allow the FTC to carry out essential programs and to continue operating at a productive level.

Mr. President, we had an opportunity to discuss this particular issue in the Appropriations Committee. At that time, the Senator from Connecticut and I discussed the merits of this amendment. I thank him for his cooperation in the committee and in deliberations during the last few days. I thank him also for his understanding and cooperation in our efforts to work for an efficient Federal Trade Commission and one that will not back away from its essential responsibilities, particularly in the area of antitrust enforcement.

As chairman of the authorizing subcommittee, I look forward to working with him in the future. I pledge my continued cooperation as we work together to make the FTC a more effective and more efficient Government agency.

Mr. President, if my amendment is agreed to, we would simply be funding the FTC at a rate approximately equal to what it is spending today. A funding level of $68.1 million would permit the FTC to reevaluate its preliminary decision to reduce the number of regional offices from 10 to 6, and to reduce employment levels in those offices.

While I believe that essential FTC enforcement programs would not have been gutted at the $61.1 million level accepted by the FTC, the higher $68.1 million level I now propose should certainly allay any fears that Members may have in that regard.

Mr. President, since January both Congress and the administration have searched for ways to reduce Federal spending. Here is one place where we can cut, and at the same time preserve major FTC programs and staffing patterns. This amendment has the implicit support of both the FTC and the administration, it has been cleared with the appropriations subcommittee staff on both sides, and it brings us one step closer to our budget goals for fiscal year 1982. I urge adoption of this amendment.

Mr. President, I have worked, and worked successfully, with the chairman of the subcommittee. I know also that he has now been in touch with the Chairman of the FTC. I guess if there is anything we have accomplished in the last 3 or 4 weeks, it is that we have worked with the FTC and particularly the new Chairman. He understands that he is to work with us, and he understands particularly the importance of the appropriations process and of this bill.

I think we have succeeded in getting the FTC's attention. I think we have succeeded in making a step forward, and I hope that we can succeed now in backing up somewhat and finding a compromise level of the appropriations for the fiscal year 1982.

Mr. HOLLINGS. Mr. President, will the distinguished Senator yield for a question?

Mr. KASTEN. I yield.

Mr. HOLLINGS. As I understand it the Senator from Wisconsin does not in any wise wish to restrict the antitrust activities of the Federal Trade Commission by this amendment. Will the distinguished chairman of our Subcommittee on Antitrust object to the Federal Trade Commission viewing the Mobil-Marathon merger?

Mr. KASTEN. I am the chairman of the Consumer Subcommittee of the Commerce Committee. I do not have any objection to either the Justice Department or the FTC reviewing this matter. I am honestly not sure whether it is the Antitrust Division at Justice or if it is the FTC that would be the most efficient spot for this question to be reviewed.

But either way, I have no objection to any kind of review of this question or any other questions. The key point is that if any changes are going to be made in the essential responsibilities of the Federal Trade Commission having to do with antitrust, those changes should be made in the legislative branch, through the appropriations process and through the authorizing committees.

We should not by the budget process back away or start to gradually back away from the important commitment we have to antitrust. The FTC should not make changes through the budget process that appropriately belong here in the appropriations and authorization process. I believe that is one of the things that the Senator from Connecticut and I have been able to encourage, and it is something that I believe that the Commission accepts.

Mr. HOLLINGS. So if I understand it, then, it is not the intent of the Senator from Wisconsin to in any wise inhibit or restrict the Federal Trade Commission if it so sees fit to look at that particular merger?

Mr. KASTEN. The Senator is correct.

Mr. HOLLINGS. I thank the distinguished Senator from Wisconsin.

Mr. WEICKER. Mr. President, I thank the distinguished Senator from Wisconsin for his handling of this matter from its inception, during the Appropriations Committee hearings, and to this point in the Chamber.

It is true that in the formation of any new administration some matters can slip between the cracks and one of those matters was communications between the new Chairman of the Commission and the Appropriations Committee and the authorizing committee. I also join with the Senator from Wisconsin in happily stating that those communications are in place now and what is being done here in the Chamber shows that they are working and working well.

I think the Senator from Wisconsin also stated with great clarity my feelings and his own, I know, but certainly mine also as to any change that might come about in the mission of the FTC, but that is a matter to be handled by the legislative and executive branches in the normal constitutional process and not something to be achieved by virtue of budget recommendations.

A reduction to $68.1 million in the fiscal 1982 budget from $72 million is a total reduction of $3.9 million, or 5.4 percent and would require workyear and related operating expense reductions in most Commission programs.

A limited hiring freeze would be necessary to meet the $68.1 million budget. Attrition would yield the reductions necessary and no reductions-in-force would be required as would be under the administration's $61.1 million proposal. Related reductions in operating expenses would be required; however, near-normal operations could be conducted.

This level would be $2.7 million less than the actual fiscal 1981 appropriation—$70.8 million. However, increased personnel compensation costs and major rate increases in space, $1.3 million, and utilities have caused fiscal 1982 base requirements to increase substantially.

Programmatically, reductions in most cases will be applied across the board and would not adversely affect the general thrust of existing Commission policy. The Commission has stated, in all of the various budget exercises, that it intends to maintain the same proportion of available resources allocated to the two enforcement missions—antitrust and consumer protection, making most of the cuts in nonenforcement and overhead accounts. But obviously, the agency will be engaged in fewer antitrust and consumer protection activities.

This reduced level would allow the continuation of most of the Commission's current programs. It does give the new Chairman of the Commission the flexibility to expand some important areas of critical concern—for example, antitrust investigations of price-fixing and other, illegal collusive activity—while forcing the curtailing of other less productive areas—for example, the industrywide program in the competition mission.

In the consumer protection mission, this reduction will require the Commission to become more selective in new case generation in areas like enforcement of credit statutes but would allow some modest expansion in benefit-cost analyses as required by statute.

In sum, the revised budget of $68.1 million forces the Commission to curtail activities and economize in many areas but allows the continuation of basic antitrust and consumer protection programs vital to small businesses and consumers.

Never before has there been a greater need than now for the Federal Trade Commission. I am confident that its new Chairman as he gets a handle on the many problems that will be confronting him is going to look long and hard at what it is that is transpiring in this Nation today vis-a-vis the concentration of economic power.

I agree with many of the things, I might add, that he has said in the press vis-a-vis previous activities of the Commission which seem to go way beyond the legislative mandate.

The consumer needs to be protected. I think he has made clear he is going to do that without unnecessarily bogging the Commission down in dotting of every "i" and crossing every "t."

I hope that the working out of this funding, which I might add is a compromise of views as between his initial views, the initial views presented by the administration, and those presented within the Appropriations Committee, will enable him to do the job and do it well.

I accept the amendment, but most importantly, I commend the distinguished Senator from Wisconsin for a very statesmanlike job here in bringing together this agency of Government with

the legislative branch. Indeed, even though his appointment comes from the administration, and I am sure his philosophy might be akin to the administration, for the most part his contacts with Government are going to be with this branch of Government and it really just makes no sense to get those relationships off on the wrong foot.

I congratulate the Senator from Wisconsin for putting things back on the track.

Mr. KASTEN. I thank the distinguished Senator and chairman of the subcommittee. I greatly appreciate and admire his fine work on this bill, and particularly on this amendment, and I look forward to working with him in our continual oversight and attention to the Federal Trade Commission, in particular the FTC's antitrust enforcement.

Mr. GORTON. The report stated the committee's belief, "* * * that the FTC should maintain a viable regional structure." It indicated that the regional offices "* * * have a major role in working with the small business communities in their areas, in identifying local anticompetitive problems, in enforcing antitrust laws, and in explaining to businesses their rights and responsibilities under numerous Federal statutes." The committee specifically found that the regional offices have been instrumental in protecting consumers and very cost effective, having obtained more than $100,000,000 in consumer redress during the past 3 years, enough to offset their operating costs for more than 7 years. The report also noted, however, that the recommended appropriation did represent a significant reduction, "* * * and requires the Commission to reevaluate the configuration and placement of its regional offices." It added:

(T)he Committee expects the Commission to undertake a review of those factors which affect an effective, although smaller (at least five offices) regional structure.

It is my understanding that a majority of the Commission recommended that the number of regional offices be reduced from 10 to 6, strictly as a means of meeting a possible appropriations reduction to $61,123,000; and that this would require that the number of work years allocated to the regional offices be reduced from approximately 300 to 150 by the middle of fiscal year 1982, requiring a reduction in force of about 100 people. I further understand that in the case of an appropriation of $68.1 million, as Senator KASTEN's proposed amendment would establish, the Commission would look anew at the question of whether the number of regional offices should be reduced. Is the foregoing consistent with the Senator's understanding of the circumstances?

Mr. WEICKER. Yes, it is.

Mr. GORTON. Does the report language which I have quoted reflect an intention by the committee to enjoin or encourage the FTC to, in fact, reduce the number of regional offices, assuming the $68.1 million appropriation is approved by the Congress?

Mr. WEICKER. No, it does not. The language simply reflects the committee's recognition that a reduction in the number of regional offices unfortunately might be necessary or prudent, even at the higher appropriation figure.

Mr. GORTON. I thank the distinguished Senator.

Mr. KASTEN. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin.

The amendment (UP No. 608) was agreed to.

Mr. KASTEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, I ask unanimous consent that Bryan Walsh, of Senator CHILES' staff, be given the privilege of the floor during the debate and votes on this matter.

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

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

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

The bill clerk proceeded to call the roll.

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

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

Mr. BAKER. Mr. President, under an order previously entered, there will be no votes before 3 o'clock today. But, as I indicated earlier today, I expect this day will be a fairly late day because at 6:10 p.m. we start on another matter.

There will be a series of votes, and then we will resume consideration of the bill now before us.

Mr. President, I understand that there are important conferences going on, including the conference on the agriculture bill which will require the attention of the chairman of that committee, the distinguished Senator from North Carolina, and other Members. However, I think it is also urgent that we go on with the consideration of this measure, the consideration of amendments as and when they can be offered.

The distinguished Senator from North Carolina (Mr. HELMS) has indicated that he will try to make arrangements to juggle those balls at the same time to see if we can continue the conference on the farm bill while we are still going on with the consideration of this measure.

I do expect the Senate to do the best it can under these difficult circumstances. This is rather a sample of things to come, as it always is in the final days and weeks in a session. We have too many things to do and too little time to do them in.

I would urge all Members to consider that we have to invest this time wisely between now and later in the afternoon on this bill, to make arrangements to do the conference report as they can, offer these amendments as we must, and get on with that and with other matters as quickly as possible.

Mr. HELMS. Mr. President, will the distinguished majority leader yield?

Mr. BAKER. I yield.

Mr. HELMS. Mr. President, as the distinguished majority leader indicated, we do have a conference with the House on the farm bill which, up to now, has gone on and on like Kelly's brook, and it is likely to do that for some time.

It is an immensely extensive bill. We are trying to bring it into some sense of logic. I feel that that deserves the attention of all members of the conference from the Senate side as well as the House side.

What I would suggest to the leader is that he let me go back to the House and see if I can find someone to chair that conference and then come back.

Before I go, I would pose a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

FIRST EXCEPTED COMMITTEE AMENDMENT—PAGE 2, LINES 17–23

Mr. HELMS. At the present time, is the first excepted committee amendment on page 2, lines 17 through 23, which is the prohibition of prosecution of farmers for failure to return the agricultural census form?

The PRESIDING OFFICER. That is the first excepted committee amendment.

The first excepted committee amendment is as follows:

On page 2, line 17, beginning with ": Provided.", strike through and including line 23;

Mr. HELMS. Just to get the ball rolling, let me make a brief statement and ask for the yeas and nays.

Mr. BAKER. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, in the opinion of the Senator from North Carolina, and in my capacity as chairman of the Agriculture Committee of the Senate, I am constrained to suggest that the House acted wisely in providing that no funds be made available to the Bureau of the Census for the prosecution of any person for failure to return 1978 Agricultural Census forms 78A40A, or 78A40C or 78A40D, or form 79A9A or form 79A9B, or for the preparation of similar forms for any future agriculture use.

Mr. President, I simply do not feel I have ever heard a great number of complaints about a Government nuisance that has been the case with respect to the census forms. If any of my colleagues have constituents who are farmers, and most of them do, I would invite them to seek the opinion of those farmers regarding these forms. I doubt that Senators could repeat the precise wording of the responses they will receive from the farmers on this floor or in any polite society.

I have had farmers tell me it takes up to 3 days to fill out some of the forms. It should be borne in mind that a great many farmers are not oriented toward paperwork in the first place, but there has to be a limit as to what the Federal bureaucrats can require.

It is a drastic step, I realize, to prohibit prosecution, but I do not know of any other way to get the attention of the

bureaucrats in this matter. Why should a farmer be fined or thrown into jail because a census bureaucrat has devised an impossible form to fill out?

I think it is up to the Federal bureaucrats to devise something simpler, and I think that the House language is the only way to send a message that desperately needs to be sent.

Having said that, Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. Mr. President, the distinguished Senator from Hawaii has handed me his copy of this census form that the farmers are required to fill out. I left my copy in my office.

With his indulgence, I ask unanimous consent that it be printed in the RECORD.

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

The form requested to be printed, not reproduced in the RECORD.

Mr. WEICKER. Mr. President, the committee has eliminated language in the bill that was included in the fiscal year 1981 Appropriations Act, which prohibits the prosecution of any person for failure to return forms associated with the 1978 Census of Agriculture, or the preparation of similar forms for any future agricultural census. The forms concern the farm finance survey and the census of agricultural services, both of which are important benchmarks for the preparation of the national income and product accounts. Officials at the Bureau are particularly concerned about the farm finance survey which contains data on farms and farm landlords not available from any other source. The basic statistics obtained are required for calculating many of the economic data series describing the economic condition of the farm sector.

We have received letters of support for the Committee's action from the following people, and I ask unanimous consent to have them inserted in the record at this point:

Shirley Kallek, Associate Director, Bureau of the Census, Department of Commerce.

William G. Lesher, Assistant Secretary for Economics, Department of Agriculture.

Robert P. Parker, Chief of the National Income and Wealth Division, Bureau of Economic Analysis, Department of Commerce.

Paul S. Weller, Vice President, Public Affairs, National Council for Farmer Cooperatives.

Donald E. Wilkinsen, Governor, Farm Credit Administration.

John H. Aiken, Executive Director, Federal Statistics User Conference.

C. Edward Harshbarger, Research Manager, Farm Bank Services, Denver, Colo.

Peter J. Berry, Professor of Agricultural Finance, University of Illinois at Urbana-Champaign.

Richard K. Perrin, Professor and Chairman, Economic Statistics Committee, North Carolina State University.

George R. Dawson, Department Head, College of Agriculture, Mexico State University.

Luther Tweeten, Regents Professor, Oklahoma State University.

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

U.S. DEPARTMENT OF COMMERCE,
Washington, D.C., July 17, 1981.

Mr. TIMOTHY R. KEENEY,
Subcommittee on State, Justice, Commerce and the Judiciary, Senate Committee on Appropriations, Washington, D.C.

DEAR MR. KEENEY: Enclosed are fact sheets concerning the farm finance survey and the census of agriculture services which are conducted as part of the census of agriculture. As I indicated to you, although funding for the 1982 Census of Agricultural Services was eliminated from the 1982 budget request, it would be helpful if the language could be deleted for future censuses. The appropriate form numbers are 78A-40A, 78A-40B, 78A-40C, and 78A-40D.

We are much more concerned about the elimination of the language prohibiting the conduct of farm finance survey (Forms 79A-9A and 79A-9B). This survey provides data which are not available from any other source. It is conducted on a sample basis in the year following the basic census and covers only about 45,000 farms and about 35,000 farm landlords. Farm landlords are covered in no other census or survey. A measure of its importance is shown by the fact that the Department of Agriculture contributed approximately $600,000 to the 1979 survey in order to obtain data at the state level since our funding permitted only the collection of data at the national level.

Our suggestion for the amendment language is—On page ——, Line ——, following "or 78A-40D" add ":" and delete "or form 79A-9A, or form 79A-9B, or for the preparation of similar forms for any future agricultural census."

If there are additional questions, please call me at 763-5274.

Sincerely,

SHIRLEY KALLEK,
Associate Director,
Bureau of the Census.

U.S. DEPARTMENT OF COMMERCE,
Washington, D.C.

REINSTATEMENT OF THE CENSUS OF AGRICULRURAL SERVICES IN THE 1982 CENSUS OF AGRICULTURE

Increasingly, farmers and ranchers have been buying more of the goods and services used in production of their crops and livestock. These services have become an integral part of the agricultural production process. Consequently, the National Economic Council identified a number of areas in our economy about which very little information was available, including activities classified as agricultural services. The Agricultural Services Census was established in 1969 to provide the data for this growing segment of the agriculture input sector.

The data collected in this census are sought by government agencies as well as by business. The Bureau of Economic Analysis uses the data as a major source for the preparation of certain segments of its detailed input-output study of the U.S. economy. These data also constitute an important benchmark for the preparation of the national income and product accounts.

Data from this census are used in the development of the total production estimates for the gross national product (GNP). This information enables a precise determination of the contributions of this particular industry group to the overall U.S. economy. Even though the agricultural services group is only a part of the total number of industries which go into the input-output estimates, the ultimate validity of the input-output tables and analytical system is a direct function of its component parts. Considerable success has been made at improving the reliability of the GNP and to discontinue the Agricultural Services Census would, in effect, decrease the reliability of the GNP estimates for the agricultural sector.

This program receives strong support from the U.S. Departments of Agriculture, Labor, and the Interior, the Farm Credit Administration, and various other Federal agencies. Continuation of this data series was also unanimously supported by the Census Advisory Committee on Agriculture Statistics at its meeting on October 23, 1979. This committee represents all sectors of the agricultural economy.

The increasingly significant contribution of the agricultural services sector to total agricultural production is critical to the full understanding of the Nation's agricultural production system. For example, employment of over one million workers with a total payroll of over $2.5 billion were reported in the 1978 Agricultural Services Census.

FACT SHEET—FARM FINANCE SURVEY

The farm finance survey provides a series of data which are collected on a sample basis once every five years following the census of agriculture. It was first conducted in 1954. The 1979 survey included a sample of 45,000 farm operators and 35,000 landlords (less than 2 percent of farm operators) minimizing respondent burden to the extent possible. Because of the burdensomeness and sensitivity of financial-type inquiries they have been excluded from the census of agriculture form. However, to meet the priority needs of the data users, most such questions have been included in one comprehensive sample survey—farm finance.

The survey provides needed information on the financial status of the agricultural sector of the Nation's economy. The basic statistics obtained in the farm finance survey are required for calculating many of the economic data series describing the economic condition of the farm sector. Current economic data, such as the sources and level of income received by farmers, sources and level of credit, methods of financing new technology, and the parity price index for agriculture depend on data from the survey. These economic data series provide policy analysts and decision makers with information needed to make many important decisions affecting farmers.

In addition to being the only source for some of the data in these economic data series, the survey is the only comprehensive source of data for analyzing and understanding the relationships among the financial, operating, structural and socio-economic characteristics of U.S. farms and farm families. This unique feature of the survey makes it a vital source of factual information to help in making policy and program decisions that have significant impact on the economic status of the farm sector.

Examples of policy and program decisions dependent on data from the data from the Farm Finance Survey:

Assessing the financial condition of the farm sector and for different sizes, types or other structural characteristics of farms;

Evaluating the effectiveness of commodity programs in improving the financial condition of farmers;

Monitoring the uses of credit by farmers to develop additional capital resources and adopt new technology to improve productivity;

Evaluating the adequacy of available credit for particular groups of farmers such as those with small farms, beginning farmers, or tenant operators of farms;

Analyzing the need and adequacy of risk reduction programs in agriculture, such as crop insurance, disaster assistance programs and grain reserves;

Assessing the impact of tax policies on farmers, especially policies relating to investment credit, estate taxes, and real property taxes;

Analyzing the impact of farm programs and policies on the structure of the farm sector, including increasing concentration of production in fewer and larger farms and control over farm production through contracting and vertical integration;

Evaluating financial programs, market shares, and credit service provided to farmers by major institutional lenders such as the Farm Credit System; and

Constructing gross national product accounts for the farm sector and personal income data series used to distribute about $50 billion of Federal funds.

Primary Data Users:

Congressional Committees and Offices;

Various USDA agencies;

Farm Credit Administration;

Federal Reserve System;

Commerce-Bureau of Economic Analysis;

Commodity Futures Trading Commission;

American Banking Association; and

Farmbank Research and Information Services.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., July 28, 1981.

Hon. LOWELL WEICKER,
Chairman, Subcommittee on State, Justice, Commerce and the Judiciary, Committee on Appropriations, Washington, D.C.

DEAR MR. CHAIRMAN: I write in support of your effort to remove the language of the amendment by Senator Melcher which has the effect of prohibiting the Bureau of the Census from conducting the Farm Finance Survey as a followup to the 1982 Census of Agriculture.

This survey is the only instrument currently available for providing vital information on the financial status of the agricultural sector of the Nation's economy. Current economic data, such as the sources and level of income received by farmers, sources and level of credit, and methods of financing new technology for agriculture depend on data from the survey. The Department of Agriculture views these data of such importance that in 1979 the Department contributed approximately $600,000 to the Bureau of the Census' survey in order to obtain data at the state level since without such additional support the Bureau would have only been able to collect data at the national level.

We support the amendment language provided by the Bureau of the Census: On page ———, line ———, following "or 78A-40D" and ":" and delete "or form 79A-9A, or form 79A-9B, or for the preparation of similar forms for any future agriculture census."

Since the data collected in the Farm Finance Survey are vital to decision making in both the public and private sectors and since these data are available only as a result of the Farm Finance Survey, I hope it will be possible to eliminate the restrictions in the Fiscal Year 1982 Appropriations measure.

Sincerely,

WILLIAM G. LESHER,
Assistant Secretary for Economics.

U.S. DEPARTMENT OF COMMERCE,
Washington, D.C., September 14, 1981.

Hon. LOWELL P. WEICKER, Jr.,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WEICKER: I am writing in support of the effort to permit the Bureau of the Census to conduct the Farm Finance Survey as part of the 1982 Census of Agriculture.

... of Economic Analysis of the Department of Commerce is responsible for the preparation of the official estimates of the Gross National Product (GNP) and related national and regional measures, which are widely used by Government and business to formulate and monitor policy decisions. The quality of the estimates of the output and income of the components of these measures relating to the farm sector rely heavily on the results of the Farm Finance Survey. Specifically, this survey provides benchmark data for production expenses, inventories, and labor costs. Because there is no alternative source for these items, loss of the Farm Finance Survey would lower the quality of our estimates.

The Bureau of Economic Analysis appreciates your efforts to reconsider this important matter.

Sincerely yours,

ROBERT P. PARKER,
Chief, National Income and Wealth Division.

NATIONAL COUNCIL OF FARMER COOPERATIVES,
Washington, D.C., August 31, 1981.

Hon. LOWELL P. WEICKER, Jr.,
Chairman, Subcommittee on State, Commerce, and the Judiciary, Committee on Appropriations, U.S. Senate, Russell Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: For more than 30 years, representatives of the National Council of Farmer Cooperatives have served on the agricultural advisory committee to the Bureau of the Census. We have helped develop modern-day versions of both the U.S. Census of Agriculture and its follow-on surveys.

Now we learn that one of those important follow-on surveys, the Farm Finance Survey, is in jeopardy through an amendment to the Commerce Appropriations Bill (H.R. 4169).

We ask your support in assuring proper FY 1982 funding of this Farm Finance Survey, and your opposition to any effort to delete it or render it ineffective.

An analysis of the need and value of national follow-on surveys should be based upon how such data serves the citizenry, not upon the personal whim of legislators or bureaucrats. Unless conclusive proof can be produced to indicate that data collected by this survey is not needed, then it is our position that the survey should be retained. We pledge our every effort to work to reduce respondent burden, and to continue to modify the survey for maximum effectiveness.

Our experience indicates that the Farm Finance Survey provides invaluable follow-on data and comparisons from the quinquennial Census of Agriculture. This data is gleaned from the 3,000-county base of the Census of Agriculture, and is unique in its national scope and agricultural content. It is used by the cooperative Farm Credit System to chart financial trends, to provide financial comparisons among borrowers, and to improve its borrower services. It is used by suppliers to agriculture to plan expansion or shifts in areas of farm needs. And it is used by government to better provide those services needed to retain a healthy and viable agricultural economy.

It is our sincere hope that proper FY 1982 funding will be authorized by your committee, so that this Farm Finance Survey may be initiated as soon as possible. Thank you for your consideration.

Sincerely,

PAUL S. WELLER,
Vice President, Public Affairs.

FARM CREDIT ADMINISTRATION,
Washington, D.C., August 28, 1981.

Hon. LOWELL P. WEICKER, Jr.,
Chairman, Subcommittee on State, Commerce, and the Judiciary, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: We understand that future Farm Finance Surveys are in jeopardy due to an amendment to the Commerce Appropriations Bill (H.R. 4169). In effect, this amendment would prohibit the use of funds appropriated to the Department of Commerce for a Farm Finance Survey. This letter presents our views on the amendment in terms of its implications for achieving the objective of the Farm Credit System as established by the Farm Credit Act of 1971.

The Farm Credit System was created to improve the income and well-being of American farmers and ranchers by furnishing sound, adequate, and constructive agricultural credit and closely related services. To this end, the Farm Credit Administration was created to charter, examine, and supervise the banks and associations that comprise the System. In addition, the Farm Credit Administration is responsible for the analysis of rural credit needs and the means by which those needs can be met under changing farming and economic conditions. Currently, the System has some $75 billion in loans outstanding to agricultural and aquatic producers and their supply and marketing cooperatives.

Achieving our congressionally mandated mission requires that we carefully and continually monitor the financial condition of the agricultural sector. Information provided through loan applications and loan servicing enables us to continuously evaluate the financial status of System member-borrowers. We must look to outside sources, however, for information on how well the System is serving the credit needs of the farm sector as a whole. Among other things, we need information by which to compare the financial condition and characteristics of member-borrowers with those of the aggregate farm population. The census of agriculture is uniquely valuable in this respect. The Farm Finance Survey, conducted as a special follow-up to the larger census, is especially useful insofar as it provides benchmark information on the financial condition of the farm sector and its subsectors, as well as comprehensive information on the sources and uses of agricultural credit.

The Farm Credit Administration supports efforts to hold the reporting burden imposed on American farmers to the minimum necessary to develop and maintain sound agricultural policies. We are concerned, however, that loss of the Farm Finance Survey could seriously reduce the amount and reliability of information available to gauge the financial condition of the farm sector. This would detract from our ability to provide accurate and timely reports to Congress on the extent to which the System's objective is being met.

Sincerely,

DONALD E. WILKINSON,
Governor.

FEDERAL STATISTICS USERS' CONFERENCE,
Washington, D.C., September 17, 1981.

Senator MARK O. HATFIELD,
Chairman, Senate Appropriations Committee, U.S. Senate, Washington, D.C.

DEAR SENATOR HATFIELD: The Board of Trustees of the Federal Statistics Users' Conference and the FSUC Agricultural Statistics Committee strongly support the action taken by your subcommittee on State, Justice, Commerce, and the Judiciary to delete the language of the Melcher Amendment to the 1982 budget of the Department of Commerce that would have denied funds for conducting the Farm Finance Survey as a follow up to the 1982 Census of Agriculture.

The position of our Agricultural Statistics Committee has been clearly expressed by the chairman of that committee in a letter to me. He stated:

"The FSUC Agricultural Statistics Committee feels that it is essential to restore a portion of the Department of Commerce budget so that the Farm Finance Survey can be conducted." A poll of members produced

the following major reasons we feel this course of action should be taken:

"1. The Farm Finance Survey is the major, and in most respects, the only information on the financial aspects of the agricultural sector that can be used to design, administer, and measure the effects of agricultural programs and policies.

"2. The current economic stress in the agricultural sector brought about by the cost/price squeeze, high interest rates and structural changes makes it essential to retain reporting of this nature so that government and private sector programs affecting farm operators may proceed from a realistic base of information.

"3. The survey would involve only a small number of farms, thus avoiding a census which might be burdensome to the farmer respondents.

"While we agree with many of the cost reduction programs in place or under discussion, the Farm Finance Survey is, in our view, an essential resource for the effective management of agricultural programs and should be treated as an exception and conducted as planned."

A list of the members of the FSUC Agricultural Statistics Committee is enclosed.

A sampling of views of the heads of Departments of Agriculture at various Universities indicated that they approve restoration of funds in the 1982 budget of the Department of Commerce for conducting the 1983 Farm Finance Survey. This support comes from the following Universities:

Mississippi State University, New Mexico State University, Oregon State University, Rutgers University, Southern Illinois University, University of Georgia, University of Idaho, University of Minnesota, and West Virginia University.

To cite a specific example of the value of the survey, the head of the Department of Agricultural Economics at the University of Idaho said:

"We utilize the information generated from the Farm Finance Survey in classroom instruction to better inform students in farm management, agricultural policy, marketing and farm finance. We also use this information in many of our research projects and as a basis for our Extension Program in Agricultural Policy. Without this information we would be at a severe disadvantage."

I hope that this information will provide added support for this action should any question arise when the bill comes before the Senate.

Sincerely,

JOHN H. AIKEN,
Executive Director.

AGRICULTURAL STATISTICS COMMITTEE

Richard Lindstaedt, Director Market Research, Elanco Products, Eli Lilly & Company (Chairman, FSUC Committee).

Norman M. Coats, Director, Economic Research Department, Ralston Purina Company.

Bruce L. Gardner, Professor, Department of Agriculture and Resource Economics, University of Maryland.

R. J. McCoy, Manager, Commodity Research & Analysis, the Procter & Gamble Company.

R. Gerald Saylor, Director, Market Economics, Deere and Company.

A. C. Peterson, Director of Agriculture Chemicals Market Research, Shell Chemical Company.

Glenn W. Suter, Director, Division of Statistics, New York State Department of Agriculture and Markets.

Norman Urquhart, Asst. Vice Pres. and Commodity Economist, Citbank.

John Wilkin, Vice President, Doane Agricultural Service, Inc.

FARMBANK SERVICES,
Denver, Colo., September 2, 1981.

Senator LOWELL WEICKER,
Chairman, Subcommittee on State, Justice, Commerce, and the Judiciary, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am writing to support your effort to alter the language of the Melcher amendment which prohibits the Bureau of the Census from conducting the Farm Finance Survey as a followup to the 1982 Census of Agriculture.

Obtaining reliable financial information on the agricultural sector of the economy is nearly impossible. This special survey is the only instrument currently available which provides data on the financial condition of American agriculture. This information is very useful to a number of organizations, including the Farm Credit System, because it permits banks in the System to more accurately gauge how lending policies and practices should change to meet the growing credit needs of our farmers and ranchers. The information also permits all lending institutions to monitor regional differences in farm structure and credit worthiness—which is important information to have when new farm programs are being developed.

Since information from the Farm Finance Survey is so important to public and private decisionmakers, I hope it will be possible to eliminate the restrictions in the Fiscal Year 1982 appropriations measure.

Sincerely,

C. EDWARD HARSHBARGER,
Research Manager.

UNIVERSITY OF ILLINOIS,
AT URBANA-CHAMPAIGN,
Urbana, Ill., August 31, 1981.

Senator LOWELL WEICKER,
Chairman Subcommittee on State, Justice, Commerce, and the Judiciary Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR SENATOR WEICKER: As a user of data from the Farm Finance Survey conducted every five years by the Census Bureau, I have been encouraged to indicate the benefits of this data in light of the possible loss of funding for the Survey from an amendment proposed for the 1982 appropriations bill for the Commerce Department. My job is that of a professor of Agricultural Finance at the University of Illinois, conducting research and educational activities on all aspects of agricultural finance with emphasis on the financial management and performance of farm businesses. In support of these activities, a comprehensive, high quality, stable data base is essential in identifying emerging problems, explaining farmers' financial behavior, and evaluating various management strategies for improving financial performance.

I am fortunate to have USDA personnel located at the University of Illinois who have access to and have worked with data from the Farm Finance Survey in the past. Several publications have occurred over the years as a direct result of having this data available, and it has served an essential role in validating many of the assumptions and specifications that finance researchers must make in conducting their analyses. Moreover, I am aware that data from this survey provide important benchmarks with which USDA analysts evaluate possible changes in their annual data series on financial performance in the farm sector. Hence, listing the availability of this data would substantially deteriorate the quality of the excellent performance measures that have been developed for the farm sector, and significantly affect the availability of high quality information for financial research.

Many states do provide record keeping services for selected farmers and many lending institutions compile financial data as well. However, these types of data are not based on sampling procedures and are indicative of selected farm and farmers characteristics. Hence, their generality is quite limited.

Thus, I am quite supportive of efforts to continue the Farm Finance Survey, and hope that this will be the case.

Sincerely,

PETER J. BARRY,
Professor of Agricultural Finance.

NORTH CAROLINA STATE UNIVERSITY,
Raleigh, N.C., September 4, 1981.

Senator LOWELL WEICKER,
Chairman, Subcommittee on State, Justice, Commerce, and the Judiciary, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR SENATOR WEICKER: I write to you to urge your support for funding of the Farm Finance Survey which the Census Bureau has proposed for 1983, which I understand would be included in the 1982 Appropriations Bill.

The American Agricultural Economics Association's Economic Statistics Committee, which I chair, has been cooperating with the Census Bureau and the Department of Agriculture to modify data collection and reporting procedures so as to provide better knowledge about farm income and changes in the structure of the farming sector. This collaboration has been underway for about ten years, and in a recent review of this work it was clear that we are just beginning to see the payoff in terms of improved understanding of the economic health of the farming sector. Much of the data for these efforts can be obtained only from a survey such as the Farm Finance Survey. If it is to be discontinued, our knowledge of the current problems and progress in agriculture will be severely limited. I hope that it will be possible for your committee to find some way to avoid this unfortunate prospect.

Sincerely,

RICHARD K. PERRIN,
Professor and Chairman, Economic Statistics Committee, American Agricultural Economics Association.

NEW MEXICO STATE UNIVERSITY,
Las Cruces, N. Mex., August 31, 1981.

Senator LOWELL WEICKER,
Chairman, Subcommittee on State, Justice, Commerce, and the Judiciary, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR SENATOR WEICKER: I am writing to urge your support of the Farm Finance Survey being debated in committee. Agriculture, the most basic of all industries must have available statistics for use in directing policy decisions. We would be ignoring an industry's needs if we adopted the views of Senator Melcher.

Sincerely,

GEORGE R. DAWSON,
Head of Agriculture Department.

OKLAHOMA STATE UNIVERSITY,
Stillwater, Okla., August 31, 1981.

Senator LOWELL WEICKER,
Chairman, Subcommittee on State, Justice, Commerce, and Judiciary Appropriations, U.S. Senate, Washington, D.C.

DEAR SENATOR WEICKER: I am strongly opposed to efforts to terminate the 1983 Farm Finance Survey, and urge that funds be restored in the 1982 Budget of the Department of Commerce to conduct the Survey.

Without reasonably accurate information

on the economic position of farmers, it is impossible to make sound public policy. The Farm Finance Survey is absolutely critical for reliable information on the economic health of the farming industry. That survey is the only source of reliable data on the assets, liabilities, and net worth of farmers. It provides a quinquennial benchmark that make possible annual estimates of the farming sector balance sheet. It is the only survey that provides sufficient data to specify the income and balance sheet position of farmers by type and size of farm. Such data are essential to determine changes in wealth position of farmers, capital gains, and compare efficiency among farms of different sizes.

This information could potentially be obtained in the Census of Agriculture. Because of its detail and sensitivity, however, it is obtained only from the Farm Finance Survey which, because of the relatively small sample, minimizes the burden on respondents while obtaining reasonably reliable data.

As immediate past president of the American Agricultural Economics Association, former chairman of that Association's Economic Statistics Committee and former member of the Agricultural Census Advisory Committee, I have a good feel for the availability and need for economic data on the farming industry. In addition, as the author or co-author of four books and over 250 journal articles and published papers on agriculture, I have the experience of one who works with the data from day to day. And I can tell you that there are few sets of information more important to farmers, economists, policy makers and others concerning the agricultural industry than information obtained from the Farm Finance Survey. I hope you will spare no effort to see that this survey is pursued in a timely and expeditious manner with full funding.

Sincerely,

LUTHER TWEETEN,
Regents Professor.

Mr. HELMS. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside so I may address another amendment.

The PRESIDING OFFICER. Is there objection to temporarily laying aside the committee amendment? The Chair hears none. Without objection, it is so ordered.

Mr. HELMS. Now I would pose a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

SECOND EXCEPTED COMMITTEE AMENDMENT—PAGE 11, LINES 24–25

Mr. HELMS. Is the next committee amendment the proposal on page 11, lines 24 and 25, restrictions on funding construction of any ship in any foreign country?

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. I thank the Chair.

Mr. President, the House language provides that—

No part of any appropriation contained in this title shall be used for construction of any ship in any foreign country.

As a general principle, I do not see how anyone could disagree with that restriction. Frankly, I am puzzled as to why the Senate committee voted to strike the provision. Neither the House report nor the Senate report makes any mention of the provision. I certainly cannot understand how the Senate could go on record as approving the removal of such language.

I wonder if the distinguished floor manager is willing to explain the committee's action.

Mr. INOUYE. The committee's action was an all-sweeping action. We decided to take out all of these conditions in the hope that when this matter is taken up on the floor, the Senate could exercise its will and restore whatever provision they wanted to.

In this case, I would suggest, if the distinguished Senator wishes to restore this language, that it should come under another section. I think it should be on page 14, after line 17, under the Department of Transportation. That is where it would belong.

Mr. HELMS. Page 14?

Mr. INOUYE. Page 14, afer line 17.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. 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. HELMS. I thank the Chair.

Mr. President, I do not know whether this unanimous-consent request will apply, but I will make a pass at it and see how the distinguished manager of the bill (Mr. WEICKER) reacts to it.

I ask unanimous consent that the House provision on page 11, lines 24 and 25, which were elim'nated by the Senate committee, be reinserted on page 14 after line 17.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. 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. HELMS. Mr. President, I renew my unanimous-consent request.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request by the Senator from North Carolina?

Mr. WEICKER. I have no objection.

The PRESIDING OFFICER. Hearing none, it is so ordered.

Mr. HELMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HELMS. I want to be certain that the amendment, as eliminated by the Senate committee, is now in place on page 14 after line 17 as a result of my unanimous consent request.

The PRESIDING OFFICER. Is the Senator attempting to insert House language in a later part of the bill?

Mr. HELMS. Yes. I understand the manager of the bill would not object to it.

The PRESIDING OFFICER. That has already been done.

Mr. HELMS. I thank the Chair.

THIRD EXCEPTED COMMITTEE AMENDMENT—PAGE 12, LINES 1–3

Now, Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HELMS. Is the next succeeding committee amendment on page 12, line 1 through 3—

No part of any appropriation contained in this title shall be obligated or expended for promoting or conducting trade relations with Cuba.

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. Mr. President, the distinguished and charming Senator from Florida wishes to address herself to this amendment as well, but I do want to say, prior to her arrival in the Chamber, that the House language states:

No part of any appropriation contained in this title shall be obligated or expended for promoting or conducting trade relations with Cuba.

The committee proposes to strike this language. The Senator from Florida (Mrs. HAWKINS) and this Senator from North Carolina wish to make sure that the language is included.

Mr. President, I am at a loss to understand why anyone with the best interests of the United States at heart would want to spend taxpayers' money to promote or conduct trade relations with Cuba. Certainly the House of Representatives does not want to spend taxpayers' funds for this purpose. If the Senate strikes the House language, it would send a wrong signal to Cuba. It would undercut the President and the Secretary of State.

We are talking about taking strong measures against Cuba if Cuba does not stop exporting revolution. We are talking about setting up Radio Free Cuba. A prohibition of the sort passed by the House is completely in accord with U.S. Government policy. Why should we be afraid to spell it out in law? I think the House language should be retained.

Mr. President, I ask for the yeas and nays on this committee amendment.

Mr. WEICKER. Mr. President, I wonder if the Senator from North Carolina will agree to have a short quorum call, because I should like to discuss that with him.

Mr. HELMS. Surely.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Will the Senator state whether he wishes the second committee amendment to be agreed to?

Mr. HELMS. I am sorry, I do not understand what the Chair means.

The PRESIDING OFFICER. The second committee amendment was an amendment to strike.

Mr. HELMS. That is correct.

The PRESIDING OFFICER. The language the Senator from North Carolina proposed to strike had been removed, but the original committee amendment had not been acted on, which would strike this duplicative language.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. 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. HELMS. Mr. President, as I understand the inquiry of the Chair, he is asking if the Senator from North Carolina agrees to striking the second amendment on page 11 so that it may be inserted and reinstated on page 13. Is that true?

The PRESIDING OFFICER. The Chair states that it has been reinstated. The question now is whether the Senator wishes it stricken.

Mr. WEICKER. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. WEICKER. Mr. President, I move that the second committee amendment be agreed to. I ask unanimous consent that the second committee amendment be adopted.

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

The second excepted committee amendment (page 11, lines 24–25) was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

THIRD EXCEPTED COMMITTEE AMENDMENT—PAGE 12, LINES 1–3

Mr. WEICKER. What is the pending business, Mr. President?

The PRESIDING OFFICER. Without objection, the third excepted committee amendment is the pending business.

Mr. WEICKER. If I am not mistaken, did not the Senator from North Carolina have a request pending before the rollcall vote?

The PRESIDING OFFICER. The yeas and nays were not ordered.

Mr. WEICKER. I am aware of that, but was not that the request of the Senator from North Carolina or to the quorum call?

The PRESIDING OFFICER. That was the request of the Senator from North Carolina.

Mr. HELMS. Mr. President, in the light of circumstances, that judgment can be made subsequently, I withdraw at least temporarily my request for the yeas and nays.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. WEICKER. Mr. President, as to the proposal relevant to the third committee amendment, which relates to the language which states:

> No part of any appropriation contained in this title shall be obligated or expended for promoting or conducting trade relations with Cuba.

That language was stricken by the subcommittee and the full committee. As I understand the request of the Senator from North Carolina, it is to reinstate that language.

Let me say this: Nothing is a more classic example of legislation on an appropriations bill than this statement and nothing more classically illustrates why it is that there should not be legislation on an appropriations bill or, rather, why it should be handled by the authorizing committees.

The distinguished Senator from North Carolina, among others, is a member of the Committee on Foreign Relations. That is where this subject matter should be addressed. Regardless of what side anybody takes on the issue, the reason it should be addressed there is that we have no foreign policy when it comes to Cuba. As long as we stick these little buzzword cliches in appropriations bills, we are not going to have a foreign policy as it relates to Cuba or Central America or the Caribbean or South America.

Mr. President, this is an enormously important subject to this Nation. In effect, we have had the same foreign policy as between Cuba and the United States since the 1950's. I suggest that the time has come for a review of that policy and implementing one that makes sense.

Maybe the Senator from North Carolina would disagree with the Senator from Connecticut, Mr. President, as to what it is that makes sense, but certainly, the Nation is owed a debate on this subject. Right now, the only foreign policy that we have is name calling. One week it is Castro laying it on Ronald Reagan; the next week it is Reagan-Haig laying it on Castro. What kind of a foreign policy is that?

Senators are going to traipse in here and they are going to vote on this amendment and figure that will settle the Cuban issue. And it does not. It is not that that issue is not without consequence. It could very well lead, under the present set of circumstances, to armed conflict. It jeopardizes our young people. It seems to me that, in every sense of the word, we owe it to this Nation as Senators to establish a foreign policy, one that is conceived in the normal constitutional process, which is by the Senate Committee on Foreign Relations, then by the full U.S. Senate, in conjunction with the President, the State Department, and so on.

Now, if it is the will of the Senators that this language stay in, it is of no matter in the sense of its coming to a rollcall vote. But it is of great import that one of the great issues of this time remains unaddressed.

At the present time, Mr. President, in Cuba—indeed, in the Caribbean and in Central America—the Soviet Union wanders around willy-nilly, all as a result of a foreign policy that was instituted in the late 1950's.

It seems to me that the first question that should arise in anybody's mind is, how valid is a policy that has permitted the Soviet Union to plant itself squarely in our hemisphere? It is obviously a foreign policy that does not work. I should think this should be, along with the Mideast, No. 1 on the agenda of the Foreign Relations Committee.

This amendment, if I am not mistaken, relates to trade relations. Let me tell about trade relations and about trade in Cuba right now. Anybody who thinks it is just the Soviet Union in Cuba should go down there. It is the Soviet Union, all right. It is also Japan, Italy, Spain, Great Britain, West Germany, Canada. Every nation in the world is present in Cuba and is trading with Cuba, and the United States is not competing at all, either in terms of goods or in terms of ideas. That is why ideas are dominated by the Soviet Union and products are dominated by all the world's trading partners, except the United States.

What kind of foreign policy is that? I suggest that the cause of peace and the cause of getting the Soviet Union out of the Caribbean are far better served by the United States getting down there and competing than it is by the present policy of name calling, which purports to be a substitute for a foreign policy.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. WEICKER. Mr. President, I ask unanimous consent that the consideration of the third committee amendment, page 12, lines 1 through 3, be temporarily laid aside at this time.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WEICKER. 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. WEICKER. Mr. President, I want to take a few moments today to reiterate a point that I raised last week in my opening remarks. It is my sincere desire that no later than tomorrow afternoon an appropriation for the agencies funded by this legislation will be approved. However, unless we act promptly, there is every likelihood of another continuing appropriation.

Let me illustrate why another continuing resolution funding the agencies under this bill is undesirable.

First, the bill, as reported by the Senate Committee on Appropriations, achieves greater savings than the House-passed bill. Overall, the 1982 appropriation recommended by the Senate Committee on Appropriations is $1 billion below the 1981 spending levels.

Second, the priorities earmarked by the Senate are considerably different than those established by the House in a number of areas. For instance, we maintain higher spending levels for a number of important fisheries and weather service programs operated by

the National Oceanic and Atmospheric Administration. We have provided a larger appropriation for the continuation of the sea grant college programs. Yet, overall, the Senate spending levels in the Commerce area are $150 million below the House. Under a continuing resolution, these savings will be lost.

In the Justice Department area, the impact of the conventional continuing resolution is even greater. Most agencies—including the Federal Bureau of Investigation, the Drug Enforcement Administration, the litigating divisions and the U.S. attorneys, as well as the Immigration and Naturalization Service—will be funded at 1981 appropriation levels. For the most part, this level would be lower than even the revised budget proposed by the administration and rejected by the committee as harmful to our Nation's criminal justice efforts.

Under a continuing resolution, the Federal Bureau of Investigation will be funded at a level which is $74 million less than that currently in the bill. If you recall, the Bureau informed Congress that the $47 million September cut would result in the loss of 2,000 employees, including several hundred agents. A continuing appropriation could nearly double that reduction. For the Drug Enforcement Administration, the funding level will be $16,479,000 less than that approved by committee. Again this will result in reductions in personnel and could threaten the State and local drug task forces.

Perhaps most severely affected by the failure to enact an appropriation bill will be the Immigration and Naturalization Service. As you know, Senator HOLLINGS and I will offer an amendment to increase the committee recommendation for INS by $85 million. These are emergency funds. They are necessary to deal with the continual tide of illegal aliens.

Recently, we were informed by OMB that INS is currently in a deficiency situation. Without an appropriation bill, however, INS will be continued at a level which is $108 million below that which it needs. There are no emergency funds in the House-passed bill. So, unless the Senate acts on this bill, there will be no emergency funds for the agency.

Finally, I want to underscore something which should already be apparent to the Members of this body. The INS and Justice agencies point out why a continuing appropriation would impose hardship. However, it should also illustrate that to the extent that the Senate submits to extended debate on issues which are extraneous to the appropriations process, the Senate also relinquishes its voice in establishing the priorities of the budget. In my view, this is perhaps the greatest disservice we do for we are foregoing our own constitutional role in setting Federal spending.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

UP AMENDMENT NO. 609

(Purpose: To authorize the Attorney General to acquire and exchange information regarding certain deceased individuals and missing children)

Mrs. HAWKINS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Does the manager temporarily set aside the committee amendments?

Mr. INOUYE. I ask unanimous consent to temporarily lay aside the committee amendments.

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

The amendment will be stated.

The legislative clerk read as follows:

The Senator from Florida (Mrs. HAWKINS) proposes an unprinted amendment numbered 609.

Mrs. HAWKINS. Mr. President, 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 25, between lines 15 and 16, insert the following:

Section 534(a) of title 28, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by redesignating paragraph (2) as paragraph (4);

(3) by inserting after paragraph (1) the following new paragraphs:

"(2) acquire, collect, classify, and preserve any information which would assist in the identification of any deceased individual who has not been identified within fifteen days after the date of the discovery of the deceased individual;

"(3) acquire, collect, classify, and preserve any information from authorized officials of the Federal Government, the States, cities, and penal and other institutions, or from a parent, legal guardian, or next of kin of an unemancipated person, as defined by the laws of the State of residence of such person, which would assist in the location of any missing person who—

"(A) is under proven physical or mental disability making the person a danger to himself or others;

"(B) is in the company of another person under circumstances indicating that his physical safety is in danger;

"(C) is missing under circumstances indicating that the disappearance was not voluntary; or

"(D) is unemancipated as defined by the laws of his State of residence; and"; and

(4) by striking out "exchange these records" in paragraph (4) (as so redesignated) and inserting in lieu thereof "exchange such records or information".

The heading for section 534 of title 28, United States Code, is amended to read as follows:

"§ 534. Acquisition, preservation, and exchange of identification records and information; appointment of officials".

The table of sections at the beginning of chapter 33 of such title is amended by striking out the item relating to section 534 and inserting in lieu thereof the following new item:

"534. Acquisition, preservation, and exchange of identification records and information; appointment of officials.".

(The names of the following Senators were added as cosponsors to UP Amendment 609, by unanimous consent: Mr. ABDNOR, Mr. ANDREWS, Mr. ARMSTRONG, Mr. BAKER, Mr. BAUCUS, Mr. BOREN, Mr. BOSCHWITZ, Mr. BUMPERS, Mr. HARRY F. BYRD, JR., Mr. CHILES, Mr. COCHRAN, Mr. COHEN, Mr. D'AMATO, Mr. DANFORTH, Mr. DECONCINI, Mr. DENTON, Mr. DOLE, Mr. DOMENICI, Mr. DURENBERGER, Mr. EAGLETON, Mr. EAST, Mr. EXON, Mr. GARN, Mr. GORTON, Mr. GRASSLEY, Mr. HATCH, Mr. HEFLIN, Mr. HEINZ, Mr. HELMS, Mr. HOLLINGS, Mr. JEPSEN, Mrs. KASSEBAUM, Mr. KASTEN, Mr. LAXALT, Mr. LUGAR, Mr. MATHIAS, Mr. MATSUNAGA, Mr. MATTINGLY, Mr. METZENBAUM, Mr. MURKOWSKI, Mr. NICKLES, Mr. PACKWOOD, Mr. PELL, Mr. QUAYLE, Mr. RANDOLPH, Mr. RIEGLE, Mr. ROTH, Mr. RUDMAN, Mr. SPECTER, Mr. STAFFORD, Mr. STENNIS, Mr. SYMMS, Mr. THURMOND, Mr. TOWER, Mr. WALLOP, and Mr. WILLIAMS.)

Mrs. HAWKINS. Mr. President, the amendment I am offering today is identical to S. 1701, the missing children bill, which has been cosponsored by 56 Members of the Senate. My amendment would establish a national computer information network to assist law enforcement agencies in locating, and identifying missing children and to aid in the identification of the dead who are found without enough evidence to establish their next of kin.

Currently, the FBI maintains a nationwide file on all information sent to it from the 47 States who submit to it computerized information they collect on missing persons disappearing inside their State borders. A nationwide system makes sense. After all, this is the computer age and an era of profound advances in communications technclogy; 8,000 pieces of information can be stored on a computer chip no larger than a fingernail. Information can be sent without difficulty to other countries.

It is easily within our means to develop a nationwide system for almost any conceivable purpose if the desire is there to do so. Therefore, the country owes a debt of gratitude to the FBI for having the vision to voluntarily provide a national clearinghouse for missing people.

However, statistics indicate that records for only 10 percent of all missing persons are ever entered into statewide computers. I might add that the overwhelming majority of missing persons are children and therefore only 10 percent enter the national clearinghouse. This is a national disgrace because many missing children become classified as missing because they were abducted and taken against their will to other States and countries. With such a modest percentage entered into the clearinghouse, it is obvious that steps must be taken to increase the chances that kidnapped children can be located, wherever they are, and returned safely to their homes.

At the present time, a stolen car gets more attention under current law than does a missing child.

Harsh though the statement is, it is the truth. Recently, as chairman of the Labor Subcommittee on Investigations and General Oversight, I heard heart-breaking testimony from the parents of missing and murdered children. All pointed to the need for a nationwide information system.

From Mr. and Mrs. John Walsh of Hollywood, Fla., whose 6-year-old son, Adam, was abducted from a shopping center and murdered, I heard of the frustration of trying to coordinate their search among different police agencies. Mr. Walsh told my subcommittee:

It is certainly evident that the priorities of this great country are in some disorder. A country that can launch a space shuttle that can return to the Earth and take off again, a country that can allocate millions of dollars to save a small fish, the snail darter . . . but does not have a centralized reporting system or a nationwide search system for missing children, certainly needs to reaffirm the very principles that the country was founded on. We pray, along with thousands of other concerned parents, that you will continue to have the strength to continue your efforts. You have helped us keep the threads of our lives together and given us definite reassurance that Adam did not die in vain. God bless you.

From Mrs. Julie Patz of New York City, whose 6-year-old son, Etan, disappeared on the way to school more than 2 years ago and has never been found, I heard of a family's sense of hopelessness and isolation in trying to cope with the unthinkable. Mrs. Patz said:

When the police have gone, the burden falls back on the parents. Usually, they are emotionally distraught, financially limited, untrained in search methods and totally lacking any official leverage necessary for obtaining information. The task of conducting a national search is beyond the abilities of the grieving parents.

Much of the language in this bill has been suggested by the Federal Bureau of Investigation. After extensive discussion with the Bureau almost all of their suggestions or recommendations were included by appropriate additions to the Missing Childrens Act.

Costs can be kept at a minimum because the computer system to track missing children is already in place. The information on unidentified deceased individuals can be initiated with minimal costs. These films can be adequately and efficiently maintained by a hand file process involving minimal staff additions for the FBI.

The bill has been well received by all manner of law enforcement agencies. Specific endorsement of this bill has been made by the National and International Associations of Police Chiefs, the International Union of Police Associations, AFL–CIO, and the American Correction Association. In addition, a strong endorsement has been received from the city of Chicago Police Department.

Our collective awareness of this critical problem has been increased by the activities surrounding this legislation. Now is the time to seize the momentum that has stirred the American public. The situation demands an appropriate response from the membership or Congress. The Missing Childrens Act will be an essential resource in assuring the real safety of our children.

This amendment will provide a solution so desperately needed. I urge you to join with the 56 cosponsors of the missing child bill and the National Association of Chiefs of Police who strongly endorse S. 1701 and support passage of this amendment.

In an effort to help the families of missing children, I have submitted this amendment which will:

First. Provide a national clearinghouse for identification of missing children, run aways and victims of parental kidnapping.

Second. Allow all missing children to be listed in a national crime information center.

Third. Provide parental access to a computer network.

Fourth. Assist in identification of deceased individuals.

No one even knows how many children disappear each year, but we do know that this is a problem we can no longer neglect.

STATEMENT ON UP AMENDMENT NO. 609

Mr. SYMMS. Mr. President, I am pleased to be a cosponsor and support the passage of S. 1701, the Missing Children's Act. I commend and congratulate Senator HAWKINS on her efforts. This legislation requires the Attorney General to maintain a nationwide computer system for the listing of missing children, which will allow law enforcement agencies to obtain information about missing children not only within their home State, but throughout the country.

Not only will information on missing children be readily available, but also, for the first time, a national computerized clearinghouse of information on dead whose next of kin cannot be located will be established. Since this bill requires information to go into the computer 15 days after the deceased person has remained unidentified, it provides current information to families or kin seeking status of a missing family member.

I commend Senator HAWKINS for the work she has done to increase our awareness of the severity of this problem. This action is long overdue and I believe that the implementation of this legislation will greatly assist families seeking missing person information and help ease the worry that results from having a missing family member.

Mr. WEICKER. Mr. President, though I disagree with the amendment of the distinguished Senator from Florida insofar as it is legislation on an appropriations bill, I also know full well that this is not unique nor will it be unique to hear such amendments.

Certainly, the substance of the amendment deserves, I think, the support of all of us here on the Senate floor. I think the observations she made are entirely correct. On behalf of the majority I am more than willing to go ahead and accept the amendment.

Mrs. HAWKINS. Mr. President, I thank the Senator from Connecticut for his kind remarks.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 609) was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. 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. MITCHELL. Mr. President, the appropriations bill now before us contains funding for the Economic Development Administration in fiscal year 1982. I wish to make two points as the Senate considers this legislation.

First, it has been 11 months since the President first proposed to terminate EDA. During that period, the Congress has repeatedly rejected that proposal. Today, we are implementing the congressional will by providing EDA funding for another year.

This is extremely significant to the State of Maine, Mr. President.

The EDA was created to promote the long-range economic development of areas with severe and persistent unemployment and with low per capita income. EDA aids in the development of public facilities and private enterprise to create new, permanent jobs and to preserve existing jobs which might otherwise be lost by the shutdown of an industry in such an area.

The act is grounded in the reality that no matter how successful national economic policies may be in stimulating overall economic growth and reducing inflation and unemployment, important structural problems will remain. Many of our Nation's urban and rural communities and multistate regions will still be experiencing unemployment, lagging economic growth, industrial decline and underutilized production facilities and resources.

Maine has many such areas. My State has a per capita income that is 20-percent lower than the national average.

Manufacturing jobs in the State have grown by 3.5 percent in the last decade, compared with an average growth rate of 25 percent in the West and 18 percent in the South.

We in Maine have benefited greatly from economic development funding and our successes have no doubt had some beneficial albeit small, impact on the national economy.

For example, EDA is directly responsible for creating and saving thousands of jobs in Maine. In a State with chronic unemployment problems and an economy aggravated by high energy costs, this is a substantial contribution. Many Maine communities do not have the indigenous resources to attract substantial private investment. EDA has provided that seed money.

EDA grants and loans are partially responsible for successful efforts to revitalize our fishing, potato farming and textile industries.

Mr. President, I am heartened by the reaffirmation of our commitment to help regions of our country where incomes remain low, where unemployment remains high, and where help is needed to stimulate local economic growth.

Second, while I am pleased that Congress has continued its commitment to economic development programs, I am concerned about the level of funding for EDA provided in this bill. The Congress has authorized $290 million for the EDA in fiscal year 1982. This is the absolute minimal level of funding necessary to implement a scaled-back but still effective program. As the national economy goes deeper into recession, it seems to me that more, not less, economic development assistance would make sense.

It is my hope that the members of the conference committee on this bill will accept the appropriation level contained in the House bill. Further cuts would further delay the economic recovery of numerous regions. The economic recovery of the Nation will be inevitably retarded if it is accompanied by continuing pockets of slow growth and economic stagnation.

I should like to address some questions to the distinguished chairman of the State-Justice-Commerce Appropriations Subcommittee. (Mr. WEICKER).

Mr. MITCHELL. Is it the belief of the Senator from Connecticut that EDA programs make an important contribution to areas of low per capita income and persistently high unemployment?

Mr. WEICKER. Yes; Mr. President, I agree with the Senator from Maine. EDA has been very successful in creating jobs, generating State and local tax returns, and raising the level of economic activity in areas of slow growth.

Mr. MITCHELL. Does the Senator agree further that distressed areas are in greater need of EDA programs in the present economy, and that there are no other Federal programs that address the needs met by EDA programs now?

Mr. WEICKER. Yes; it is my belief that EDA provides aid not available through other Federal programs at this time.

Mr. MITCHELL. Mr. President, does the Senator support the maximum funding possible for EDA within the constraint of overall budget considerations?

Mr. WEICKER. I assure the Senator that I do.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. METZENBAUM. 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. METZENBAUM. Mr. President, I ask unanimous consent that the committee amendments be set aside and that I may be permitted to send an amendment to the desk, sponsored by myself, Senator ROBERT C. BYRD, Senator KENNEDY, Senator DANFORTH, Senator BUMPERS, Senator LEAHY, and Senator BAUCUS.

The PRESIDING OFFICER. Is there objection?

Mr. WEICKER. Mr. President, the minority manager of the bill and I agree that the committee amendments may be set aside.

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

UP AMENDMENT NO. 610

(Purpose: Expressing the sense of the Senate that the Department of Justice and the Federal Trade Commission shall vigorously and actively enforce the antitrust laws)

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Ohio, for himself and Mr. ROBERT C. BYRD, Mr. KENNEDY, Mr. DANFORTH, Mr. BUMPERS, Mr. LEAHY, Mr. BAUCUS, and Mr. EAGLETON, proposes an unprinted amendment numbered 610.

Mr. METZENBAUM. 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:

At the end of the bill, add the following new section:

SENSE OF THE SENATE RESOLUTION

The Congress has consistently sought to prevent the excessive concentration of the American economy by enacting the Sherman Antitrust Act in 1890, the Federal Trade Commission and Clayton Acts in 1914, and the Celler-Kefauver Act in 1950;

Vigorous enforcement of the antitrust laws is essential to the operation of a competitive economy, and lies at the heart of our Nation's historic commitment to a free and open marketplace;

Antitrust enforcement efforts are of particular significance in a climate of increased Government deregulation of business, in order to assure that the economic marketplace remains competitive;

A series of corporate mergers is currently taking place which is tying up substantial amounts of credit to the detriment of small business and is contributing to the intolerably high level of interest rates;

The Congress has concluded that excessive economic concentration tends to lessen competition, impede economic growth and innovation, harm small business, and jeopardize local control of business:

Now, therefore it is the sense of the Senate that:

(1) The Department of Justice and the Federal Trade Commission seek actively and vigorously to enforce the antitrust laws, including those against mergers and concentration, until and unless the Congress determines otherwise; and

(2) Moneys appropriated under this bill shall be expended in a manner consistent with this resolution.

Mr. METZENBAUM. Mr. President, this amendment has to do with a question pertaining to effective endorsement of our antitrust laws. In this struggle, unfortunately, the problem is that the man who heads the Antitrust Division at the present time has indicated that the earlier decisions that have been part of our Nation's history, the interpretations by the Supreme Court, are not exactly in accord with his point of view and, therefore, he does not intend to abide by them. Unfortunately, the man who heads that Division reflects a general position that many in the administration seem to have at the moment: People are appointed to positions by the administration who actually are hostile to the laws that they are called upon to enforce.

For example, in EPA, we find a lady by the name of Mrs. Gorsuch, who indicates that she really does not have strong concerns about the environment. In the Consumer Product Safety Commission, we have a woman by the name of Steorts. She, too, has turned her back on the question of effective enforcement of the obligations imposed upon her and that Commission by the law.

In the Department of Justice, Civil Rights Division, we have a man by the name of William Bradford Reynolds, who has been less than ardent in his concern with respect to civil rights.

We find too often, Mr. President, that those who are being appointed to these positions want to turn the clock back, to turn their backs upon the laws as they presently exist.

As a consequence, the people of this country are failing to get the kind of enforcement, the kind of strength, the kind of determination to which they are entitled in connection with the antitrust laws of this country.

Probably the most egregious situations in which people have been appointed to public office who do not believe in the laws they are called upon to enforce, have to do with the area of antitrust. We find, as a consequence, a whole host of merger activity throughout this Nation, because the message is out. Mr. Baxter, at the Antitrust Division, and Mr. Miller, the new head of the Federal Trade Commission, do not like the law. They do not think the laws should be as they are. They think they should change the laws. But the fact is that they are not talking about formally changing and properly changing the laws. They want to change the laws by indifference, by lack of concern, by disregard.

This administration, which came in on the basis of law and order, on the basis that it would enforce the law no matter who was affected, is now saying, "That is not what we mean in the area of antitrust."

The sad part about that is that this represents a break with almost 100 years of bipartisan support for antitrust and its basic themes and doctrines. Antitrust is not a Democratic program. It first came into being in 1890 with the Sherman antitrust law, authored by Senator John Sherman, a Republican from my State of Ohio.

Over a period of time, men who have been part of this body have seen fit to speak up for antitrust, and those who have been charged with the responsibility at the administrative level have spoken up for antitrust.

I am proud to say that in the last session of Congress we enacted one of the most recent changes and one of the few changes made in recent years to the antitrust laws, the Antitrust Procedural Improvements Act. I am proud that I was the author of that bill, and the coauthor was the distinguished chairman of the Judiciary Committee, the Senator from South Carolina (Mr. THURMOND).

It is particularly disturbing and surprising that we now find that this law which works so effectively for the free enterprise system, which really talks about free competitive forces being able to work, suddenly is being put up on a shelf, and, we are told, is no longer important.

Fortunately, over the years, we have not had Democrats and Republicans

fighting with each other on this subject. When the Senate Antitrust Subcommittee was revived, it was revived by a Republican controlled Senate in 1953; and last year's Antitrust Procedural Improvements Act, as I previously mentioned, was a joint product of the present chairman of the Judiciary Committee and me.

Today, the breakdown in antitrust enforcement is particularly upsetting. We have a merger wave that is approaching mammoth proportions. The pace has jumped 25 percent from last year's third quarter, and is accelerating.

Particularly disturbing is the fact that these are giants swallowing larger well-managed, profitable companies almost as big as they are, or bigger. Du Pont swallows Conoco. Prudential Insurance Co. buys up Bache. Mobil buys Marcor and flops on its face with respect to the economics of that deal. Exxon acquires Reliance Electric, in my own home community. When some of us spoke out against that acquisition, we were told this was going to save a million barrels of oil a day. Now they write about that acquisition in Fortune magazine, in a feature cover story: "Exxon's $600-Million Mistake."

Connecticut General buys INA; and Mobil, in a capping climax, now wants to buy up Marathan Oil, in my own State.

Mr. President, I ask unanimous consent to have printed in the RECORD the article to which I referred, which was published in Fortune magazine.

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

EXXON'S $600 MILLION MISTAKE

(By Lewis Beman)

Imputing devious motives to Exxon Corp. has long been fashionable. The practice goes back at least to Ida Tarbell's muckraking turn-of-the-century classic, The History of the Standard Oil Company. Cynicism was rampant last spring when the corporate heirs of John D. Rockefeller announced that Exxon was abandoning an energy-saving device called the "alternating-current synthesizer." Many were sure that it had never been more than a smoke screen for Exxon's politically controversial $1.2-billion purchase of Reliance Electric Co. in 1979. Once the heat was off, the synthesizer, which Exxon had spent $15 million developing—gum-ball money for the world's largest corporation—could easly be junked if it proved a turkey.

Exxon stockholders might well wish that this bit of demonology were true. Alas, a more straightforward theory—that Exxon had high hopes for the synthesizer—is the correct one. The concept was seductively simple. A microprocessor was to be used in combination with power transistors to raise the efficiency of most electric motors, saving the country the equivalent of a million barrels of oil a day by 1990. By picking up an established electrical-equipment manufacturer that could mass-produce the synthesizers, the top executives at Exxon's Manhattan headquarters believed, the company could make a hell of a lot of money.

These dreams are shattered, and the real news is that the $15-million R&D loss is only the tip of the iceberg. The whole synthesizer affair, it is clear from an exhaustive search of the mountains of documents that have come to light in the course of half a dozen lawsuits stemming from the Reliance merger, is a managerial blunder of epic proportions that has cost Exxon at least $600 million. That figure represents the premium the oil company paid for Reliance in the belief, subsequently proved naive, that the synthesizer was a hot product ready to bring to market.

In hindsight, Exxon's reckless plunge is understandable. It is run by oilmen with little knowledge of manufacturing and something of a wildcatter's mentality that says play your hunches and bet as big as you can. Clearly, these executives were not restrained by Exxon's board. Nor were they well served by the battery of prestigious consultants called in on the Reliance merger.

In a smaller company, a $600-million mistake could spell disaster. Even for mighty Exxon, which earned $5.7 billion on sales of $103 billion in 1980, it is a painfully large sum, roughly equal to one quarter's dividend payout. The cost could turn out larger, too, for folly has been compounded by bad luck. After it consummated the Reliance deal, Exxon was shocked to learn that a company newly acquired by Reliance had been cheating for years on tests of its products. There's now a tangle of lawsuits, and Exxon conceivably could be hit with a big tab to make good on defective products.

SHADES OF THE ELF QUEEN

The possibility of such outcomes was far from the minds of the executives who championed the Reliance deal within Exxon. Their code name for the acquisition was Project Galadriel, after the elf queen who presents a magic light to the hero of J. R. R. Tolkien's The Lord of the Rings. To the rest of top management, which came to share their enthusiasm, Project Galadriel offered an ingenious way around the roadblocks that had long barred the inheritors of the Standard Oil Trust mantle from major diversification outside the energy business.

Exxon had dabbled in diversification as far back as 1964, when it made a pass at two small companies, one in fertilizer and the other in industrial gas. The Justice Department's Antitrust Division blocked the first acquisition and allowed the second, but Exxon never learned how to make money in industrial gas and later sold the company. Figuring that the trustbusters were going to object to any merger that made sense from a business point of view, Exxon's management committee, which makes the big decisions, decided in 1969 to take a venture-capital approach to diversification.

The vehicle was Exxon Enterprises Inc., which has since pursued an incredibly varied range of projects and has taken the company into such innovative businesses as photovoltaic cells and office automation. (See "Exxon Has Its Eye on More Than Oil," Fortune, April 1977.) Exxon has viewed these "windows on technology" in the tradition of the oil industry, where one big find makes up for several dry holes. The hope was to develop a series of profitable operations, each capable of reaching $100 million a year in sales. So far, these businesses seem to have been nothing but dry holes from the standpoint of profits.

Early in 1977, Exxon Enterprises was handed a second, more ambitious task: to serve as a stalking-horse for a conglomerate merger that would add at least $1 billion to the oil company's revenues. The man chiefly responsible for this change was George T. Piercy, a member of the management committee who oversaw Exxon Enterprises—and later the Reliance deal. Piercy had been the oil industry's chief negotiator with OPEC at a 1973 session. After that session, the cartel assumed the power to set oil prices, and in the wake of that development Piercy appears to have become convinced that diversification was a matter of great urgency.

Piercy set about breaking the resistance of other members of the management committee to the idea of doing a big deal. He was obviously successful, for in March 1979, Project Galadriel was brought before the Exxon board. The script of the presentation, evidently an elaborate affair with slides, appears in the files of the Federal Trade Commission antitrust suit that Project Galadriel subsequently provoked. It gives an amazingly detailed account of an extensive two-year search by Exxon Enterprises that eventually led the oil giant to Reliance.

TIGER ON THE PROWL

The principal speaker was Jo A. Graves, an up-and-coming executive who had been brought in as senior vice president of Exxon Enterprises. Before the Tiger had gone prowling, Graves' script shows, Exxon Enterprises had studied five industries for the management committee. Then it had focused on six possible merger candidates: Bristol-Myers, Schering-Plough, Colgate-Palmolive, Carnation, Upjohn, and Hewlett-Packard.

In the end, Graves told the directors, the management committee had decided that these targets were too expensive to pursue. "The conclusion," he said, "was that the stock market was valuing these companies pretty well and that under the conditions of having to pay a premium price over market, Exxon would have to bring something to a union in addition to money." This led to a search for technology under development at Exxon Enterprises that could supply that needed "something." Graves went through a long recounting of possible synergies and merger candidates that were rejected. All this was a buildup for the feature act at the board meeting. Graves introduced Richard H. Baker, an electrical engineer at Exxon's research laboratories in Florham Park, New Jersey, to demonstrate an invention that had put Exxon Enterprises onto the idea of buying Reliance. The device, Graves told the board, presented the oil giant with the "strategic step-out opportunity" it had been seeking.

A former MIT researcher, Baker had been hired to help develop an electric automobile that the company believed might be commercially feasible by the end of the century. One technical problem was that the most-efficient electric motors ran on AC current, while batteries produced DC power. Commercially available inverters, which change DC into AC, were far too heavy. But Baker had come up with a much lighter electronic device that seemed to do the job.

Deciding it was looking too far ahead, the oil company subsidiary shifted its efforts to developing a hybrid vehicle that combined an electric motor with a small gasoline engine. By then, however, it had the idea that Baker's device represented a major technological breakthrough that could revolutionize the mundane electrical-equipment industry.

MOTORS THAT GRIND ON

Electric motors, which account for nearly two-thirds of electricity consumption in the U.S., overwhelmingly run on AC current. Because of the inherent characteristics of AC, they generally have to run at a constant speed. The output of whatever mechanisms they drive—pumps, say, or compressors—is varied by some form of "throttling." The valves on pumps are closed, for example, while the motor itself grinds on, wasting electricity.

It has long been possible to vary the speed of AC motors by varying the frequency of the electric current leading to them. But this takes special equipment so expensive that it is economically impractical except for machinery that needs to be closely controlled for other reasons. What Exxon Enterprises thought it had in its hands was an electronic gadget inexpensive enough to be practical.

By the middle of 1978, Exxon Enterprises' Electric Power Conversion Systems group had

drafted a plan to go into commercial production within about two years. The plan envisioned a firm that would eventually be able to generate sales of about $270 million. The start-up investment required, on top of the $8 million already spent on research, was estimated to be about $30 million. Market entry would be faster, the group figured, if another $10 million was used to acquire a small firm already in the electric-drives business.

As this proposal went up the ranks for approval, Exxon's ambitions for the project ballooned. Piercy in particular was intrigued by the idea and, as he was later to tell a federal judge in the FTC case, prepped himself by reading an electrical-engineering text "in between television shows." The synthesizer, he clearly thought, was a great piece of technology to bring to a conglomerate merger. By September 1978, Reliance having been singled out as the target company, Piercy brought Project Galadriel up for consideration by Exxon's management committee, which asked for further studies.

A PICKET FENCE OF PATENTS

As these got under way, it seemed to escape Exxon's top managers that a different standard of analysis might be appropriate for a billion-dollar investment than for one involving $40 million. Consultants were brought in, to be sure, but they voiced no warnings. Both Booz Allen & Hamilton and Arthur D. Little supported the notion that a "substantial acquisition" was necessary to successfully exploit the synthesizer. The key element, said Booz Allen, was marketing. Exxon had established what its executives called "a picket fence of patents" around the new device. But that promised only a two- or three-year head start, Booz Allen said. Unless Exxon could enter the market in a big way right from the beginning, it would soon be overtaken by imitators.

In light of subsequent events, it is amazing that neither Exxon nor its consultants questioned the fundamental assumption on which the entire case for Project Galadriel rested. This was Exxon's intuitive belief—and it seems to have been little more than that—that Reliance could turn out energy-efficient motors with synthesizers at a far lower cost than anything the competition might bring out, eventually as much as 90 percent lower. From this premise, it was easy for Exxon to envisage that its combination of low price and energy efficiency would prompt companies across the land to retrofit or replace their motors.

In fact, the Exxon synthesizer represented no great technological breakthrough. Companies like Emerson Electric and PTI Controls of Fullerton, California, were already selling solid-state controls. But they were definitely not cheap. Everything, then, hinged on costs, yet these are precisely what were not investigated closely. The closest thing to a red flag was a brief note in a Booz Allen technology assessment. "The cost advantage has not been probed in depth and quantified in this study," Booz Allen said. But it added, in words that seemed enough for Exxon's impatient acquirers: "An inherent cost advantage, based on a rough analysis, appears feasible."

Another consultant that took Exxon's assumptions at face value was Morgan Stanley. Four months before Grave's presentation to the board, Exxon executives had called down to the 29th floor of their headquarters building, where the elite investment-banking firm has offices, to enlist the services of Robert Greenhill, head of Morgan Stanley's mergers and acquisitions department.

Exxon had figured to buy Reliance for a 50 percent premium over its recent market price of $40 a share. But the oil company was a bit behind the times. Greenhill told Piercy, who for all his experience across the table from oil sheikhs had never negotiated a significant merger. Except for distress sales, Greeenhill said, the going premium was getting up toward 80 percent. Fortunately, he added, Reliance's stock had dropped to $32 following its announcement that it intended to buy the Federal Pacific Electric Co. Thus, the $60 a share that Exxon had in mind still seemed like a pretty good price.

In addition, Morgan Stanley told Exxon, the financial strains of the Federal Pacific merger might make Reliance's management more receptive to an Exxon offer. Both Morgan Stanley and Exxon seemed to ignore the possibility that the market reaction to the Federal Pacific deal might be a tip-off of potential trouble.

Morgan Stanley, on the contrary, believed that Exxon's invention justified paying a high price. With synthesizers, it figured, Reliance's annual growth would jump by more than 1 percent. The present value of the resulting earnings surge was somewhat mysteriously calculated to be $610 million, which roughly coincided with the total value of the premium Exxon proposed to offer.

Not long afterward, following Grave's slide presentation and the synthesized demonstration, Exxon's board approved the Reliance acquisition at a price not to exceed $60 a share. Negotiations began 16 days later, when Piercy personally flew out to Reliance's Cleveland offices at the head of an Exxon team. Piercy did not seem to care that it was Friday the 13th of April, nor did he notice that Reliance's address was 29325 Chagrin Boulevard.

Morgan Stanley had arranged for a hotel suite, where Exxon displayed a prototype of the synthesizer, hooked up to fans, for the edification of B. Charles Ames, then Reliance's chief executive. Apparently, they expected him to be impressed with both the technology and the offering price of $60 a share. He wasn't.

SOME BLUNT TALK ABOUT PRICE

Ames, who has since left Reliance to take the helm at Acme-Cleveland, a machine-tool maker, is a polite, soft-spoken man. He's also extremely shrewd and given to blunt assessments (he once was McKinsey & Co.'s man in Cleveland). Ames confides that he has always been leery of high technology. "An enthusiastic inventor is a menace to practical businessmen," he says, "and it takes a skeptical ear to figure out whether something that works will sell." He does not think that Exxon executives ever really appreciated the difference. But while he was noncommittal about what the synthesizer might do for his company, he was rather blunt about the price Piercy offered. "It was too low," he says. Moreover, he realized that the last thing Exxon wanted was a fight. "I figured that if they didn't want to fight, they were going to pay," he recalls.

Ames's canny bargaining was to make him something of a hero on Wall Street—particularly among arbitrageurs who were richly rewarded for their patience throughout the four-month interval between Exxon's announcement of its interest in Reliance and its purchase of the shares. The market at first figured that $55 would take the company. But Ames, who had been thinking about putting out a new issue of stock at $33 before Exxon came courting, hung tough even after the oil company handed over a formal letter proposing a cash tender offer at $65 a share. Piercy's not-to-subtle offer of an Exxon directorship did not move him, and only after a private dinner with Piercy did he allow that $72 a share might be good enough to take to his board.

From Exxon's point of view, the higher price that Ames extracted soon paled alongside the concession he claims to have won on the antitrust issue. Piercy told him that Exxon expected the government to object to the merger but that the oil company intended to fight. In that case, Ames says he replied, let's not have the usual boilerplate that allows a company making a tender offer to withdraw at the first sign of trouble. "By that time," he says, "about 60% of our stock was in the hands of the arbitrageurs, and I knew that someone was going to take us over if Exxon dropped out of the picture." Dart Industries, Dana, and TRW were all showing interest, Ames has disclosed.

THE FTC GRABS THE CASE

Piercy says that the antitrust language in the tender offer "was not discussed" in his negotiations with Ames, and Exxon takes the position that the scrapping of that boilerplate was a "voluntary gesture." If so, it was a gesture that was to put Exxon in an extremely awkward position.

Exxon had hoped that if the government struck, the Justice Department would take on the case, and it had employed the former head of the Antitrust Division as outside counsel on the deal. But the Federal Trade Commission, which shares enforcement powers in the anti-merger section of the Clayton Act, grabbed the case instead and went into federal court to obtain a temporary injunction against the merger.

The FTC's complaint was based on the fact that Exxon had taken preliminary steps to set up a new company to commercialize the alternating-current synthesizer before it had decided to acquire Reliance. In the FTC's view, this meant that the merger would eliminate "potential competition" between Exxon and Reliance. The FTC asked for a temporary restraining order that barred Exxon from paying for tendered shares until the court had time to review the matter. Exxon had expected that move, as well as Judge John H. Pratt's order blocking the deal for 21 days. What it did not expect, however, was that Reliance would intervene with the suggestion that Exxon be allowed to purchase the shares under a court order, but that it be prevented from actually taking over until the antitrust question was resolved.

For Exxon, the implications of this suggestion were horrendous. Antitrust cases have been known to drag on for more than a decade, and if Reliance's suggestion had been followed, Exxon would have been forced to pay $1.2 billion for a passive investment. Some Exxon executives seemed to regard the suggestion as Ames's way of giving his stockholders the money while keeping the company.

From the witness stand, Exxon President Howard C. Kauffmann told Judge Pratt that if any such order were issued, Exxon would drop the deal. The court finally ruled that Exxon could exercise its tender offer. But it imposed an onerous condition: Exxon would have to "hold separate" the Reliance divisions that were most relevant to the commercialization of the alternating-current synthesizer—the very raison d'être of the merger.

It is impossible to tell what any judge has in mind when he makes a ruling, but Judge Pratt's subsequent statements clearly indicate that he expected Exxon to drop the deal. When Exxon hesitated, however, Reliance sued to compel the company to go ahead with the purchase of the shares. At this point Judge Pratt learned about Reliance's claim that some antitrust aspects of the deal had been negotiated in advance. Reportedly he hit the ceiling, and Exxon's lead attorney later told him in open court that worries about his reaction were a major reason for Exxon's decision to go ahead with the deal even though it now had strong doubts that it made sense.

Thus there is some question about how voluntary Exxon's purchase of the tendered Reliance shares was. In a subsequent lawsuit, brought by Reliance stockholders seeking interest to compensate them for the de-

lay in getting paid, Exxon claimed that Ames violated his agreement with Pierce by the uncooperative act of intervening in the antitrust suit. But there is no way of telling how confident Exxon's lawyers were that this argument would sway the court, and Exxon has agreed to settle the stockholders' suit out of court for $4 million.

THE LITTLE CONTRAPTION THAT COULDN'T

On a plea from Exxon, Judge Pratt—holding his temper this time—softened his "hold separate" order. Exxon was to have no contact with Reliance's drives group, but could at least work with the Reliance division that produced finished motors. In the electrical-equipment industry, "drives" (the electrical parts of a motor) are considered separate from the mechanical parts.

Even this more limited order created an awkward situation. It meant, in effect, that Exxon had to start a second drives operation within Reliance to manufacture and market the alternating-current synthesizer. In March 1980 it brought key Reliance personnel to its labs in Florham Park. Almost immediately, the Clevelanders discovered that Exxon's original cost projections were unrealistic. One problem lay in the design itself; Exxon Enterprises had not taken into account the varying conditions under which the device would have to operate. In November reliance's chief operating officer, Emory G. Orahood Jr., wrote a strong memo to Piercy urging that the project be scrapped.

It took another four months for Exxon to make the embarrassing public announcement that its great new idea had been a bust. This was somewhat softened by the disclosure that Reliance was now working on an alternative design. That was a bit misleading, since the new work was undertaken by the same team in Florham Park, now trying desperately to retrieve something from the wreckage of Exxon Enterprises' grand strategy. And according to John C. Morley, a career Exxon man who took over as Reliance's C.E.O. in December following Ames' resignation, no one expected anything spectacular by the time he arrived on the scene. The recent announcement by Reliance that the whole project has been scrapped merely nailed the plywood on a "window on technology" that had already been locked.

For far less than it paid for Reliance, Exxon could have learned that its synthesizer had no future. Robert C. Byloff, president of a small electric-drives manufacturer named Fincor, a division of Incom International, says he for one would have been willing to educate Exxon executives on the reality of the electrical-equipment industry. His company built 25 prototypes of the famous variable-speed motor for Exxon prior to the Reliance negotiations. They included everything but the electronic components, which Exxon was almost compulsively secretive about. "If they had shown us what they intended to put in their black box," Byloff says, "I think we could have told them that their enthusiasm was somewhat excessive." Exxon's management committee seriously considered buying Fincor as a less expensive alternative to Reliance, figuring that the acquisition would have cost about $10 million. Byloff says that Exxon never approached him, but that in any event he would have preferred to give advice free of charge and keep his company where it is.

THE WORST MISTAKE OF HIS CAREER

Ames, who personally made a profit of $3.8 million when Exxon bought Reliance, insists that the merger was a sound one even though the oil company's plans for the synthesizer were ill-founded. Just before he resigned last November, he told Piercy: "You guys made the right strategic decision for all the wrong reasons." Ames was proud of a company whose sales he had increased by 142 percent over the previous seven years, mainly by acquisitions. But that time, however, there was ample evidence that Reliance stock had not even been worth the $34 a share that it commanded on the eve of the Exxon offer. This was because Ames himself had just made an acquisition that turned out to be the worst mistake of his career.

At the time Exxon was getting ready to buy it, Reliance had acquired Newark-based Federal Pacific Electric Co. from its parent, UV Industries, for $345 million. The deal had been part of a UV attempt to head off a takeover by Victor Posner's Sharon Steel Corp. (See "UV Industries Wins the Right to Die," Fortune, April 23, 1979.) Most security analysts considered Federal Pacific a rather second-rate operation, which explains why Reliance's stock fell by some 15 percent when the merger was first announced. But Wall Street's views turn out to have been overly charitable.

The problem, according to a suit that Reliance subsequently brought to force UV to take back its company, is that Federal Pacific cheated for years on tests of its circuit breakers by Underwriters Laboratories. Without UL certification, the circuit breakers would have been unsalable. "It was the most sophisticated swindle I have ever seen," Ames says. "They had constructed a laboratory with miles of buried wires and concealed levers just so they could trick the UL inspectors."

When the cheating stopped at Federal Pacific Electric is not precisely clear, for many documents in the Reliance suit have been sealed by court order. But a close reading of what is available for public perusal provide at least a faint trail through an industrial Watergate.

Reliance alleges that UV executives knew what was going on and withheld the information from the unsuspecting purchaser, an allegation denied by UV. What everyone agrees upon is that on October 23, 1978, shortly before Reliance and UV Industries reached agreement on their deal, an ex-employee of Federal Pacific sent a letter to one of its executives revealing some details about cheating at a plant in Albemarle, North Carolina. The information was passed up to Harry E. Knudson Jr., Federal Pacific's president and a UV director, and the basic issue before the court is how much of an obligation he had to tell this to Reliance before it consummated the acquisition on March 29, 1979. Ames leaves no doubt that if he had known about the problem before then he would have dropped the deal. Piercy also says that had the situation come to light before Exxon bought the Reliance shares on September 24, Project Galadriel would have been scrapped.

A DISTURBING REPORT

UV Industries seems to take the line that between March 29 and September 24, Ames learned something about the trouble brewing at Federal Pacific Electric and failed to tell Exxon. Some circumstantial evidence indicates this is at least a theoretical possibility. On September 13, Knudson was sent a report from the chief engineer at the Albermarle plant, predicting that almost all circuit breakers that Federal Pacific had made would lose their Underwriters Laboratories labels. An undated memorandum that Knudson apparently sent to William B. Korb, the Reliance executive responsible for Federal Pacific, conveys the same information. In a memo to Piercy in July 1980, Ames asserted that Korb had learned at least something about the FPE situation in the fall. He is not precise about when.

The tantalizing question, of course, is whether the news traveled from Newark to Cleveland in the six days before Reliance filed its September 19 suit to force Exxon to go ahead with its purchase of the shares, and in the 11 days before Exxon exercised its tender offer. Ames insists that it did not, and all indications are that Exxon believes him.

Piercy has said that he did not know the extent of the circuit-breaker problem until his regular spring review of Federal Pacific as Reliance's "contact executive" in May 1980. By that time the new subsidiary of Exxon's new subsidiary had lost the UL labels on virtually its entire line of circuit breakers, which had accounted for $100 million of sales in 1979. Ames's staff also had begun tallying the potential expense if a recall program became necessary. The initial estimate: three years' production of the Albemarle plant might have to be replaced by electricians. The cost, counting labor, could be very high indeed. The question is still in doubt pending a determination by the Consumer Product Safety Commission of whether to order a recall of Federal Pacific's residential-type circuit breakers. Reliance began recalling some of its industrial circuit breakers early this year, and one industry source has estimated that the bill for this recall alone might approach $200 million.

Whose pocket this would come out of is unresolved. UV Industries has been dissolved, but a liquidating trust still holds over $400 million in cash and securities. Reliance is suing UV to pay for the recalls. To the extent that UV can't pay, Reliance is looking to Sharon Steel, which assumed UV's liabilities when it bought its remaining assets in November 1979. But Sharon's legal obligations are by no means clear. If Reliance can convince the court that it was the victim of a fraud, so might Sharon. Contemplating the results of what is perhaps one of the worst mergers ever made, Ames is happy about one thing: "If Exxon hadn't come along, I don't know what would have happened to Reliance."

Reviewing Exxon's trip down Chagrin Boulevard, Donald S. MacNaughton, chief executive officer of the Hospital Corp. of America and an outside director of Exxon since 1970, finds no fault with the company's top executives. "Management didn't make an error in judgment," he insists. "They did all the right things and came to reasonable conclusions. The only problem was that it just didn't work. It's like golf; sometimes the lie of the ball is simply bad." MacNaughton is not alone in trying to see things in the most favorable light. Reliance's new C.E.O., John Morley, talks enthusiastically about the importance of electricity to the oil company's future.

A HARD ACT TO MATCH

But it will be years, if ever, before Exxon's investment in Reliance pays an acceptable return. To match the rate of return on employed capital that Exxon's energy operations had last year, Reliance would have had to earn $375 million. But in 1978, its best recent year, it earned only $65 million. Last year Exxon reported a $6-million loss for its subsidiary, which, according to Morley, reflects temporary costs associated with the Federal Pacific fiasco and the unrelated write-up of Reliance's facilities and inventories to actual market value. But this is actually the smaller of two red-ink figures. In a 10-K that Reliance itself had to file with the Securities and Exchange Commission because some of its public debt was still outstanding, the reported loss was $42 million. Most of the difference lies in the way Exxon accounts for interest paid by Reliance on money borrowed to buy Federal Pacific.

For a century-old company that has no desire to go out of business when its wells run dry, the logic of diversification is still compelling. At minimum, its experience with Reliance should have taught Exxon how not to go about negotiating a merger. The wildcatter mentality of playing your hunches may still be a good way to make money in oil—but all the world isn't oil.

Mr. METZENBAUM. Mr. President, the proposed Mobil acquisition of Marathon is sharply contested by Marathon and is unquestionably one of the most shocking merger efforts in decades. Under normal circumstances, it would not and could not even have been considered.

Mobil is the second largest oil company in America. Marathon is the 16th largest oil company in America. Mobil and Marathon compete vigorously in many markets: One example is exploration, in the acquisition of oil leases for development through competitive bidding, particularly in Rocky Mountain areas and the Outer Continental Shelf. That competition will no longer exist if the acquisition is permitted to go through.

Probably most important is the fact that if Mobil is permitted to acquire Marathon, the latter company, which is the most important supplier of gas to unbranded and private brands who provide the most price competition, will no longer be extant. The company making the acquisition, Mobil, actually refuses to supply the independent branded and unbranded dealers.

If Marathon is absorbed in Mobil, the independents, who in fact are the price cutters in the field, who provide the competition, will lose their major source of supply, and the American consumer will pay the price.

Furthermore, the direct retail competition which presently exists between Mobil and Marathon in the Midwest, in the Western States, and elsewhere, will disappear, particularly after Marathon's acquisition of Husky, which would make them much more competitive with Mobil.

In the area of pipeline transport, Mobil and Marathon are major competitors in crude oil transport; and that competition, involving the Louisiana crude producers, will disappear totally from the American economic scene.

In the area of domestic refining, they compete directly. In the area of storage terminals for refined petroleum products, there is direct competition between them. In oil shale exploration and development, both are major factors, and competition will be hurt.

The critical point for the American people is that if the Mobil-Marathon merger is permitted to go through, these two competitors in the economic mainstream of America will wind up being No. 1 in motor gasoline, No. 1 in total liquid pipeline mileage, and No. 1 in domestic refining capacity. Unfortunately, all the others who are sitting out there, looking around to pick up other small oil companies—the Texacos and the Gulfs and the others—will be on the move, totally eliminating the really competitive forces that are operable in the marketplace at the present time.

One of the worst things that is happening involves reports of a deal on this merger effort. I have seen a copy of an agreement that I understand is being proposed by the Federal Trade Commission Bureau of Competition. Imagine proposing a deal making it possible to allow the acquisition for a 6-month holding basis. Whom are they kidding? What an absurd proposition. A 6-month holding basis, and then maybe the FTC will turn the deal down. But you have to look at that agreement to understand the real hooker in it. The real hooker in it has to do with the fact that during the 6-month period, Mobil would be able to fire any Marathon employee.

Whom does the FTC Bureau of Competition think they are kidding? That proposed agreement for a 6-month holding period is a fraud, a fraud on the American people, and the Bureau of Competition should be ashamed of itself.

The fact is that what it really means is that they are afraid to grapple with the issue up front. They are afraid to say to the American people, "Yes, we are indeed letting Mobil take over Marathon, but we are going to hold it for 6 months; and during the 6-month period, we are not really going to have control—no, not really—but Mobil is going to be able to fire each and every Marathon officer, each and every Marathon employee."

There is great protection in there for competition. They have to give them 72 hours' notice before they can fire them. Is that not wonderful?

Yesterday, I was in Findlay, Ohio, where Marathon's home office is. I have never seen a community turn out as that community turned out in support of Marathon. It should be noted that the Senator speaking at the moment has not always been a great supporter of Marathon. I have not hesitated to criticize Marathon when I thought it was the appropriate thing to do, and I do not intend in the future to restrain myself in that respect. However, criticism of Marathon, and permitting Mobil to acquire Marathon, are totally different matters.

This company is Findlay, Ohio. This company is loved by the people who work there and who deal with the company—the colleges, the school system, the people who live in that community. If you looked throughout all America in order to find a more beautiful, homespun kind of community, you could not find a better one than Findlay, Ohio.

Unfortunately, there is this goliath, Mobil, which made such a shambles of its acquisition of Marcor and Montgomery Ward, this company which has been looking and prowling and rambling throughout the entire economic marketplace looking for something to gobble up because it has too much money. Remember, the oil companies came to the floor of the U.S. Senate and said they needed decontrol so they could get more money to go out and produce more oil. What more oil are they talking about?

Buying Marathon does nothing as far as producing more energy. It will not add one drop of oil to this Nation's resources.

As a matter of fact, Mobil is trying day in and day out to buy up companies in this country that do not add anything to the energy productive resources of our Nation.

It was Mobil who just recently attempted to buy up Conoco. That would not have added anything to the energy resources of this country.

I believe it is high time that this administration, the Department of Justice Antitrust Division, and the Federal Trade Commission be advised and notified and told by the U.S. Congress:

> We expect you to obey the law. We expect you to do what your predecessor did. We expect you to follow the Supreme Court decisions. We expect you to have some concern for small business and for the local concerns of the people of Findlay and other small cities throughout this country. We think it is high time that someone spoke up and said that this excessive concentration is not good for the Nation.

What good would the Mobil acquisition of Marathon do? Who needs it? What will it add? What will it contribute?

If anyone can tell me that it will add one single iota of value to the economic mainstream of America I would like to learn about that fact.

All of these problems of small business, all of the concerns for local communities, all of the problems of excessive concentration—all of this is part of the central tradition of antitrust. It is now scorned and disdained by Messrs. Baxter and Miller, despite clear congressional concern for these small businesses and localities throughout our Nation's history.

Senator GORTON, a distinguished Member of the majority, said in connection with the Miller nomination:

> The administration is saying that it is its intent unilaterally to retreat from this congressional policy without bothering to amend the current laws or to consult with the Congress . . . Its statements amount to a signal to the business community that violations of current law will be tolerated in certain areas, a signal that may have already been received and acted upon.

I commend the distinguished Senator from Washington. I commend him for his astuteness. I commend him for zeroing in exactly to the nub of the problem.

And I share his further thoughts when he says that:

> The current merger wave involving some large individual merger drives has already tied up substantial amounts of credit, making it even more unavailable to small businesses which seek to expand and contributing further to the continuing intolerably high levels of interest rates.

Said he further:

> Certainly, the acquisition of existing facilities rather than investing in new plants and equipment does not lead to economic growth.

The Senator was right on the money, right on the button.

Vertical mergers are no longer suspect, according to Mr. Baxter, despite the fact that there are clear Supreme Court precedents. When he was asked his authority for repudiating these clear Supreme Court decisions, Mr. Baxter could not come up with a merger case but only the Sylvania case. Unfortunately for him that case deals not with mergers but only with a faltering company's quite loose locational franchising agreements.

Is it any wonder that Mobil felt free to try to swallow up Marathon? That other huge oil behemoths are waiting in the wings?

Is it any wonder that lawyers have wondered how to advise their clients with Baxter's speeches on one hand and Supreme Court decisions on the other?

Is it any wonder that a Dillon Read partner has predicted that the Baxter

views "should spark a 10- to 15-percent pickup in merger activity"?

These mergers do the economy and our Nation little good. As the President of Marathon has stated:

> Everybody in the United States who suffered through the energy shortage has got to ask this administration and Congress whether this kind of acquisition is going to increase the Nation's oil reserves by a single barrel. How much oil might Mobil find with the $5 billion they're offering for Marathon? If they had taken the money they spent for Marcor and used it in their oil exploration program, they might have found enough reserves on their own that they would not need ours now. Just when the public was beginning to get a better understanding of oil industry economics, Mobil, with its high-handed arrogance, seems to be trying to set back public attitudes to the days of the Standard Oil trust.

Many mergers, particularly of the conglomerate and vertical variety, are highly inefficient. Many come about by reason of the price-earnings ratio of one company to the other. Many have to do with the ability of companies to use their excess cash and their obligations to put it to work or to distribute it to their stockholders.

The Exxon Corp., which I mentioned before, bought the Reliance Electric Co. for $1.3 billion. They came before our committee and put on a magnificent demonstration and showed us how this wonderful new piece of equipment was going to work, and told us it was going to save a million barrels of oil a day. Who amongst us lowly Senators could question the credibility, the representations of the world's largest industrial company, Exxon? How could we challenge that? They must know what they are doing.

A year later they found that the devise was a dud and they were embarrassed. But the fact is they have gobbled up Reliance Electric Co. in my own home community.

Contrary to Mr. Baxter's notions that mergers come from acquired company inefficiencies, acquisition-minded executives look for highly profitable companies. They are out there in the field now with billions of dollars of credit money tied up, credit that is not available to small business people, not available for people who want to use it for their homes, not available for people who want to buy automobiles, not available for the economy, not even available to the U.S. Government. They have tied up $60 billion in dollars committed to make acquisitions.

There is something sad about all of that. I believe it appropriate that this body indicate by its support of this amendment its concern for the failure to abide by the laws of this country. This proposal does not call for any new legislation. It does not call for any change of the laws. It calls only for the administration at the FTC level and at the Antitrust Division level to abide by the laws that are presently on the books of our country. I think that is little enough to be asking.

Mr. President, 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. METZENBAUM. Mr. President, I ask unanimous consent that Senator PROXMIRE be added as a cosponsor of the amendment.

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

Mr. KENNEDY. Mr. President, I rise to support the amendment of the Senator from Ohio. The resolution we have introduced today as an amendment to the Justice Department appropriations bill will send an important message to the department and to the business community.

We are telling the Attorney General and his chief assistant for antitrust that Congress intends the antitrust laws of our Nation to be enforced fully and vigorously. On a bipartisan basis, the Senate is saying that we regard antitrust enforcement as important and particularly timely now for the American consumer and small businesses throughout our country. At the same time, this amendment will send a message to Wall Street. Large corporations may be tempted to evade the statutes and controlling Supreme Court decisions because of lax enforcement or disparagement of antitrust law by Justice Department officials. But those companies and their attorneys should know that the Congress will insist that our antitrust laws are enforced.

Every administration shapes its own policies and priorities for enforcement. But when storm signals mount that our antitrust enforcement agencies may disregard the laws passed by Congress, because they disagree with Congress' judgment, it is time for Congress to exercise its oversight responsibility.

Antitrust laws and theories often seem complex and academic to the average citizen. But the consumers and small businessmen of America understand the basic principle of antitrust: When competition is either foreclosed, or conducted unfairly, they suffer.

Antitrust enforcement is especially crucial now. As we increase deregulation of industry, we increase our reliance on a competitive free market to protect the public interest. While inflation continues to plague us, removing artificial restraints on price competition remains an important part of any anti-inflation program. As the Senate noted yesterday, pressures on available credit are increased when unproductive merger offers and the target companies defensive response tie up millions of dollars of available credit.

Above all, when the attorney general or his assistants, and the head of the FTC, disagree with the laws of the books, or with a clear line of Supreme Court precedent interpreting them, the proper course under our system is to ask Congress to change the law. Agency heads may not arrogate to themselves the right to nullify our antitrust laws by refusing to enforce them.

The press has carried several reports quoting businessmen and attorneys who state that the department's signals of weak antitrust enforcement are seen as a free flag to undertake questionable mergers. For example the Washington Post reported:

> Wall Street financiers are being told by their lawyers that almost any merger is worth a try. Things are being proposed that never would have been proposed by companies before the Reagan administration took office.—(Wash. Post Aug. 3, 1981)

The Wall Street Journal reported a warning by Robert Pitofsky, a distinguished antitrust lawyer and former commissioner of the Federal Trade Commission:

> Mr. Pitofsky contends that by raising doubts about whether many proscribed practices remain so, the Reagan administration may break down self regulation by business, tempting it to try a variety of harmful practices. (Wall Street Journal, Aug. 11, 1981.)

One particular concern is Mr. Baxter's disdain for Government challenge to vertical mergers or vertical restraints of trade between manufacturers and their suppliers or distributors. Yet Congress and the Supreme Court have made amply clear this is an important area of antitrust violations under the law. Mr. Baxter and Mr. Miller have an obligation to follow the law.

At recent hearings of the Senate Judiciary Committee several colleagues and I questioned Mr. Baxter about this failure to enforce the laws vigorously. His responses were not satisfactory.

Mr. Baxter had indicated he sees little place in antitrust enforcement for concern about the survival of small business in the face of alarming economic concentration. But Congress made clear when it enacted the Celler-Kefauver amendments to the Clayton Act in 1950 that in addition to preserving the "invisible hand" of competition, it sought to preserve the opportunity for smaller business to survive. The Supreme Court acknowledged this intent in its decision in *Brown Shoe Co.* v. *United States*, 370 U.S. 294, 312–323 (1962).

I supported the free market, and I have worked for many years to end unnecessary economic regulation. But we must also make sure, through strong antitrust enforcement, that the market is, in fact, a free and competitive one.

(By request of Mr. ROBERT C. BYRD, the following statement was ordered to be printed in the RECORD:)

● Mr. LEAHY. As Senators we have spoken often in the last few years about the need to protect this Nation's vital resources. But among the strong and vital ingredients in our economic life which is rarely identified as a resource is the competitive marketplace. I believe that this resource is threatened today as it has not been in generations by a trend toward economic concentration in business and industry. And because of this threat I rise to cosponsor this resolution on antitrust enforcement.

While this Congress has been working hard on legislation to deconcentrate governmental power and to widen the au-

thority to make decisions, the antitrust policies of this administration seem designed to reconcentrate industry and replace narrow and top-heavy Government decisionmaking with narrow and top-heavy industry decisionmaking.

I will concede that the final ending has not been written to the administration's merger policies, but I worry about the early trends. Here are a few of the signs I see:

Virtual abandonment of certain areas of enforcement, such as vertical mergers and resale price maintenance;

The dropping of antitrust cases inherited from previous administrations;

Repeated pronouncements that set an unmistakable tone, like "Bigness is not bad"; and

Switching the Government's role in private antitrust suits by promising to support defendants with amicus briefs rather than plaintiffs.

These are a few obvious signs. I also see the outlines of a policy that defines harm narrowly to mean only the threat of impairment to competition in a specific market, even if that policy means all but a few competitors will disappear from the marketplace and even if the trend to merge will create an intense concentration of capital.

The American democracy works for some reasons that are clear and are grounded in the Constitution and for other reasons that are less clear and are founded in social traditions and economic patterns that are as much a part of what we are as the Bill of Rights. If it would be excessively rosy to suggest that we have corporate democracy in America, it is no exaggeration to say that the decisions made by the marketplace are protected from errors and rash extremes because of the great number an diversity of corporate managers making those decisions. I would find it hard to believe that a few centralized corporate decisionmakers would do as well or would be an improvement over the few government agency decisionmakers whose power we are trying so hard to curtail and reassign to a broader constituency.

It is safe to conclude that there is little administration interest in vertical mergers, while horizontal mergers will be weighed against a wide variety of factors in addition to those in the present merger guidelines.

There is considerable agreement that conglomerate mergers have no immediate, significant impact on competition. But this is far from justifying a conclusion that an accelerating trend to conglomerate mergers will not affect the fabric of life in the country. While the potential competition theory has not been widely used in the recent past because of difficulties of proof inherent in the theory, the area is important and would benefit from keen analysis in the Justice Department and at the FTC.

So far I have been speaking of substance rather than process, the merger issues rather than the means by which new policies evolve. But I must add that the process disturbs me even more than the policy changes I have been able to discern so far. Traditionally, enforcement priorities at the Justice Department and the FTC are matters within the sound discretion of the President's appointees, the Attorney General and the Chairman of the FTC. Enforcement priorities reflect the application of scare resources to an order of priorities, where all of the enforcement goals under law cannot be achieved or cannot be achieved at one time.

But I wonder if prosecutorial discretion is not being used at the present time to effectively amend statutes whose goals are deemed archaic or out of step with currently popular economic analysis. The legislative history of the amendment of section 7 of the Clayton Act in 1950 reflects that Congress was concerned with more than the protection of competition, though that was the primary goal. Congress was clearly concerned with the disappearance of small enterprise in favor of a few dominant giants and with the progressive concentration of capital. The Supreme Court in the 1950's and 1960's made it clear that it looked beyond strict economic considerations to the threat of concentration in evaluating a number of horizontal mergers.

Thirty years of fairly consistent interpretations should not be cast aside in the name of arranging priorities, but should be changed only after serious consideration both by the enforcement agencies involved and the Congress.

The independent agencies have always served as a protection against precipitate action by any given administration, and I think it demeans no one to urge that policy changes at the FTC be undertaken with deliberation and only after consultation with Congress.

Merger policies can affect the health and dimension of the business sector for generations. The resolution introduced in the Senate today will reaffirm the will of Congress to have its laws enforced as they are written, until those for whom concentration is no threat are successful in getting those laws changed.●

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I rise in opposition to the resolution introduced by the distinguished Senator from Ohio. I am not opposed to the overall objective of the resolution which is to express support for active and vigorous enforcement of the antitrust laws. But I believe that certain parts of the assertions in the preamble tend to overstate the facts and law relating to mergers. I thus now offer a substitute resolution which I believe accurately reflects the sense of the Senate on antitrust enforcement.

I also add that the resolution I am offering by way of a substitute is not intended to restrict the ability of the Department of Justice or the Federal Trade Commission to use their resources as they see fit in antitrust enforcement.

I believe that both Mr. Baxter, Assistant Attorney General for Antitrust, and Mr. Miller, Chairman of the Federal Trade Commission, are devoted to a faithful and vigorous enforcement of the laws.

These are well-qualified and able men and admirable appointments by the President.

Thus, this resolution is offered for the sole purpose of expressing the continuing interest of this body in the enforcement of the antitrust laws. However, the Department of Justice and the FTC can and must be free to direct their limited enforcement resources to those areas they deem most effective and beneficial to the public interest which, I believe, they have been doing so far and will continue to do in the future.

UP AMENDMENT NO. 611

Mr. President, I send to the desk a substitute amendment.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from South Carolina (Mr. THURMOND) for himself, Mr. HATCH, Mr. SPECTER, Mr. EAST, Mr. GORTON, Mr. LAXALT, and Mr. WEICKER proposes an unprinted amendment numbered 611:

In lieu of the language proposed to be inserted, insert the following:

The Congress enacted the Sherman Antitrust Act in 1890, the Federal Trade Commission and Clayton Acts in 1914, and the Celler-Kefauver Act in 1950;

Vigorous enforcement of the antitrust laws, including those against mergers which may have the effect of substantially lessening competition or which tend to create a monopoly, is essential to the operation of a competitive economy, and lies at the heart of our nation's historic commitment to a free and open marketplace;

Antitrust enforcement efforts are of particular significance in a climate of increased government deregulation of business, in order to assure that the economic marketplace remains competitive;

Now, therefore it is the sense of the Senate that:

(1) The Department of Justice and the Federal Trade Commission seek actively and vigorously to enforce the antitrust laws; and

(2) Monies appropriated under this bill shall be expended in a manner consistent with this resolution.

Mr. THURMOND. Mr. President, I ask for action on this substitute amendment.

The PRESIDING OFFICER (Mr. MATTINGLY). The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I am aware of the substitute amendment offered by the distinguished chairman of the Judiciary Committee. I feel that the amendment, the substitute, bears the thrust of the concerns that I have expressed.

I respect very well the fact that each of us has a different way of starting the same proposition, but the fact that his amendment specifically provides that it is the sense of the Senate that the Department of Justice and the Federal Trade Commission seek actively and vigorously to enforce the antitrust laws means that we will have spoken, and spoken as only the Senate can speak in these terms. It will effectively accomplish the purpose, and I am, therefore, prepared to accept this substitute. It is my understanding that Senator DANFORTH, who is a cosponsor, is also ready to accept it.

Mr. THURMOND. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. METZENBAUM. Pardon me, Mr. President, if I accept the substitute, do I

understand the Senator from South Carolina is asking for the yeas and nays?

Mr. THURMOND. I think we had better have the yeas and nays.

Mr. METZENBAUM. On the substitute?

Mr. THURMOND. On the substitute.

Mr. METZENBAUM. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. METZENBAUM. If I accept the substitute, is there need for the yeas and nays?

The PRESIDING OFFICER. The Senator from Ohio has the yeas and nays for his amendment.

Mr. METZENBAUM. I am sorry.

The PRESIDING OFFICER. The Senator from Ohio has got the yeas and nays on his amendment. Therefore, it would take unanimous consent for him to modify his amendment by way of accepting the amendment offered by the Senator from South Carolina.

Mr. METZENBAUM. Mr. President, I ask unanimous consent——

Mr. THURMOND. Mr. President, I object to the unanimous-consent request and ask for the yeas and nays on the substitute.

The PRESIDING OFFICER. The Chair will first hear the inquiry and request of the Senator from Ohio.

Mr. METZENBAUM. I cannot hear the Chair.

The PRESIDING OFFICER. The Senator has a request in process. Did the Senator from Ohio request to continue his statement, his unanimous-consent request? The Chair thought the Senator was in the process of doing that.

Mr. METZENBAUM. Let me get the parliamentary situation clear. I have had a rollcall agreed to with respect to my amendment. The Senator from South Carolina has offered a substitute and I have indicated my willingness to accept the substitute. The Senator from South Carolina has indicated he wishes the yeas and nays with respect to the substitute. Under those circumstances since it would seem to me to be unnecessary to have to vote inasmuch as I am prepared to accept the substitute, I am prepared to, and I ask, unanimous consent then to vitiate the order for the yeas and nays on my original amendment since the one rollcall would be for both.

The PRESIDING OFFICER. Is there objection to vitiating the yeas and nays on the rollcall of the Senator from Ohio's amendment? If there is no objection——

Mr. THURMOND. Mr. President, I have no objection to that. I want a rollcall vote on my substitute.

The PRESIDING OFFICER. Without objection, it is so ordered. The yeas and nays have been vitiated on the amendment of the Senator from Ohio.

Mr. METZENBAUM. I am sorry, I did not hear the Chair.

The PRESIDING OFFICER. Without objection, the yeas and nays are vitiated on the amendment offered by the Senator from Ohio.

Mr. BUMPERS. Mr. President, reserving the right to object——

Mr. THURMOND. Mr. President, I have asked for the yeas and nays.

Mr. BUMPERS. Mr. President, reserving the right to object——

Mr. THURMOND. They have been ordered, I believe, on the substitute.

The PRESIDING OFFICER. They have not, sir.

Mr. THURMOND. I ask for the yeas and nays on the substitute.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BUMPERS. Mr. President, is there a unanimous-consent request pending?

The PRESIDING OFFICER. There is no unanimous-consent request pending.

Mr. METZENBAUM. It is my understanding, Mr. President, that the Senator from Arkansas had reserved the right to object with respect to my unanimous-consent request; is that correct? That is my understanding.

The PRESIDING OFFICER. The Chair was waiting to see if there was an objection to the request and the Chair ruled there was no objection.

Mr. THURMOND. Mr. President, I ask for the yeas and nays on my amendment and that we proceed to a vote.

The PRESIDING OFFICER. The yeas and nays have already been ordered on the amendment of the Senator from South Carolina. The question is on agreeing to the amendment of the Senator from South Carolina to the amendment of the Senator from Ohio. Is there further debate?

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii has the floor.

Mr. INOUYE. Mr. President, I yield to the Senator from Arkansas.

Mr. BUMPERS. Mr. President, the Senator from Ohio and the Senator from South Carolina are both saying approximately the same thing. The resolution of the Senator from South Carolina is acceptable to the Senator from Ohio. However, I would like to say a few words to express my view that we ought to be taking more substantive action than a sense-of-the-Senate resolution, which all of us know does not have a binding effect.

It occurs to me that if you look at the history of the antitrust laws of this country, the reasons for them, as originally adopted and carried out by Teddy Roosevelt are more compelling now than they were when they were originally passed.

I do not know how much of this information the Senator from Ohio has put into the RECORD, but I would like to make a few points about mergers that have been going on apace in this country to dramatize how critical this problem has become.

As of July 20, 1981, seven large companies lined up $26.9 billion in credit. That was seven companies, some of whom were seeking to take over Conoco. Conoco did not seek to be taken over. Du Pont, which finally acquired Conoco, borrowed somewhere between $6 and $6.5 billion, I forget the exact size of the figure, to consummate that sale.

What is $6.5 billion in this country? Consider this example, Mr. President. All of the New York City banks combined increased their commercial and industrial loans in 1980 by $6 billion. In other words, Du Pont borrowed more to take over Conoco than all the banks of New York City increased their commercial and industrial loans during a full year.

For a period of time, almost $27 billion in credit was tied up in a country where credit is supposed to be tight and where credit tightness is causing the exorbitant interest rates which everybody deplores. The effect of that absorption of credit, of course, is that we get no more jobs; we do not get any more competition. On the contrary, it is anticompetitive, and it certainly makes it a lot tougher for the small business people of this country to borrow money. They are dropping like tenpins all over the country.

Acquisitions have been occurring long before Mobile and du Pont and Seagram and others were trying to take over Conoco. Consider this statistic, Mr. President. Between January 1977 and the time we began phasing in the decontrol of oil prices in this country, in May 1979, the top 20 oil companies of the country acquired 32 other companies. That is according to CRS. During that period of time, that averages 1.2 companies per month that just the top 20 oil companies were taking over.

Even more, from May 1979, when we started phasing in the decontrol of our oil prices, until about June of this year, those same companies swallowed up 42 more companies. That was an average after phased-in decontrol, not of 1.2 companies per month, but of 1.75 companies per month that just the top 20 oil companies were taking over. More importantly, listen to the size, listen to the size of the acquisitions. They increased 142 percent, going from $225 million in that first period, January 1977 to May 1979, to $544 million per acquisition since that time. That amounts to a monthly average acquisition by those 20 companies of $953 million.

In other words, Mr. President, the top 20 oil companies in this country have been spending $1 billion a month not to develop synthetic fuels, not to develop solar energy, not to drill more holes anywhere, but to buy other companies.

In the 1974 list of the Fortune 500 corporations, the 500 largest corporations in the country, seven of the top 20 were oil companies. That was in 1974, and today, 13 of the top 20 corporations in America are oil companies. They are not satisfied just with their oil operations. They are spreading out into the coal business. And listen to this: Thirteen of the top 25 coal companies are owned by oil companies and Exxon is No. 4 in coal holdings of all the companies in the country.

Mr. President, that would not be particularly bad except for a couple of things. They have the money to buy up virtually all the coal in the country. My guess is that they own about 30 to 40 percent—I think they own 40 percent of the non-Federal coal in this country right now, but do they want it in order to develop coal, produce coal, or synthetic fuel from coal? Well, I doubt it. I am not blaming Exxon or anybody else

for this, but if you were the President of Exxon, Mr. President, would you develop a synthetic fuel from coal if you saw the chance that what you might be doing is developing a barrel of oil from coal that you could market very profitably at $20 per barrel?

You would want to give the president of Exxon a saliva test if he did that, because they have 5 billion barrels of oil in the ground, which is worth $35 a barrel right now, untouched. Do you think that they are going to try to find an alternative fuel for this country at anything less than $35 a barrel? Can you see one of those annual reports going out saying, "We have some good news and some bad news. The good news is we have developed a new technology to produce oil from coal at $20 a barrel. The bad news is the value of our reserves just went down $75 billion."

That is not about to happen. Yet the oil industry continues to take over all the coal companies they can find. AMAX is one of the biggest coal companies in the United States, and it was just a few months ago that Standard of California was trying to buy AMAX for $4 billion.

Mr. President, I will tell what is happening in this country: The big conglomerates and the big oil companies are finding it a lot easier to take their newfound profits and buy other corporations than they are to improve their own productivity. If you were to ask the president of a corporation, "Why do you want to buy this; why don't you get more productive?" he would answer, "Go talk to the vice president in charge of productivity; I am too busy buying up this new company here so our annual report will look nice and fat."

So, Mr. President, I support this resolution. I applaud the Senator from South Carolina and the Senator from Ohio for agreeing on it, but the time is coming when we are going to have to address this in a much more stringent way.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. INOUYE. 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. INOUYE. Mr. President, I ask unanimous consent that the present matter be set aside temporarily in order to permit the distinguished chairman of the Judiciary Committee to bring up another matter.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

UP AMENDMENT NO. 612

(Purpose: To indicate an intent that funds shall be used for the preparation of recommendations for the exchange of computerized records)

Mr. THURMOND. Mr. President, on behalf of the distinguished Senator from Kansas (Mr. DOLE), I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from South Carolina (Mr. THURMOND), on behalf of the Senator from Kansas (Mr. DOLE), proposes an unprinted amendment numbered 612:

On page 22, line 9, before the period, insert the following: "including the preparation and submission of recommendations as to whether the Federal Government should provide communications systems, networks, and data bases for the exchange of criminal records, provided that no part of any appropriation contained in this Act may be used to engage in message-switching until a plan for such message-switching has been approved by the appropriate committees of the House of Representatives and the Senate, including the Judiciary Committees".

(By request of Mr. THURMOND, the following statement was ordered to be printed in the RECORD:)

● Mr. DOLE. Mr. President, as a member of the Senate Judiciary Committee, I have had ample opportunity to review certain functions within the Department of Justice. No one is more aware than the Senator from Kansas of the need to be cautious and selective in the manner in which we will spend the limited funds appropriated to operate our Federal Government. However, there are several areas of special concern to me which I believe should receive priority treatment.

One such area is the Federal Bureau of Investigation's computer operations. For the last 10 years, the National Crime Information Center—the NCIC—has been a subject of considerable controversy. This controversy has focused primarily on the question of whether, and in what manner, the data contained in the NCIC should be part of a program providing for the interstate exchange of criminal records.

At this time, there is an operational system which permits the exchange of State criminal history information. I am referring to the National Law Enforcement Telecommunications System—NLETS. NLETS is a privately-maintained system in which each State maintains its own criminal history records and must make a separate inquiry of every other State when information is required regarding suspected multistate offenders. One of the advantages of NLETS is that it permits States to exercise control over their own criminal history data. There is merit to the argument that local law enforcement officials should be given a significant role in the decision to maintain, purge, and/or update their computerized criminal records.

However, NLETS has been the target of a good deal of criticism because it lacks a centralized index to the records maintained by other States. It has been argued that a centralized index would facilitate the exchange of criminal history data between and among the States. One of the arguments made in opposition to the use of a centralized index is that it would be the first step toward a national data bank in the hands of the FBI and that it could ultimately jeopardize the civil rights of all of us.

There is no question that we must insure the security, integrity, accuracy, and privacy of data of this nature and that we must exercise a degree of control over the uses to which such data is put. However, there remain serious differences of opinion as to how these goals are to be accomplished.

The FBI has already commenced a pilot program to test the interstate exchange of criminal data using a centralized index. This Senator believes that any such program should be delayed until we have had sufficient time to review the practical and ethical questions which have been raised and to avail ourselves of expert advice in this area.

To this end, I am introducing an amendment to H.R. 4169 to provide that a portion of the funds appropriated for the administration of the Department of Justice are to be used for the purpose of studying what the role of the Federal Government should be in the interstate exchange of criminal history data.

For the past 2 years, the Senate Judiciary Committee has voted in favor of authorizing funds for such a study. The committee has recommended that an independent entity be selected by the Attorney General and the House and Senate Judiciary Committees to submit recommendations as to the extent, if any, that the Federal Government should provide communications systems, networks, and data bases, for the distribution and use by Federal, State, local, or foreign governments or private entities, of records compiled as a result of arrests of individuals or any other criminal records.

Any such recommendation should include an assessment of the feasibility and advisability of continuing the National Crime Information Center, including the computerized criminal history program, and the other criminal record operations of the Federal Bureau of Investigation including but not limited to the criminal records operations of the FBI identification division and the automated identification system.

An assessment should also be made of the feasibility and advisability of a plan to improve the operations of those systems and of reconciling the operational redundancies among those systems. An assessment should also be made of the feasibility and advisability of incorporating national driver registry information into the computer operations of the Federal Government. In addition, the Judiciary Committee has recommended the selection of an advisory panel which would represent the interests of the Governors of the States, other users of the system, and those involved in law enforcement, civil liberties protection, and criminal justice operations.

The purposes of the study which was approved by the Senate Judiciary Committee were as follows:

First. To determine the purposes and uses of the system and related data bases by Federal, State, and local law enforcement and criminal justice agencies, by Federal, State, and local, and foreign governments, and by private sector organizations;

Second. To determine whether foreign entities and agencies other than law enforcement and criminal justice agencies should be allowed access to data contained in the system for purposes which are not related to law enforcement and criminal justice needs of the United States, and, if so, the policies and procedures for such access;

Third. To determine the functional, informational, and data service requirements to meet those recommended purposes and uses, with particular regard to the intergovernmental exchange of data;

Fourth. To establish standards for system and data integrity and quality of service, including standards for the relevancy, accuracy, reliability, and completeness of data accessible in or through the system, as well as methods for insuring that irrelevant, inaccurate, obsolete, or incomplete data is identified in a timely fashion and corrected or eliminated from the system;

Fifth. To establish privacy, confidentiality, and security requirements that any Federal, State, or local agency, or private sector organization, shall meet in order to gain access to the system, including standards as to use, who is responsible for maintaining the data, who has access to the data, what types of data are to be maintained, mechanisms for insuring data accuracy, reliability, security, and completeness, and an agreement by the State or Federal agency to be audited for compliance with such standards;

Sixth. To require that data be submitted by all Federal law enforcement and criminal justice agencies, including data with respect to the arrest and disposition of Federal offenders;

Seventh. To establish procedures for the audit of Federal, State, and local level programs;

Eighth. To develop effective sanctions for misuse of data and improper distribution of data, including legislative recommendations with respect to such sanctions;

Ninth. To provide procedures to enable an individual to have access to, review, and challenge any information pertaining to him contained within the system;

Tenth. To provide for an annual report to the Congress on the system including problems relating to the data contained in the system, the technology employed, the utility of the system, a breakdown—by level of Government—of the number of files maintained in the system on multistate offenders, Federal offenders, and single-State offenders, a breakdown—by category of users—of requests for information, and legislative and regulatory recommendations with respect to improvement of the system;

Eleventh. To provide a timetable for the implementation of the plan, the costs of such implementation, and recommendations for the funding of the system;

Twelfth. To determine whether the maintenance and management of the system should be by the States pursuant to Federal guidelines, the Federal Bureau of Investigation, another organization within the Department of Justice, or a combination thereof;

Thirteenth. To determine whether the computerized criminal history program should be separated from the National Crime Information Center;

Fourteenth. To make recommendations on the following:

First. With respect to criminal history information for single-State offenders, a requirement that criminal fingerprint cards only may be included in the Federal component of the system;

Second. The definition of "multistate offender," and appropriate policies and procedures for the maintenance of information on multistate offenders;

Third. The establishment of an automated interstate identification index to provide identifying information to Federal and State agencies, such index to consist solely of personal identifiers of an individual, the individual's FBI number, the individual's State identification number, and a notation of the existence of a criminal fingerprint card, and not to include charge or offense data;

Fourth. Whether message-switching of information contained in any system should be allowed. "Message-switching" means the use of electronic equipment to receive a message, store that message until an outgoing line is available, and then retransmit the message without any direct connection between the line on which the message was received and the line on which the message is retransmitted;

Fifth. Whether the organization charged with the management of the system shall be required to return any fingerprint card and delete the index entry upon request by the submitting State;

Sixth. The acquisition of updated technology and equipment; and

Seventh. Any other matter determined appropriate by the Attorney General or the advisory panel.

It is the sincere hope of the Senator from Kansas that this amendment be adopted and that a portion of the moneys appropriated for the administration of the Department of Justice be earmarked for a study such as the one which has been approved by the Senate Judiciary Committee during both the 96th and the 97th sessions of Congress. It should be noted that if the current pilot program to test the interstate exchange of criminal history data using a centralized index is delayed, funds being expended for the pilot program will be freed to be used for other purposes, such as the proposed study.●

Mr. METZENBAUM. Mr. President, will the Senator from South Carolina yield for a question?

Mr. THURMOND. I yield.

Mr. METZENBAUM. My question is this: I believe that, in the past, I have sponsored this amendment. Is this the same amendment that has been on the Judiciary Committee appropriation bill in the past?

Mr. INOUYE. The Senator is correct.

Mr. METZENBAUM. I thank the Senator.

Mr. WEICKER. We accept the amendment, Mr. President.

Mr. INOUYE. We also accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 612) was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

UP AMENDMENT NO. 611

Mr. THURMOND. Mr. President, I suggest action on the matter now before the Senate.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment of the Senator from South Carolina to the amendment of the Senator from Ohio.

Mr. THURMOND. It is a substitute for the amendment.

The PRESIDING OFFICER. The Senator is correct.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Missouri (Mr. DANFORTH), the Senator from Alabama (Mr. DENTON), the Senator from Arizona (Mr. GOLDWATER), the Senator from Iowa (Mr. JEPSEN) and the Senator from Oregon (Mr. PACKWOOD) are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from Illinois (Mr. DIXON), the Senator from Ohio (Mr. GLENN), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Michigan (Mr. LEVIN), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. MELCHER) and the Senator from New York (Mr. MOYNIHAN), are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY), is absent because of illness.

I further announce that, if present and voting, the Senator from Illinois (Mr. DIXON), would vote "yea."

The PRESIDING OFFICER (Mr. SPECTER). Is there any Senator in the Chamber wishing to vote?

The result was announced—yeas 85, nays 0, as follows:

[Rollcall Vote No. 364 Leg.]

YEAS—85

Abdnor	Bradley	Cochran
Andrews	Bumpers	Cohen
Armstrong	Burdick	Cranston
Baker	Byrd,	D'Amato
Baucus	Harry F., Jr.	DeConcini
Bentsen	Byrd, Robert C.	Dodd
Boren	Chafee	Dole
Boschwitz	Chiles	Domenici

Durenberger	Kassebaum	Riegle
Eagleton	Kasten	Roth
East	Kennedy	Rudman
Exon	Laxalt	Sarbanes
Ford	Lugar	Sasser
Garn	Mathias	Schmitt
Gorton	Matsunaga	Simpson
Grassley	Mattingly	Specter
Hart	McClure	Stafford
Hatch	Metzenbaum	Stennis
Hatfield	Mitchell	Stevens
Hawkins	Murkowski	Symms
Hayakawa	Nickles	Thurmond
Heflin	Nunn	Tower
Heinz	Pell	Tsongas
Helms	Percy	Wallop
Hollings	Pressler	Warner
Humphrey	Proxmire	Weicker
Inouye	Pryor	Williams
Jackson	Quayle	Zorinsky
Johnston	Randolph	

NOT VOTING—15

Biden	Glenn	Levin
Cannon	Goldwater	Long
Danforth	Huddleston	Melcher
Denton	Jepsen	Moynihan
Dixon	Leahy	Packwood

So Mr. THURMOND's amendment (UP No. 611) was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio, as amended.

The amendment (UP No. 610), as amended, was agreed to.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BAKER. Mr. President, I have a unanimous-consent request to make. The minority has not cleared it at this time. I had hoped at this moment to propound a unanimous-consent request in respect of changing the time to resume consideration of the Export Administration bill. I am not prepared to do that.

The PRESIDING OFFICER. The Senate will be in order. The majority leader deserves our attention.

Mr. BAKER. I am not prepared to do that at this moment. But Senators should be on notice that for reasons I think are good reasons a little later I will make the request or propose to make the request that the time to resume consideration of this measure, that is to say, the Export Administration bill, be changed from 6:10 p.m. as presently ordered to 7:10 p.m. I do not now make that request, but I hope to be able to make it very shortly.

VISIT TO THE SENATE BY MEMBERS OF THE ISRAELI KNESSET

Mr. BAKER. Mr. President, I yield to the distinguished chairman of the Committee on Foreign Relations so that he may call the attention of the Senate to important visitors.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. BAKER. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. There will be order in the Senate.

Mr. PERCY. Mr. President, I thank the majority leader.

To my colleagues let me say that I have great pleasure and pride in introducing to the U.S. Senate some dear friends of the United States of America, personal friends of all of us, a delegation from the Knesset. The chairman is Prof. Moshe Arens, chairman of the Foreign Affairs Committee on Armed Services Committee; Ambassador Chaim Herzog, whom so many of us have known through the years; Ms. Sarah Doron, Mr. Shlomo Hilel, Mr. Joseph Rom, and Mr. Dan Rosolio.

Members can, if they have not already introduced themselves, now step over and introduce themselves to our distinguished guests, and we will then resume our meeting down in S-116. I thank the majority leader very much indeed.

RECESS

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate stand in recess for 1 minute so we can visit with our distinguished guests.

There being no objection, the Senate, at 5:09 p.m., recessed until 5:10 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. SPECTER).

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1982

FIRST EXCEPTED COMMITTEE AMENDMENT—PAGE 2, LINES 17 THROUGH 23

The PRESIDING OFFICER. The question recurs on agreeing to the first committee amendment.

Mr. INOUYE. The yeas and nays are ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. HELMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HELMS. Is the first excepted committee amendment the amendment that relates to the farm census? Will the Chair state the title of the amendment?

The PRESIDING OFFICER. The Chair does not interpret, but the Chair can state that the amendment is now found on page 2, lines 17 through 23.

Mr. HELMS. I think the point has been made, Mr. President. I thank the Chair.

The PRESIDING OFFICER. The yeas and nays have been ordered on agreeing to the amendment. The clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Missouri (Mr. DANFORTH), the Senator from Alabama (Mr. DENTON), the Senator from Arizona (Mr. GOLDWATER), the Senator from Iowa (Mr. JEPSEN), and the Senator from Oregon (Mr. PACKWOOD) are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from Illinois (Mr. DIXON), the Senator from Ohio (Mr. GLENN), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Michigan (Mr. LEVIN), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. MELCHER), and the Senator from New York (Mr. MOYNIHAN) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I further announce that, if present and voting, the Senator from Montana (Mr. MELCHER) would vote nay.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 3, nays 82, as follows:

[Rollcall Vote No. 365 Leg.]

YEAS—3

Chafee	Gorton	Mathias

NAYS—82

Abdnor	Garn	Pell
Andrews	Grassley	Percy
Armstrong	Hart	Pressler
Baker	Hatch	Proxmire
Baucus	Hatfield	Pryor
Bentsen	Hawkins	Quayle
Boren	Hayakawa	Randolph
Boschwitz	Heflin	Riegle
Bradley	Heinz	Roth
Bumpers	Helms	Rudman
Burdick	Hollings	Sarbanes
Byrd, Harry F., Jr.	Humphrey	Sasser
	Inouye	Schmitt
Byrd, Robert C.	Jackson	Simpson
Chiles	Johnston	Specter
Cochran	Kassebaum	Stafford
Cohen	Kasten	Stennis
Cranston	Kennedy	Stevens
D'Amato	Laxalt	Symms
DeConcini	Lugar	Thurmond
Dodd	Matsunaga	Tower
Dole	Mattingly	Tsongas
Domenici	McClure	Wallop
Durenberger	Metzenbaum	Warner
Eagleton	Mitchell	Weicker
East	Murkowski	Williams
Exon	Nickles	Zorinsky
Ford	Nunn	

NOT VOTING—15

Biden	Glenn	Levin
Cannon	Goldwater	Long
Danforth	Huddleston	Melcher
Denton	Jepsen	Moynihan
Dixon	Leahy	Packwood

So the committee amendment on page 2, lines 17–23, was rejected.

Mr. THURMOND. I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate will be in order.

THIRD EXCEPTED COMMITTEE AMENDMENT

Mr. THURMOND. Mr. President, I ask for the yeas and nays on excepted committee amendment No. 3.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the third excepted committee amendment.

Mr. THURMOND. Mr. President, I should like to say a word on it.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, this is the House committee amendment:

> No part of any appropriation contained in this title shall be obligated or expended for promoting or conducting trade relations with Cuba.

That was the House provision. Who could object to that? However the Senate committee struck that out. It is my position that that House provision should be retained in the bill. I ask for a vote on it.

Mr. WEICKER. Mr. President, I am going to synopsize in about 1 minute, then I am going to be offering a substitute amendment of my own.

The question was asked by the distinguished Senator from North Carolina, "who could object to that?" Well, the U.S. Senate ought to object to it and, certainly, the members of the Committee on Foreign Relations ought to object to it.

We are not going to make foreign policy in a little bit of ad hoc activity here on the Senate floor, throwing out a few buzz words.

Mr. President, I repeat what I said earlier, which is that we have had no foreign policy in the Caribbean, Central America, Cuba, or anywhere else in that part of the world. We have not had it for 30 years. That is the reason why the Soviet Union is wandering willy-nilly in that part of the world without any effort by the United States to compete in terms of ideas, products—you name it.

Mr. MATHIAS. Will the Senator yield for a question?

Mr. WEICKER. I do yield to my good friend, the distinguished Senator from Maryland.

Mr. MATHIAS. The Senator from South Carolina says, who would object? I wonder if the Senator from Connecticut, the manager of the bill, could tell us whether the President of the United States has objected?

Mr. WEICKER. I have not heard from the President of the United States.

Mr. MATHIAS. So he has not objected.

Mr. WEICKER. He has not objected.

Mr. THURMOND. Mr. President——

Mr. WEICKER. I do not yield at this time.

So that we all do not get into one of these rhetorical traps, so that we are not blown over by fearing to stand up against some pretty volatile words and phrases, I think the time has come for the United States to establish a foreign policy; and that foreign policy should be constructed by the President of the United States, the Secretary of State, and the Foreign Relations Committee of the U.S. Senate. It is our prime responsibility here, so that we can remove the Soviet presence from the Western Hemisphere.

Right now, the foreign policy consists of name calling. One day it is Mr. Castro doing a number on our Chief Executive and/or Secretary of State, and the next day it is the two of them doing a number on Mr. Castro. What kind of foreign policy is that?

The language I propose as a substitute will read as follows:

"It is the sense of the Senate that the president, in consultation with the Congress, develop an effective foreign policy to address expansion of the economic and political influence of the Soviet Union in the Carribean region generally and in Cuba specifically;

"*Provided* further that in developing such a policy the president shall consider the full range of economic and diplomatic relations with the nations of the region in order to promote stability, human rights and economic development for the people of the region."

At least, we get this back into its proper order.

Obviously, I have the general objection of all the legislation that is being heaped on our appropriations bills. But, sooner or later, I think it is necessary that we follow the proper constitutional process. Otherwise, let us eliminate all the authorizing committees, and we can run this place with the Appropriations Committee, the Budget Committee, and the Finance Committee.

I was in Cuba about a year and a half ago. Since we are specifically on the matter of trade—never mind ideology—if anybody thinks that what is in that country is solely a product of Cuba or the Soviet Union, let me tell you that it has been Japan, Italy, France, Canada, West Germany, and England. Every other free, democratic nation in the world has its products in Cuba.

I am not advocating or putting an amendment on this bill that dictates our foreign policy, that we should normalize relations, or that we should trade. But if the Mideast is a priority, then our own part of the world should be our own priority, and it is not.

The reason why the Soviet Union runs footloose and fancy free, whether it is in Cuba or Central America or wherever, is that we have no foreign policy, and that part of the world looks to every part of the world except the United States.

The Senator from North Carolina, one of the principal sponsors of this amendment, is a member of the Foreign Relations Committee. Why is it that he cannot accomplish it in his own committee, rather than come to an appropriations bill? It is obvious that the headlines have not necessarily always been in the Western Hemisphere and, more particularly, Central America and the Caribbean. Now we are starting to get some, as the sham of our policy becomes obvious, and nation after nation is flirting with some alternate form of government to the ones that exist and that we have been supporting.

I cannot think of a greater priority for the Senate and for our generation to truly once again establish our Nation as the preeminent influence in that part of the world.

So, I hope that at least as a beginning, to that end, and without anybody fearing that they have voted for Castro or for communism—as a beginning—the Senate will support this substitute amendment. It just does not say that we are going to cut off funds or are not going to have funds to do anything with trade, but it specifically directs everybody to the job that needs to be done.

UP AMENDMENT NO. 613

Mr. President, I send to the desk a substitute for the language proposed to be stricken by the committee amendment on page 12, lines 1 to 3.

I ask unanimous consent that the name of the Senator from Hawaii (Mr. INOUYE) be listed as a cosponsor.

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

The amendment will be stated.

The bill clerk read as follows:

The Senator from Connecticut (Mr. WEICKER), for himself and Mr. INOUYE, proposes an unprinted amendment numbered 613.

Mr. WEICKER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

In lieu of the language proposed to be stricken by the committee amendment starting on page 12, line 1, insert the following:

"It is the sense of the Senate that the President, in consultation with the Congress, develop an effective foreign policy to address expansion of the economic and political influence of the Soviet Union in the Caribbean region generally and in Cuba specifically: *Provided further*, That in developing such a policy the President shall consider the full range of economic and diplomatic relations with the nations of the region in order to promote stability, human rights and economic development for the people of the region."

Mr. WEICKER. Mr. President, 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. THURMOND. Mr. President, is the Senator willing to add the House language back to his amendment?

Mr. WEICKER. Yes; I would be more than willing. If the Senator would like to have the House language and my language, I have no problem with accomplishing something along that line. Would the Senator like to suggest the absence of a quorum?

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

Mr. HELMS. Will the Senator withhold that? Then I will put in a quorum call.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, the able Senator from Connecticut raised a question about the administration's position on the House amendment which the Senate committee struck. The matter prior to any agreement that may be reached between the Senator from South Carolina and the Senator from Connecticut was on the question whether the committee amendment to strike the House language would be approved by the Senate. Senator WEICKER inquired about the administration's position on the House amendment. Both the Department of State and the Department of Commerce have informed me that they prefer the House language, which they both say reflects the administration policy.

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

Mr. WEICKER. Mr. President——

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. WEICKER. Mr. President, I am not impressed by the fact that the Department of State or the Secretary of State or the Secretary of Commerce, whoever it was, will take the House language.

It was so with the previous Secretary of State and the previous Secretary of Commerce and the Democratic administration. It was so with the Secretary of State and the Secretary of Commerce and the Republican administrations all the way back to the late 1950's.

Why is it that I have to ask that we have a change in our foreign policy? Why

is it that I have to defend a new game plan, when that is the policy that has been in place since the end of the 1950's, which has succeeded in putting the Soviet Union smack in the middle of the hemisphere? Has anybody asked themselves that question? Why are they here, and why are they being looked to more and more, not just by Cuba but by other nations in that part of the world as well?

All my amendment does, in effect, is to stop the name calling, the brickbats, the endless schism, and it starts a process going. Maybe it is after that process that everybody feels we should totally isolate Cuba. I am not here to make a judgment. I feel that that is not the way to go. But I realize that the proper forum for my ideas would be before the Foreign Relations Committee, in talking with the counselors to the administration.

If the administration does not have any commonsense, at least let us start to show it on the floor of the Senate. Maybe we have a certain air of detachment about what is going on in the Middle East or Afghanistan or Poland and the rest because of distance. But we cannot afford to goof on this one.

Since the matter has been raised and since we are going to have some legislation on an appropriations bill, at least let us make it intelligent, at least let us have it pertain to our generation and what it is we look for; because, sooner or later, this nonforeign policy in our part of the world is going to lead to armed conflict. How many crises do you think you can have before this explodes in our face?

Do you honestly feel that by leaving Cuba in a vacuum, you are doing anything other than to leave her with the Soviet Union and nobody else? That is what is happening.

The most frustrating experience I ever had in my life was, upon leaving the island of Cuba, to know that the United States was not competing, either in terms of ideas or in terms of products; to know that our ideas are better, but nobody hears them because we do not speak them; to know that our products are better, but nobody has them because we do not sell them.

I have indicated a willingness, because I think that if we get anything started, it is better than where we are. I have indicated to the distinguished Senator from South Carolina that I am willing to go ahead—if he wants to leave the House language in there, I will let that go. But then I would like my language to be added to it, and then at least we start the constitutional process, trying to do the correct thing by ourselves and by that part of the world.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THURMOND. 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. THURMOND. Mr. President, the distinguished Senator from Connecticut has agreed to accept the House wording in the bill, thus leaving the House provision in the bill. The provision reads this way:

No part of any appropriation contained in this title shall be obligated or expended for promoting or conducting trade relations with Cuba.

Mainly what I objected to was striking that out because I think it should remain in the bill.

The distinguished Senator from Connecticut has agreed to allow that provision to remain in the bill and then to add some language following it with a change in the word diplomatic "relations" to diplomatic "options" which I am willing to accept.

In view of this we will accept the provision.

Mr. WEICKER. I thank the distinguished Senator from South Carolina, my colleague.

I also wish to put in, so it moves easier, at the beginning instead of "It is the sense," "*Provided*, That it is the sense of the Senate"—just to have it move along better. That is all.

The PRESIDING OFFICER. Is the Senator asking that the amendment be modified?

Mr. WEICKER. Mr. President, I ask that my amendment be modified in the following respects.

At the beginning it shall be "at the end of the language proposed to be stricken." "At the end", instead of "in lieu of".

The PRESIDING OFFICER. Is there objection to the request of the Senator from Connecticut?

Mr. WEICKER. May I propound the entire request?

That start off "Provided that it is the sense of the Senate," and that on line 10 instead of "relations" the world "options" be inserted.

The effect of that I wish to make sure I am accomplishing by virtue of my amendment is that the House language remain intact, that then at the end of the language proposed to be stricken by the committee amendment:

Provided, that it is the sense of the Senate that the President in consultation with the Congress, develop an effective foreign policy to address expansion of the economic and political influence of the Soviet Union in the Carribean region generally and in Cuba specifically: *Provided further*, That in developing such a policy the President shall consider the full range of economic and diplomatic relations with the nations of the region in order to promote stability, human rights and economic development for the people of the region.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Connecticut?

Mr. THURMOND. Mr. President, we are willing to go along with the original House provision with the modification as explained by the distinguished Senator from Connecticut, and we wish to have a rollcall vote on this, a yea and nay vote on the committee amendment.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The modified amendment is as follows:

At the end of the language proposed to be stricken by the committee amendment starting on page 12, line 1, insert the following: "*Provided*, That it is the sense of the Senate that the President, in consultation with the Congress, develop an effective foreign policy to address expansion of the economic and political influence of the Soviet Union in the Carribean region generally and in Cuba specifically: *Provided further*, That in developing such a policy the President shall consider the full range of economic and diplomatic options with the nations of the region in order to promote stability, human rights and economic development for the people of the region."

Mr. HELMS. Mr. President, does the Senator wish to vitiate the yeas and nays on his amendment?

Mr. WEICKER. I wish a rollcall on the whole thing.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WEICKER. If I vitiate the yeas and nays on my amendment, then would the rollcall vote take place on the committee amendment as amended?

The PRESIDING OFFICER. It would.

Mr. WEICKER. Mr. President, I ask unanimous consent that the yeas and nays be vitiated on my amendment.

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

Mr. THURMOND. Mr. President, I ask for the yeas and nays on the committee amendment as it came from the House, as modified.

The PRESIDING OFFICER. They have already been ordered.

The question is on agreeing to the amendment of the Senator from Connecticut, as modified.

The amendment (UP No. 613), as modified, was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WEICKER. 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. WEICKER. Mr. President, I ask unanimous consent that the committee amendment be agreed to and that there be a yea and nay vote on the House language as amended.

Mr. HELMS. Mr. President, reserving the right to object, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. 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. THURMOND. Mr. President, I move to table the committee amendment.

Mr. HELMS. 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.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina to lay on the table the third committee amendment on page 12, striking lines 1 through 3. The clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from Missouri (Mr. DANFORTH), the Senator from Alabama (Mr. DENTON), the Senator from North Carolina Mr. EAST), the Senator from Arizona (Mr. GOLDWATER), the Senator from California (Mr. HAYAKAWA), and the Senator from Oregon (Mr. PACKWOOD) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. EAST) would vote yea."

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Illinois (Mr. DIXON), the Senator from Ohio (Mr. GLENN), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Michigan (Mr. LEVIN), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. MELCHER), the Senator from New York (Mr. MOYNIHAN), and the Senator from Colorado (Mr. HART), are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY), is absent because of illness.

The PRESIDING OFFICER (Mr. BOSCHWITZ). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 84, nays 0, as follows:

[Rollcall Vote No. 366 Leg.]

YEAS—84

Abdnor	Garn	Pell
Andrews	Gorton	Percy
Armstrong	Grassley	Pressler
Baker	Hatch	Proxmire
Baucus	Hatfield	Pryor
Bentsen	Hawkins	Quayle
Biden	Heflin	Randolph
Boren	Heinz	Riegle
Boschwitz	Helms	Roth
Bradley	Hollings	Rudman
Bumpers	Humphrey	Sarbanes
Burdick	Inouye	Sasser
Byrd, Harry F., Jr.	Jackson	Schmitt
	Jepsen	Simpson
Byrd, Robert C.	Johnston	Specter
Chafee	Kassebaum	Stafford
Chiles	Kasten	Stennis
Cochran	Kennedy	Stevens
Cohen	Lamalt	Symms
Cranston	Lugar	Thurmond
D'Amato	Mathias	Tower
DeConcini	Matsunaga	Tsongas
Dodd	Mattingly	Wallop
Dole	McClure	Warner
Domenici	Metzenbaum	Weicker
Durenberger	Mitchell	Williams
Eagleton	Murkowski	Zorinsky
Exon	Nickles	
Ford	Nunn	

NOT VOTING—16

Cannon	Goldwater	Long
Danforth	Hart	Melcher
Denton	Hayakawa	Moynihan
Dixon	Huddleston	Packwood
East	Leahy	
Glenn	Levin	

So the motion to lay on the table the committee amendment on page 12 to strike lines 1 to 3 was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER TO POSTPONE RECONSIDERATION OF S. 1112 UNTIL 7:10 P.M.

Mr. BAKER. Mr. President, there is an order to resume consideration of the Export Administration bill at 6:10 p.m. I ask unanimous consent that that be changed to 7:10 p.m., under the same terms and conditions.

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

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1982

The Senate continued with consideration of the bill.

UP AMENDMENT NO. 614

(Purpose: To prevent the conversion of the Portland, Maine, Weather Service Forecast Office)

Mr. COHEN. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Maine (Mr. COHEN) for himself and Mr. MITCHELL, proposes an unprinted amendment numbered 614.

Mr. COHEN. I ask unanimous consent that further reading be dispensed with.

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

The amendment is as follows:

On page 6, line 12, strike out "$835,281,000" and insert in lieu thereof "$835,390,000".

On page 6, line 13, after the comma insert the following: "of which $109,000 shall be available to prevent the conversion of the Portland Weather Service Forecast Office located at Portland, Maine, to a weather service office, and".

Mr. COHEN. Mr. President, this is a simple amendment. It is designed to correct what is otherwise a pennywise and pound foolish action that is to be taken. That is to downgrade the Portland Weather Service Forecast Office to a weather service office.

Mr. President, if there is one thing that is consistent about Maine, that is that the weather is inconsistent and rather unpredictable. It is critical to the farmers and our fishermen alike. We have had fishermen who have drowned off the coast of Maine in recent months and years and had the Coast Guard tell us that they cannot afford to have a helicopter in Maine to rescue those fishermen. Now we have a situation where we are going to downgrade one of the busiest weather service forecasting offices in the country, with seven aviation terminal forecasts and 14 weather forecasts. This will be transferred to Boston with a notion that, somehow, we are going to replace five people with one in Boston where, actually, the grade level is higher in Boston than in Maine.

I ask the committee to accept the restoration of the $109 thousand that will keep the Weather Service Forecast Office at full staff for the State of Maine, which also has jurisdiction for New Hampshire, instead of transferring this to Boston. In addition to having the Weather Service transferred to Boston, you would also have the weather forecasting transferred to Boston out of Albany, all of which I say is physically impossible.

Mr. MITCHELL. Mr. President, I join my colleague in urging the acceptance of this amendment by the committee. As Senator COHEN has stated, this is a matter of considerable importance to the people of the Northeastern part of the United States and northern New England. The proposed saving will not, in fact, be a saving. I think it makes great sense to make the restoration as requested, and I urge its acceptance by the Senate.

Mr. WEICKER. Mr. President, I understand the problem that is posed for my distinguished colleagues from Maine (Mr. COHEN and Mr. MITCHELL). To be candid, were it not for the strictures placed upon the committee and the requests of the Department of Commerce, there would not have been a unilateral action by the committee to cut back on these weather stations, in Maine or anywhere else, for that matter.

However, because of budget constraints and the priorities and the selections made by the agencies involved, this weather station was one of those scheduled to close down.

Personally, Mr. President, I trust far more the experience of my colleagues on this floor in the representation of their States than I do the word of some bureaucrat. For that reason, I am more than delighted to accept the amendment on behalf of the majority.

Mr. HOLLINGS. Mr. President, where is this weather station? The distinguished Senator from Maine (Mr. MITCHELL) had me up there. I do not remember seeing this weather station. Where is it?

Mr. MITCHELL. It is in Portland, Maine, Mr. President. It is a place that sorely needs a weather station, I might say to the Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I enjoyed my visit up there about a month ago. It is magnificantly beautiful country. It is a tragic thing not to try to take care of weather needs and, more particularly, from a safety standpoint. We do a lot of air travel and everything else, Mr. President. I do not know that closing these stations is not becoming a false economy.

The senior Senator from Maine mentions the Coast Guard. That fits right into the pattern of Coast Guard services that we experience also. I explained only the day before yesterday, when we stated on the State-Justice-Commerce appropriations bill, how we had to get a Coast Guard cutter all the way from New York to stop a big tanker off-loading drugs coming into South Carolina. We have to try to keep these kinds of services constant. On behalf of the minority, we shall be glad to join the Senators in urging the amendment's adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 614) was agreed to.

Mr. WEICKER. I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 615

Mr. HOLLINGS. Mr. President, I send to the desk an amendment on behalf of the Senator from Hawaii (Mr. INOUYE) and myself on the Asia Foundation and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from South Carolina (Mr. HOLLINGS) for himself and Mr. INOUYE, proposes an unprinted amendment numbered 615.

On page 37 after line 9 insert: "including the development of recommendation to Congress by December 1, 1981, regaining the future of the Asia Foundation.".

Mr. HOLLINGS. Mr. President, this conforms to the concerns of the Senator from North Carolina (Mr. HELMS) and the Foreign Relations Committee as evidenced by the recently passed foreign relations authorizations bill. For the last 2 years, the funding of the Asia Foundation has been rather uncertain. The Appropriations Committee has the very same interest that the Foreign Relations Committee does in obtaining a clear signal from the administration regarding the Asia Foundation. This provision is included and is identical with the requirement of the Foreign Relations Authorization Act in the bill—it passed the Senate, as I indicated, and is still pending in the House.

I understand that Senators HELMS and HAYAKAWA and other members of the Foreign Relations Committee wanted that concern reaffirmed. With that reaffirmation, we can move with that particular section, which I think is a very sound provision. I want to continue the good and outstanding work done by the Asia Foundation. I offer that language.

The PRESIDING OFFICER. Does the manager of the bill wish that the committee amendments be laid aside?

Mr. HOLLINGS. I ask unanimous consent that the committee amendments be laid aside.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HOLLINGS. 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. WEICKER. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 615) was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NINTH EXCEPTED COMMITTEE AMENDMENT—PAGE 42, LINES 11 AND 12

Mr. HOLLINGS. Mr. President, with the permission of the manager of the bill—and I wish the staff would see if this is correct—I think it would be appropriate at this time to move to the committee amendment on page 42, lines 11 and 12, "For a grant to the Asia Foundation, $4,100,000, to remain available until expended," since the language just adopted satisfies the previous object to the committee amendment.

I would then move adoption of the committee amendment on page 42, on lines 11 and 12.

Mr. HELMS. Mr. President, the administration budget request for the Asia Foundation was zero. In other words, no funds were requested at all.

The House appropriated $2 million. However, the Senate committee voted to appropriate $4.1 million. Moreover, the Foreign Relations Committee in the authorization bill directed the State Department to report on the need for the Asia Foundation by December 1. I am informed that that deadline will not be met. Mr. President, why should we temporize any longer?

I think this is a good place to save money, money that was not even asked for. At the minimum, we should stick with the House figure of $2 million. I oppose the committee amendment.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. 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. HELMS. Mr. President, I have been in conversation with the distinguished Senator from Hawaii, the distinguished chairman of the Foreign Relations Committee, and the distinguished Senator from South Carolina.

I make this inquiry: While I was in the Agriculture Committee conference, was the language included that we had discussed previously?

Mr. HOLLINGS. Yes.

Mr. President, the amendment we adopted reads:

Including the development of recommendations to Congress by December 1, 1981, regarding the future of the Asia Foundation.

This is the very language of the Foreign Relations Committee authorization act that was passed by the Senate earlier this year.

It was my understanding that the distinguished Senator from North Carolina wanted to make certain we included that language before we moved the committee amendment.

Mr. HELMS. That is satisfactory to the Senator from North Carolina. I think it is imperative that the State Department meet the deadline established by the Foreign Relations Committee. I think this will get the message across; and under those conditions, I withdraw the objection.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THURMOND. 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. THURMOND. Mr. President, I ask unanimous consent that it be in order to ask for the yeas and nays on excepted committee amendment No. 6.

The PRESIDING OFFICER. Is there objection?

Mr. WEICKER. Mr. President, as the manager of the bill, it is my intention to bring this up as the next matter and make the necessary motions to do it in an orderly fashion. I would appreciate it if the distinguished Senator from South Carolina would permit the managers of the bill to proceed in an orderly fashion.

Mr. THURMOND. Mr. President, if the Senator intends to bring it up next——

Mr. WEICKER. I say to the Senator that I think this will be the issue that occupies us for the remainder of the evening.

Mr. THURMOND. This is not legal services.

Mr. HOLLINGS. The Senator said No. 6. Which one is it?

Mr. THURMOND. It is the prayer amendment.

Mr. WEICKER. I have no objection if the Senator wants the yeas and nays.

The PRESIDING OFFICER. Is there objection to it being an order at this time to order the yeas and nays on the sixth excepted committee amendment?

The Chair hears none, and it is so ordered.

Mr. THURMOND. Mr. President, I now ask for the yeas and nays on excepted committee amendment No. 6.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HOLLINGS. Mr. President, I believe there is some misunderstanding, and I should like to clear it up.

I ask unanimous consent that we now proceed to page 42, lines 11 and 12; that it be in order to proceed to the committee amendment on page 42, lines 11 and 12, reading, "For a grant to the Asia Foundation, $4,100,000, to remain available until expended."

The PRESIDING OFFICER. The managers have authority to set aside any committee amendments, and proceeding to the amendment specified by the Senator from South Carolina is consistent with that authority.

Mr. HOLLINGS. Then, I so move.

The PRESIDING OFFICER. The amendment is now the pending question.

The excepted committee amendment is as follows:

On page 42, line 11, strike "$2,000,000", and insert "$4,100,000".

Mr. HOLLINGS. I now move the adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

The question is on agreeing to the amendment.

The amendment (page 42, lines 11 and 12) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SEVENTH EXCEPTED COMMITTEE AMENDMENT—PAGE 32, LINE 23 THROUGH PAGE 36, LINE 10

Mr. WEICKER. Mr. President, the distinguished Senator from South Carolina, Senator HOLLINGS, and I agree to consider the committee amendment which begins on page 32 and ends on page 36.

UP AMENDMENT NO. 616

Mr. President, I send to the desk an amendment to the committee amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Connecticut (Mr. WEICKER) proposes an unprinted amendment numbered 616.

On page 35, line 10, strike the following: "directly or indirectly".

Mr. WEICKER. Mr. President, I move the amendment.

Mr. HELMS. Mr. President, I am sorry. I did not hear what the distinguished Senator from Connecticut said.

Mr. WEICKER. I move the amendment which I just offered to the committee amendment and which the clerk just read.

Mr. HELMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. 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. HELMS. Mr. President, may I ask the distinguished Senator from Connecticut why he wishes to delete the words "directly or indirectly" which is what his pending amendment does?

Mr. WEICKER. Because I think these words are superfluous. I think they are unnecessary to the language in the bill.

Mr. HELMS. I am regretfully and respectfully in disagreement with the Senator because the deletion of these three words will put us back in contention with the problem that existed so long with the Legal Services Corporation anyhow. The Corporation has a long history of going around the corner and under the doormat and around the intent of Congress. The Senate amendment is weak enough as it is, but these three words are absolutely essential to protect the interests of American taxpayers.

Mr. President, the House language says that the appropriations for the Legal Services Corporation shall not "be expended for any purpose prohibited or limited by any of the provisions of H.R. 3480 as passed by the House of Representatives."

The committee voted to strike this restriction in the House bill and insert instead broad and sweeping language which is nevertheless hardly adequate to restrain the activism of the Legal Services Corporation.

There is no point in consuming the time of the Senate in reciting the horror stories of the misuse and the abuse of the Legal Services Corporation.

The point I wish to make is that both actions emphasize the clear fact that no authorization had been passed for the Legal Services Corporation. It has been on continuing resolution since last year. Both the House action and the Senate committee action are an attempt to get authorization passed by the back door.

It is a clear attempt, and I say this respectfully to the Senators involved, to put authorization language on an appropriations bill.

Furthermore, when we were in the reconciliation process the administration was clear that it wanted no funds whatsoever passed for the Legal Service Corporation. At that time the Senate included $100 million for legal services but not for the Corporation directly. Now we suddenly see an appropriation of $241 million without, and let me emphasize this, without any authorization legislation without the restraints which the House has debated twice and passed twice.

Now the able Senator from Connecticut wishes to dilute the Senate language even more. If, at this point, we take out "directly" or "indirectly," there would be the implication in the legislative history that we approve indirect funding of the prohibited activity. We cannot allow that to happen.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WEICKER. 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. WEICKER. Mr. President, let me put it straight out here so that we know exactly what is involved. I do not in any wise want to be a party to the passage of legislation under any subterfuge.

Up to this point we have agreed and we worked matters out. It has been my wish all along that all matters could be worked out as they were in the committee.

Now we are going to start taking up the tough choices. Legal Services is one of those. It is one of the problems that the committee faced.

Senator HOLLINGS and I preferred to move into this without any restriction or legislative language or getting involved in that morass, but we understand that there were other Senators who had different feelings, Senator CHILES being one, and there were many Members on my side of the aisle who felt that they did want modifications to the Legal Services Corporation and wanted the chance to express themselves.

So after much discussion and a carefully constructed compromise the committee evolved upon the language which is contained in the committee amendment.

Aside from the fact, as I stated, that this language is superfluous, it also is there for a parliamentary reason. It is there so that we do not spend the next 2 weeks trying to legislate on this appropriations bill but rather accept the compromises that we worked out within the committee which I think were a fair representation of the views of the members of the committee and also which views incorporated some of the positions over on the House side.

So the purpose of this amendment is twofold. The language is superfluous but it is also so that we can get down to the business of voting on the Legal Services Corporation.

It will be my intention to go ahead and have these votes. If the amendment will not be accepted by motion, then it would be my purpose to have this amendment and the committee amendment voted on in order within a short space of time.

So I am going directly now to my comments vis-a-vis the Legal Service Corporation and hope that this amendment will be adopted and that the committee amendment will be adopted.

I repeat the committee amendment falls far short of anything that I would hope for in terms of the Legal Services Corporation because very simply I do not think that because a lawyer is assigned to a citizen of this country through the Legal Services Corporation that lawyer should have any less power than one whom any other citizen of this Nation would select by the private process.

In order to be effective, the lawyer should have all the tools at his or her command and not, because the salary is being paid for by public funds, be restricted in any way in presenting the case of his or her client.

In considering funding for the Legal Services Corporation, I strongly urge the Senate to reject any attempts to include those provisions and restrictions adopted by the House. The Senate Appropriations Subcommittee and Committee carefully considered the Legal Services Corporation. Hearings were held and testimony taken. In an unusual move, even critics of the agency were invited to testify before the subcommittee with respect to their problems with legal services for the poor.

The committee has crafted a bill that takes into account—in a very reasonable and logical way—the concerns Members of Congress and others brought to our attention. Those provisions are included in H.R. 4169 and they severely restrict the activities of legal services attorneys in those somewhat political areas that many find offensive. The provisions of H.R. 4169:

Outlaw the representation of almost all aliens, both illegal and legal;

Deny legislative representation to poor people through Legal Services attorneys;

Require the Reagan Board of Directors to regulate class action lawsuits against governmental entities; and

Give bar associations majority control over local Legal Services programs.

Other concerns or problems were simply not brought to our attention, otherwise we would have dealt with them as well. But it makes no sense to simply adopt—without hearing, without testimony, without any rational consideration whatsoever—the House-passed restrictions with respect to Legal Services. This approach would be to bypass com-

pletely our own Senate processes and procedures, and to blindly follow the House. Such an approach should be rejected out of hand.

Let me give you a few examples of what you would be doing by adopting in toto the House version. The House-passed verson prevented—inadvertently I presume—the Legal Services Corporation from making grants to bar associations. The Senate bill remedies that problem. The House-passed bill restricts what individual legislators may ask of Legal Services attorneys; our bill remedies that problem too. We are dealing rationally and logically with the problems brought to our attention. We should follow such a path and adopt the bill that was reported to you by the committee.

The Senate will have full opportunity to deal in depth with the Legal Services Corporation when its authorization is again scheduled for action in the 97th Congress. That is the proper time and place to deal with the many technical and complex issues, not here. I strongly urge your support for the committee approach to the Legal Services Corporation.

If we bog down on this particular issue let no one make any mistake that of all the line items in the State, Justice, Commerce bill this one. Legal Services, actually does better by a continuing resolution. So if we want to bog down and not have this bill become law then, fine, Legal Services will be the beneficiary.

Point number two: The figure for Legal Services of $241 million is hardly adequate to do the job necessary in terms of the services to be provided.

It would seem to me that for an administration that wants everybody to work within the system that can only be possible for a large portion of our society if they have these services available to them. Otherwise their cause has to be pleaded in the streets. This is law and order money; it is law and order money.

I am sorry that when an attorney takes a case that he causes discomfiture to the other side, and sometimes the other side is local government, State government, the Federal Government. I figure that it is what he is there for. But I know one thing after my experience in the U.S. Senate in the last 2 years, nobody's rights are going to be protected by this body or the House, and maybe by the time this body gets through with the courts they will not be protected by the courts either.

Any rights that have accrued to the minorities of this country—and by that I do not mean the blacks and Hispanics, I mean minority in the sense of physical condition, the elderly being a minority unit, mental condition, those who are retarded are a minority unit, all of us taken as part of society are indeed a part of some minority; and those rights that we seek to achieve in that minority capacity have never been brought to fruition by the Congress of the United States.

It has taken the courts to do that job. That is why I oppose the legal incursions or the constitutional incursions by this body into the judicial branch of Government. But, having said that, it is all the more important that at least there be legal counsel to protect those whose rights which may be denied.

I just think the matter of legal services has been an unparalleled success in terms of the Federal Government's stepping into what was a void in our constitutional system.

I do not want to take away from what it is that Senator HOLLINGS is going to discuss; but the other day in the committee when we were discussing this matter and the room was full, he indicated that that room would be cleaned out if the attorneys for all the private interests who are subsidized by us as taxpayers left the room. The corporations get legal services paid for by the taxpayers of this country indirectly; but just as surely I can assure you that when it comes to toting up the bottom line of the profits that this will be taken out as an expense. Who do you think is paying for that? They are legal services. Senator HOLLINGS can say it far more eloquently than I can, but I think he makes the point.

I hope that on this measure the Senate will vote overwhelmingly to assure the contitutional rights of all Americans.

Mr. President, in just a few minutes, pursuant to the unanimous-consent request of the leader, it is my understanding that the Senate will move on to other business.

The PRESIDING OFFICER (Mr. SIMPSON). One more minute.

Mr. WEICKER. But it would be my intention as the manager of this bill to see this matter resolved this evening.

We have prayer in school coming up, we have all sorts of further incursions into the judiciary coming up, we have got abortion coming up. We are going to hit every one of these problems held on now. Never mind the fact that the proponents of this type of legislation cannot accomplish their work within the authorizing process. But they are not going to get their way here, and they are not going to get it on this bill. There is a lot of good work that has gone into this product, and it deserves to pass instead of this constant circumvention of the constitutional process by those who just cannnot wait to achieve their particular radical ends. Well this radicalism from the left has to filter through that constitutional process and so is it going to filter through that process when it comes from the right.

So understand if we want to exercise our prerogative and say what it is these budgets are going to consist of and what the priorities are going to be, then let us pass this State, Justice bill. Otherwise we will lose that opportunity and it becomes a matter of last year's priorities or the administration's priorities.

U.S. EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

● Mr. KENNEDY. Mr. President, today the Senate is discussing the fiscal year 1982 appropriations bill for the Departments of Commerce, State, and Justice including funding for the International Communication Agency (ICA). I wholeheartedly support the action of the Appropriations Committee to protect funds for our all important educational and cultural exchange programs. I was deeply concerned to learn that in response to President Reagan's call for an additional 12-percent budget cut, ICA was proposing to reduce substantially its educational and cultural exchange programs.

The reductions proposed by ICA Director Wick were drastic and far-reaching. Academic exchange programs in 61 countries would have been ended. It would have meant the end to the highly respected 35-year-old Fulbright fellowship program in all but a few countries where special agreements exist. The number of U.S. scholarships awarded in Third World countries would have been drastically reduced at a time when the Soviet Union already offers 12 times as many scholarships to Africans as the United States does, and 10 times as many to Latin Americans.

The Humphrey fellowship program, which brings professionals from developing countries to the United States for advanced training, would have been eliminated under the proposed cuts. ICA's international visitor program would have been terminated for 75 countries. This valuable program has brought thousands of journalists, labor and political leaders, and other opinion shapers from foreign countries to the United States, including 33 current heads of state.

The proposed cuts would have had a profoundly negative effect on American interests. Curtailing international exchanges would have hampered our ability to represent American values abroad and to project a positive vision of our country's ideals. I might add that the importance of fostering a better image of the United States has been underlined by several recent events: Violence directed against U.S. diplomats abroad and manifestations of anti-American sentiment in Western Europe. At a time when U.S. capacity to influence global affairs is perceived as declining, we cannot afford to break off international exchanges with friends and allies. Rolling back these programs would have symbolized an American retreat from our commitment to the promotion of better international understanding and it would have abandoned the field to the Soviet Union, with its expanding budget for such purposes already four times the U.S. program.

I understand that ICA decided to concentrate the budget cuts on educational and cultural programs because these programs were less staff intensive and therefore might be rebuilt faster than other operations. However, the impact of these reductions would actually have been much greater than the sums cut from the budget. For instance, if funds for academic programs were cut as proposed, annual host-country contributions of $9 million and private-sector support of over $3 million would have fallen off sharply.

The international vistors network of 750,000 volunteer, private "citizen diplomats" would have begun to disintegrate, and many private agencies which are affiliated with ICA programs would have

been forced to close. Grants providing seed money to nonprofit organizations, estimated to have a five to tenfold effect in attracting private support, would have been eliminated. In short, the effective mobilization of private resources and private enterprise by a Government agency would have been derailed.

Cutting back these programs would have directly reduced the awareness among foreign leaders of American perspectives. ICA's educational programs, by insuring that U.S. training is accessible to all, has shaped the general climate of public opinion and attitudes toward the United States in foreign countries. These exchanges have also strengthened training in international affairs on U.S. campuses, ultimately reducing the likelihood that the United States will be caught off guard by developments abroad.

Mr. President, I am most pleased to see the Senate protect these extremely important programs, which I have supported in the past and intend to support in the future.●

● Mr. CHILES. Mr. President, I wish to enter into a brief colloquy with Senator WEICKER and Senator HOLLINGS concerning a matter that I hope can be addressed in the conference report on this bill.

The Departments of State and Justice have a joint responsibility to negotiate agreements with foreign nations to facilitate improved law enforcement cooperation. The need for such cooperation has taken on a much greater urgency with the tremendous upsurge in the use of foreign banking institutions to hide the fruits of major crimes and thus frustrate U.S. law enforcement efforts. This has been particularly the case with the huge profits derived from large scale drug trafficking operations.

Often it is impossible to obtain legally admissible evidence of known cases of illegal funds overseas because international cooperation in law enforcement has not kept pace with the increasingly sophisticated methods of major criminals. While accurate estimates are not available, the amount of U.S. moneys booked and/or flowing through offshore banks which are serving illegal purposes —tax evasion, laundering, fraud, and organized crime operations—certainly involves many billions of dollars.

Cooperation between the United States and Switzerland under the 1977 Treaty on Mutual Assistance on Criminal Matters has virtually eliminated any difficulty in obtaining necessary evidence of illegal funds secreted in Swiss financial institutions. However, a major portion of the offshore banking of illicit funds is no longer in Switzerland. The Bahamas, Cayman Islands, Mexico, Panama, and other countries with offshore banking operations are increasingly used as financial havens by criminal elements. Until agreements are concluded with all these countries, the flow of illegal profits will continue to be a serious law enforcement problem.

It is imperative that our law enforcement officials be able to move against the assets of drug dealers and organized crime figures. No business, legal or illegal, can operate without capital. Wiping out the bank accounts of the drug merchants would be one of the most constructive actions we can take to put the drug smuggling rings out of commission.

I am concerned that the negotiations to conclude such treaties are not a high priority with either the State or Justice Department. A mutual assistance treaty with the Bahamas was drafted in 1977 but has not progressed beyond the draft stage. It is of critical importance to law enforcement that the Bahamian treaty be successfully negotiated and that work begin immediately to negotiate treaties with the United Kingdom, because of the problems in the Cayman Islands, as well as with Mexico, Panama, and other countries commonly used as financial havens by large-scale narcotics traffickers. Until agreements are concluded, the tide of illegal profits flowing to these countries will continue to thwart the efforts of law enforcement authorities.

On a number of fronts, Congress is expressing its strong interest in improving and helping our law enforcement effort. I believe Congress should express itself on the matter of these treaty negotiations and insist upon a more aggressive effort by the two Departments. The State, Justice, and Commerce appropriations bill affords us an excellent opportunity to make that expression.

I want to request of the floor managers that an effort be made to include in the conference report a statement directing the Departments of State and Justice to move expeditiously to conduct negotiations to conclude agreements to secure the cooperation of the law enforcement authorities of foreign countries in order to effectively deprive domestic criminals of the use of foreign havens for the proceeds of their crimes. I would further request that the Departments be required to report to both the House and Senate Appropriations Committee on a regular basis as to the progress being made to comply with this directive.

Mr. WEICKER. I appreciate the concerns expressed by the Senator from Florida regarding the responsibility of the Departments of State and Justice to pursue negotiations with foreign nations regarding improved law enforcement cooperation. During our subcommittee hearings with the Drug Enforcement Administration officials, we discussed efforts to conclude treaties which would permit our law enforcement officials to move against the assets of drug dealers.

I can assure my colleague that, in conference with the House, I will raise these issues for possible inclusion in the Statement of Managers.

Mr. INOUYE. The minority has no objection. I commend Senator CHILES for bringing it to our attention and Senator WEICKER for his willingness to raise the matter in conference.●

● Mr. SPECTER. Mr. President, I would like to ask two questions of the distinguished chairman of the subcommittee. The House bill contains $81.706 million in salaries and expenses for the Securities and Exchange Commission. The Senate committee recommendation is for $84 million. The Commission has informed employees of the Philadelphia Branch Office and the Washington Regional Office, which includes Pennsylvania, Virginia, West Virginia, Maryland, and Delaware, that these offices will be terminated as a result of the President's proposed 12½-percent reduction in this account. Does this bill contain the President's proposed 12½-percent reduction for the Securities and Exchange Commission's salaries and expenses account?

Mr. WEICKER. No. The bill provides $84 million for salaries and expenses for the Securities and Exchange Commission.

Mr. SPECTER. Would this appropriation require closing of the Washington Regional Office and Philadelphia Branch Office?

Mr. WEICKER. No, it would not.●

EXPORT ADMINISTRATION AUTHORIZATION, 1982–83

The PRESIDING OFFICER. Under the previous order, the hour of 7:10 having arrived, the Senate will now resume consideration of S. 1112 which the clerk will state by title.

The legislative clerk read as follows:

A bill (S. 1112) to authorize appropriations for the fiscal years 1982 and 1983 to carry out the purposes of the Export Administration Act of 1979, and for other purposes.

The Senate resumed consideration of S. 1112.

AMENDMENT NO. 624

The PRESIDING OFFICER. Who yields time?

Mr. HEINZ. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged equally to both sides.

The PRESIDING OFFICER. Without objection it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HEINZ. 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. HEINZ. Mr. President, under the rule, as I understand it, at the hour of 7:30 p.m., it will be in order for either the Senator from Illinois (Mr. PERCY) or the Senator from Illinois (Mr. DIXON) to offer a perfecting amendment. Under the rule, this does not in and of itself preclude any other amendments being offered. I wanted to propound a parliamentary inquiry if, the hour of 7:30 having arrived, it would now be in order for Senator PERCY or Senator DIXON to offer an amendment?

The PRESIDING OFFICER. There remain 2 more minutes to be disposed of. Then that would be appropriate.

Mr. HEINZ. Mr. President, as I understand the Percy-Dixon amendment, it essentially will change the date in the current Dixon-Percy amendment, making the effective date January of 1985. If my good friend from Illinois (Mr. PERCY) would respond——

Mr. PROXMIRE. Mr. President, if the Senator will yield on that, the Senator's amendment is very clear but we have only a couple of minutes. I would have to oppose that amendment, although I do not expect to have a rollcall vote on

it. The reason I oppose it is I think it ought to apply to every President of the United States. I do not think we should exempt the present President until near the end of his term. I just want to be on record on that.

Mr. PERCY. The Senator will not ask for a rollcall vote?

Mr. PROXMIRE. I shall not ask for a rollcall vote.

Mr. HEINZ. Mr. President, I shall not ask for a rollcall vote on it, either. I am disposed, not because I support the original Percy amendment—I do not—but because I think it will perfect and improve the Percy amendment and because it will not, for the next 4 years, bind this President's hand, I am prepared to accept it.

Mr. METZENBAUM and Mr. BOSCHWITZ addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. PERCY. Mr. President, I have not yet offered the amendment.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment numbered 624

Mr. PERCY. We have not offered the amendment yet.

The PRESIDING OFFICER. An amendment is pending.

Mr. PERCY. Mr. President, I ask unanimous consent to be able to offer the amendment with the date change in it so that we can know that we are voting on something we have agreed to.

The PRESIDING OFFICER. The Senator has a right to offer a second-degree amendment.

UP AMENDMENT NO. 617

(Purpose: To amend the Export Administration Act of 1979)

Mr. PERCY. This amendment is in the second degree, Mr. President. It simply adds an effective date of January 1, 1985.

Mr. President, I send to the desk the perfecting amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The bill clerk read as follows:

The Senator from Illinois (Mr. PERCY) for himself, Mr. DIXON, Mr. DOLE, Mr. PRESSLER, Mr. BAUCUS, Mr. ROTH, Mr. JEPSEN, and Mr. GRASSLEY, proposes an unprinted amendment numbered 617 to amendment numbered 624.

Mr. PERCY. I ask unanimous consent that the reading of the amendment be disposed of.

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

The amendment is as follows:

In lieu of the language proposed to be inserted, insert the following:

SEC. . (a) Section 5 of the Export Administration Act of 1979 (50 U.S.C. App. 2404) is amended by adding at the end thereof the following:

"(m) Exclusion for agricultural commodities.—This section does not authorize export controls on agricultural commodities, including fats and oils or animals hides or skins.".

(b)(1) Section 6 of such Act (550 U.S.C. App. 2405) is amended by adding at the end thereof the following:

"(1) Agricultural commodities.—(1) If the authority conferred by this section is exercised to prohibit or curtail the export of any agricultural commodity to carry out the policy set forth in subparagraph (B) of paragraph (2) of section 3 of this Act, other than in connection with the prohibition or curtailment of all exports, the President shall immediately report such prohibition or curtailment to the Congress, setting forth the reasons therefor in detail and specifying the length of time the prohibition or curtailment is proposed to remain in effect.

"(2)(A) If the Congress, within 60 days after the date of its receipt of such report, adopts a joint resolution approving such prohibition or curtailment pursuant to paragraph (3), then such prohibition or curtailment shall remain in enect for the period specified in the report, for one year after the close of the 60-day period, or until terminated by the President, whichever occurs first.

"(B) If the Congress, within 60 days after the date of its receipt of such report, fails to adopt a joint resolution approving such prohibition or curtailment pursuant to paragraph (3), then such prohibition or curtailment shall cease to be effective upon the expiration of such 60-day period.

"(3)(A) For purposes of this paragraph, the term 'resolution' means only a joint resolution the matter after the resolving clause of which is as follows: 'That, pursuant to section 6(1) of the Export Administration Act of 1979, the Congress approves the exercise of the authority conferred by section 6 of such Act as reported by the President to the Congress on .', with the blank space being filled with the appropriate date.

"(B) On the day on which a report is submitted to the House of Representatives and the Senate under paragraph (1), a resolution with respect to such report shall be introduced (by request) in the House by the majority leader of the House, for himself and the minority leader of the House, or by Members of the House designated by the majority leader and minority leader of the House; and shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself and the minority leader of the Senate, or by Members of the Senate designated by the majority leader and minority leader of the Senate. If either House is not in session on the day on which such a report is submitted, the resolution shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter on which that House is in session.

"(C) All resolutions introduced in the House of Representatives shall be referred to the Committee on Foreign Affairs and all resolutions introduced in the Senate shall be referred to the Committee on Banking, Housing, and Urban Affairs.

"(D) If the committee of either House to which a resolution has been referred has not reported it at the end of 30 days after its introduction the committee shall be discharged from further consideration of the resolution or of any other resolution introduced with respect to the same matter.

"(E)(i) A motion in the House of Representatives to proceed to the consideration of a resolution shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(ii) Debate in the House of Representatives on a resolution shall be limited to not more than 20 hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to recommit, the resolution shall be in order. It shall not be in order to move to reconsider the vote by which a resolution is agreed to or disagreed to.

"(iii) Motions to postpone, made in the House of Representatives with respect to the consideration of a resolution, and motions to proceed to the consideratoin of other buisness shall be decided without debate.

"(iv) All appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to a resolution shall be decided without debate.

"(v) Except to the extent specifically provided in the preceding provisions of this subparagraph, consideration of a resolution in the House of Representatives shall be governed by the Rules of the House of Representatives applicable to other resolutions in similar circumstances.

"(F)(i) A motion in the Senate to proceed to the consideration of a resolution shall be privileged. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(ii) Debate in the Senate on a resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 20 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

"(iii) Debate in the Senate on any debatable motion or appeal in connection with a resolution shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the resolution, except that in the event the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

"(iv) A motion in the Senate to further limit debate on a resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a resolution is in order in the Senate.

"(G) In the case of a resolution described in subparagraph (A), if prior to the passage by one House of a resolution of that House, that House receives a resolution with respect to the same matter from the other House, then—

"(i) the procedure in that House shall be the same as if no resolution had been received from the other House; but

"(ii) the vote on final passage shall be on the resolution of the other House.".

(2) Section 7(g)(3) of such Act (50 U.S.C. App. 2406(g)(3)) is amended by adding at the end thereof the following new sentence: "This paragraph does not apply to the prohibition or curtailment of the export of any agricultural commodity pursuant to section 6(1).".

(C) The amendments made by this section shall take effect on January 21, 1985.

Mr. PERCY. Mr. President, as Senator HEINZ has explained, this amendment simply makes the date to be effective January 1, 1985. I am ready for a voice vote on this amendment.

Mr. BOSCHWITZ. Will the Senator yield?

Mr. PERCY. Yes, I yield, Mr. President.

Mr. BOSCHWITZ. Mr. President, I also want to express my opposition to the amendment. I join in the remarks of the Senator from Wisconsin.

Mr. HEINZ. Mr. President, I am prepared to yield back the remainder of my time.

Mr. PROXMIRE. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment.

The amendment (UP No. 617) was agreed to.

Mr. HEINZ. I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

● Mr. GRASSLEY. Mr. President, I am pleased to join my colleagues from Illinois in cosponsoring this amendment which would require congressional approval before any selective embargo of agricultural exports could be imposed. My position on embargoes that single out one sector of our Nation's economy has long been known—if an embargo is warranted, it should be imposed to all products exported to the particular country or countries at which the embargo is directed.

I hope that our colleagues will join us in supporting this amendment. It is consistent with the will of the Senate as expressed in the embargo protection provisions included in S. 884, the 1981 farm bill. This amendment will give us additional protection against another unfortunate agricultural embargo such as we recently experienced which cost our farmers dearly, but did nothing to harm the Soviet Union. I strongly urge my colleagues to support this fine amendment.●

● Mr. GORTON. Mr. President, I rise to speak in favor of the amendment offered by the Senators from Illinois. There have been reasoned arguments made on both sides of this issue. But I must conclude that the small intrusion on the foreign policy powers of the President contemplated by this amendment cannot outweigh the right of the farmers of this country to be free from carrying the entire burden of U.S. foreign policy. The terms of the amendment are fair.

If the President acts in such a way so as not to single out agriculture to effectuate foreign policy objectives, the Congress plays no role in the process. If, however, the President singles out agriculture this amendment allows, after a reasonable time, for the review of the action by Congress. I think the farmers of this country are entitled to have this body review that decision. I urge my fellow Senators to support this amendment.●

Mr. PERCY. Mr. President, in just a moment, the Senate will vote on the amendment offered by myself and my distinguished colleague from Illinois, Senator ALAN DIXON, to the Export Administration Act. Stated very simply, our amendment changes existing law in one important aspect. It requires that effective January 1, 1985, and thereafter, in the event the executive branch finds it necessary to embargo agricultural products for foreign policy or national security reasons in less than an across-the-board manner, the affirmative approval of the Congress would be required.

Mr. President, this legislation does not hinder or constrain the flexibility of the President. There is adequate precedent for requiring congressional involvement of this kind. I would disagree strongly with anyone in this body who would suggest that we need the kind of Presidential flexibility we had 2 years ago, when the agricultural community of this Nation was singled out to bear the full brunt of our foreign policy actions in response to the invasion of Afghanistan. I have every reason to believe the current President when he states that he would not repeat the previous action. While I hope the current occupant of the White House is there for another 7 years, we cannot be assured that his successor will feel the same way about selective agricultural embargoes. This amendment allows for Presidential flexibility, but at the same time involves the Congress in a decision of this magnitude. I urge my colleagues to support the amendment.

Mr. President, I express my deep gratitude to the floor managers of the bill for the way this was handled and particularly to my colleague (Mr. DIXON) for the leadership he has provided in this area. We are responding to an urgent need throughout the agricultural community and I pay particular tribute to the way he and his staff have worked intimately with us and with agricultural organizations.

Mr. President, I ask unanimous consent that a letter of support for this amendment be printed in the RECORD at this point that we have received from the American Farm Bureau.

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

AMERICAN FARM BUREAU FEDERATION,
Washington, D.C., November 12, 1981.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: The American Farm Bureau Federation communicated to all Members of the Senate on November 9, indicating our support for the Percy/Dixon amendment to the Export Administration Act. As you are aware, consideration of that amendment was delayed until today, Thursday, November 12, 1981.

Farm Bureau reiterates its support for that amendment, which would require Congressional approval for selective embargoes on farm exports if imposed by the President. We believe this action is necessary, based on recent history of ill-advised embargoes.

We are aware that the House/Senate Conference Committee considering S. 884, the Food and Agriculture Act of 1981, has under discussion proposals dealing with compensation to farmers for embargoes on agricultural exports. We believe action on that matter is also important and necessary to help relieve the impact of embargoes on producers. However, we believe the Percy/Dixon amendment to the Export Administration Act will complement rigid language under consideration by the farm bill conference committee to ensure that any future embargo will be carefully considered before imposition.

Sincerely,

ROBERT B. DELANO,
President.

Mr. DOLE. Will the Senator from Illinois yield?

Mr. PERCY. I am happy to yield.

Mr. DOLE. May the Senator from Kansas be joined as a cosponsor of the amendment?

Mr. PERCY. I understood the Senator from Kansas is a cosponsor of the amendment.

Mr. President, I do ask unanimous consent that Senator DOLE of Kansas be added as a cosponsor to the amendment if he is not already.

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

The question now is on agreeing to the first-degree amendment as amended. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Missouri (Mr. DANFORTH), the Senator from North Carolina (Mr. EAST), the Senator from Arizona (Mr. GOLDWATER), the Senator from California (Mr. HAYAKAWA), and the Senator from Oregon (Mr. PACKWOOD), are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. EAST) would vote "yea."

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Michigan (Mr. LEVIN), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. MELCHER), and the Senator from New York (Mr. MOYNIHAN) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

I further announce that, if present and voting, the Senator from Montana (Mr. MELCHER) would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 66 nays 20, as follows:

[Rollcall Vote No. 367 Leg.]

YEAS—66

Abdnor	Garn	Percy
Andrews	Gorton	Pressler
Armstrong	Grassley	Pryor
Baker	Hatch	Quayle
Baucus	Hawkins	Randolph
Bentsen	Heinz	Riegle
Biden	Helms	Roth
Boren	Hollings	Rudman
Bumpers	Inouye	Sarbanes
Burdick	Jackson	Sasser
Byrd, Robert C.	Johnston	Schmitt
Cochran	Kassebaum	Simpson
Cranston	Kennedy	Stafford
D'Amato	Lugar	Stennis
DeConcini	Mathias	Thurmond
Dixon	Matsunaga	Tower
Dodd	Mattingly	Tsongas
Dole	Metzenbaum	Wallop
Domenici	Mitchell	Warner
Durenberger	Nickles	Weicker
Eagleton	Nunn	Williams
Ford	Pell	Zorinsky

NAYS—20

Boschwitz	Denton	Laxalt
Bradley	Exon	McClure
Byrd, Harry F., Jr.	Hatfield	Murkowski
	Heflin	Proxmire
Chafee	Humphrey	Specter
Chiles	Jepsen	Stevens
Cohen	Kasten	Symms

NOT VOTING—14

Cannon	Hart	Long
Danforth	Hayakawa	Melcher
East	Huddleston	Moynihan
Glenn	Leahy	Packwood
Goldwater	Levin	

So the amendment (UP No. 624), amended, was agreed to.

AMENDMENT NO. 628

The PRESIDING OFFICER. The next amendment will be stated.

The bill clerk read as follows:

The Senator from West Virginia (Mr. ROBERT C. BYRD) proposes a printed amendment numbered 628.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place add the following:

SEC. . Notwithstanding any other provision of law, a suspension of or restriction on all exports from the United States to the Union of Soviet Socialist Republics shall be imposed if the Union of Soviet Socialist Republics, or its allies, engages in direct military action against Poland, including but not limited to an armed invasion.

SEC. . Such suspension or restriction of all exports from the United States to the Soviet Union shall be imposed unless the President certifies to the Congress within thirty days of direct Soviet military intervention in Poland that the suspension is not in the national security and foreign policy interests of the United States.

(The names of Mr. JACKSON and Mr. MOYNIHAN were added as cosponsors of the amendment.)

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may modify my amendment so as to make the second part of that amendment consistent with the first part.

The second section of my amendment dealing with the Presidential certification should also include direct military intervention in Poland by the Soviet Union or its allies.

In the amendment as written it does not contain that language, and that was the intent of the language as was expressed in the first section.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

Mr. HEINZ. Mr. President, reserving the right to object, as I understand the language the Senator proposes to insert after the word "Soviet Union," the word "the Warsaw Pact"?

Mr. ROBERT C. BYRD. Line 10 of the printed amendment, amendment No. 628, reads as follows:

. . . days of direct Soviet military intervention in Poland that the . . .

I would change it to read:

. . . days of direct military intervention in Poland by the Soviet Union or its allies that the . . .

In other words, the amendment as printed does not make reference to the allies.

Mr. HEINZ. Mr. President, I shall not object.

Mr. ROBERT C. BYRD. I thank the distinguished Senator.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

Mr. ROBERT C. BYRD. Mr. President, I send the modification to the desk.

The modified amendment is as follows:

At the appropriate place add the following:

SEC. . Notwithstanding any other provision of law, a suspension of or restriction on all exports from the United States to the Union of Soviet Socialist Republics shall be imposed if the Union of Soviet Socialist Republics, or its allies, engages in direct military action against Poland, including but not limited to an armed invasion.

SEC. . Such suspension or restriction of all exports from the United States to the Soviet Union shall be imposed unless the President certifies to the Congress within thirty days of direct military intervention in Poland by the Soviet Union or its allies that the suspension is not in the national security and foreign policy interests of the United States.

Mr. ROBERT C. BYRD. Mr. President, my amendment requires that a comprehensive trade ban be imposed on the Soviet Union if that country, or its allies, takes direct military action against Poland.

We live in a period of history in which terrorist attacks are nearly commonplace, undeclared wars flare up and fester all over the globe, and some nations engage in brutal aggression at will, with little fear of retribution.

Afghanistan was one clear example of blatant and brutal aggression. Poland must not be another.

My amendment is clearly in line with administration policy as articulated by Secretary of State Alexander Haig in the aftermath of the administration's decision to lift the grain embargo imposed by President Carter following the Soviet invasion of Afghanistan. In a story appearing in the Washington Post on April 25, the Secretary stated that the administration would impose not only a new grain embargo, but an across-the-board ban on trade with the Soviets, should they invade Poland.

So my amendment makes automatic such an embargo if the Soviets or their allies should invade Poland.

I also recognize that the President requires flexibility in making foreign policy determinations of this importance. Therefore, I have so structured my amendment to insure that Presidential flexibility is maintained. A trade ban will not be implemented if, within 30 days after an invasion of Poland, the President certifies to Congress that such a suspension of trade would not be in the national security or foreign policy interests of the United States.

Why do I offer this amendment? I think it is imperative that we send a strong signal to friend and foe alike that Congress stands behind the administration's publicly stated policy regarding Poland. I think it strengthens the President's hand if Congress sends this signal abroad.

During his confirmation hearings before the Senate Foreign Relations Committee, Secretary Haig stated that the basic ingredients of a successful foreign policy include consistency, reliability, and balance. With respect to consistency, the Secretary stated:

An effective policy cannot be created anew daily, informed solely by immediate need. To do so risks misperception by our adversaries, loss of confidence by our allies, and confusion among our own people.

I could not agree more with the Secretary's criteria for the conduct of our foreign policy. That is why I expressed concern on Tuesday of this week when I introduced my amendment that our policy with respect to the Soviet Union has been marked by inconsistency. I cited the following:

The lifting of the grain embargo imposed by President Carter following the Soviet invasion of Afghanistan. The Soviets are still in Afghanistan.

The announcement that while we would provide grain to the Soviet Union we would not provide butter. We turned around and made a major butter sale to New Zealand which, in turn, can sell the butter to a third country which would not be precluded from selling it to the Soviet Union.

The new grain agreement with the Soviet Union, which will allow them to purchase 23 million tons of grain during the sixth year of the long-term grain agreement which we have with them.

I also cited the warnings we have issued our European allies that purchases of Soviet natural gas could allow the Soviet Union to exercise an unhealthy influence over Western economies. I think this latter issue deserves greater attention, and I urge my colleagues to read an item from the November 9 New York Times entitled: "Europe-United States Energy Rift."

Written by Clyde Farnsworth, the article noted:

The United States is getting a polite rebuff from Western Europe on the energy alternatives it is offering in last ditch efforts to dissuade the Europeans from increasing their reliance on Soviet natural gas.

However, Mr. Farnsworth pointed out the inconsistency of our warnings to the Europeans when he noted:

Even while the United States has lobbied hard against the project, the Commerce Department has quietly issued export licenses to the Caterpillar Tractor Company for pipelaying equipment the Russians need to build the line. The Japanese would have gotten the business, had Caterpillar's bid been turned down.

I might point out that the Caterpillar deal was finalized after we had pressured the Japanese to refrain from selling the pipelayers to the Soviets for the same gas project.

Our concern for European reliance on Soviet natural gas has a hollow ring to it. One of the justifications for raising the grain embargo on the Soviet Union was that it was hurting our farmers more than it was hurting the Soviets.

It is estimated that the Soviet Union will be facing a 40-million-ton shortfall in grain production this year. And the future looks equally bleak for the rest of Soviet agriculture.

On the one hand, we worry about the Europeans becoming overly reliant upon the Soviet Union for natural gas supplies. Yet, on the other hand, are American farmers becoming overly reliant upon the Soviet market for grain exports? The Europeans certainly see this dichotomy in very clear terms.

Mr. President, in sum, I believe my amendment to be consistent with a firm and commonsense policy. It maintains Presidential flexibility. It sends the appropriate signal that Congress will support the administration's pledge for a

total trade ban if Poland is invaded. And this congressional signal will demonstrate that, on this issue, friend and foe alike can expect consistency and reliability in this aspect of our foreign policy.

Mr. President, I ask unanimous consent to have printed in the RECORD the following material: A letter dated November 12, 1981, addressed by me to the President; an article from the Washington Post of April 27, 1981, entitled "No 'Quid Pro Quo' Given M.S. for End of Grain Embargo"; an article entitled "For a Bushel of Grain," published in the Economist of May 2, 1981; and an article entitled "Reagan in Wonderland," published in the National Journal of May 9, 1981.

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

U.S. SENATE,
OFFICE OF THE DEMOCRATIC LEADER,
Washington, D.C., November 12, 1981.

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: This is to request your official view regarding my amendment to the Export Administration Act which would require the imposition of an across-the-board trade embargo on the Soviet Union in the event the Soviets or their allies invade Poland.

Attached is a copy of my proposed amendment which does provide for presidential flexibility regarding the imposition of such an embargo.

Thank you for your kind attention to my request.

Sincerely,

ROBERT C. BYRD.

[From the Washington Post, Apr. 27, 1981]

NO "QUID PRO QUO" GIVEN U.S. FOR END OF GRAIN EMBARGO

(By Jane Seaberry)

The Reagan administration received no "quid pro quo" from the Soviet Union in return for lifting a partial embargo on U.S. grain exports, Commerce Secretary Malcolm Baldrige said yesterday, but he discounted the idea that the Soviets might read the decision as a sign of weakness.

"I think there is no mistake in our intentions vis-a-vis the Soviets," Baldrige said in an interview on "Issues and Answers" (ABC, WJLA), citing "hard signals, tough signals" from both the president and Secretary of State Alexander M. Haig Jr.

During the campaign, President Reagan frequently criticized the embargo, imposed in January, 1980, by former President Carter in retaliation for the Soviet invasion of Afghanistan, as being a disproportionately severe sacrifice for farmers. But it was not lifted until Friday, partly because Haig had persuaded the president that it would be inappropriate to lift the embargo while the possibility existed of Soviet intervention in Poland and that premature lifting of the embargo would be inconsistent with the administration's efforts to put across a hard line to Moscow.

That line has been put down, Baldrige indicated yesterday. Asked how he thought the Soviet Politburo would read the decision on the embargo, he said, "I would not take that as a signal of weakness in any way, shape or form. I would take it as a sense of security that this president feels strong enough to be able to do that and withstand . . . a minor amount of criticism."

Haig reportedly still thinks lifting the embargo is a mistake, and he told the Associated Press Saturday that the administration would impose an across-the-board ban on trade with the Soviet Union—including a new grain embargo—if the Soviets intervene in Poland.

"I think the most important thing we must prevent in the wake of lifting the embargo is the perception that it was exclusively the consequence of a perceived Soviet moderation in Poland," Haig said. He said it would be a mistake to "let Poland exclusively dominate our assessment of future relations with the Soviet Union and return to an attitude of normal if the situation in Poland is not aggravated."

Haig acknowledged that tensions in Poland had eased, but he warned the crisis is not past. He also said Reagan took into account "certain domestic considerations" in his decision to lift the embargo, noting "this farm bill and even his economic program could be in jeopardy on this issue."

But Baldrige dismissed the idea that domestic politics, in an effort to win support for the administration's economic recovery plan or its pending farm bill, played the major part in the decision. "Political reasons in this town have to be considered, along with everything else, but that was far away from the major reason," he said.

Baldrige said Reagan decided to end the embargo because "it was not his embargo in the first place. . . . It was Jimmy Carter's embargo."

Baldrige said the President never said he would lift the embargo if he received some concession from the Soviets, nor did the administration receive any private assurances from the Soviets regarding the situation in Poland.

"He's never stated it would take a quid pro quo," Baldrige said. "The fact is he didn't think it was an effective enough tool, a kind of retribution against a move in Afghanistan when it was first imposed.

"The question is to send the right kind of signal to the Russians so there's no mistake about our policy and our intentions, so they understand that," Baldrige said. "Once that's done, and it's been done in the last three months, there's no real reason to keep that embargo on."

Meanwhile, Treasury Secretary Donald T. Regan told reporters yesterday that the administration didn't lift a high-technology embargo against the Soviets, imposed shortly after the grain embargo, because high-technology goods have defense and political overtones.

[From the Economist, May 2, 1981]

FOR A BUSHEL OF GRAIN

(President Reagan makes himself look a bit of a Carter.)

President Reagan's decision to end the grain embargo imposed on the Soviet Union after the invasion of Afghanistan has sacrificed his principle of firm government to his promise of less government. As presidential hopeful, Mr. Reagan dubbed the embargo ineffective and discriminatory. His promise to lift it won votes in America's farm belt. By redeeming that election pledge, he has helped himself to win the friends he needs to steer his economic package through Congress. But the grain embargo was a weapon of foreign policy, not domestic policy. The decision to lift it now is both ill-judged and ill-timed.

Ill-judged, above all, on a point of principle. President Carter imposed the grain embargo in January, 1980, to punish the Russians for their occupation of Afghanistan. He did not expect it to make them drop their weapons and run from Afghanistan; but he did mean it to impose a price. That distinction later got lost in the all-too-familiar muddle of Carterian thinking, but it is worth bearing in mind. By lifting the embargo President Reagan has diminished the penalty the still-occupying Russians have to pay.

What of its effect on the Soviet economy? Negligible, says Mr. Reagan. Not so. The embargo hit only those grain sales above the 8m tonnes to which the Americans are legally committed under their grain agreement with Russia. But last year that left the Russians with close to 12m tonnes to find in a hurry. True, the force of the American embargo was blunted when other countries—notably Argentina—bumped up their grain sales. But the message still got through.

Coinciding with two poor harvests in succession in the Soviet Union, the embargo obliged Russia's grainbuyers to scurry about the globe, grabbing grain where they could find it—and often at prices well above world market levels. And even their best efforts left Russia's farmers with 13 percent less feed grain this winter (only 110m tonnes, compared with 126m tonnes in 1979–80). Livestock that cannot be fed over the winter has to be slaughtered. Last year the shortage of meat and dairy products set off strikes in several large factories. Still proclaiming loudly that the embargo hurt the United States more than it hurt them, last week Russian officials were knocking on the door of the department of agriculture within hours of the president's decision.

And what of the embargo's effect on America's farmers? Much of the grain destined for Russia's silos last year was sold elsewhere. Government loans and direct grain purchases made up to the farmers for any loss of banned exports at the (more fairly shared) expense of the American taxpayer. President Reagan is no fan of government intervention, especially when it means spending Americans' tax dollars. Lifting the grain embargo appealed to his conservative, free-trading instincts. But a true conservative—and the president of the United States at that—should not balk at the kind of government intervention which upholds America's interests abroad. By bending the principles of his foreign policy to the dictates of the farm lobby, President Reagan has exposed an Achilles heel for all to see.

REMEMBER LINKAGE?

When he came to power, a stern President Reagan warned the Russians that in future only their own good behavior around the globe would earn them the fruits of detente and arms control. But as any stern parent knows, jellybean diplomacy works only if it is consistently applied. In January, Mr. Reagan—rightly—decided that the grain embargo should remain. To lift it, he said, would send the wrong signal to the Russians.

Nothing else has changed, except that good weather and low demand suggest that America may have a bigger grain surplus this year. Casting about for a convenient figleaf, White House spokesmen are mumbling hopeful-sounding phrases about the easing of tensions in Poland. But the embargo was a response to the actual Soviet occupation of Afghanistan, not the feared occupation of Poland. And although President Brezhnev might wish he could share America's optimism, his Polish crisis is deepening, not easing. The American secretary of state, Mr. Haig, insists that a trade embargo would be imposed "across the board" if the Russians move against Poland. But for how long next time? The wrong signal Mr. Reagan was worrying about has got through. Mr. Brezhnev may wager on surviving the next storm of disapproval from the White House.

Dismantling the grain embargo also sets a bad example for America's allies. How does President Reagan hope to dissuade energy-hungry west Europeans from selling their pipes for Soviet gas, or discourage American, west European and Japanese industrialists from selling their high technology to the Russians, if he bows so easily to the demands of his own farmers? When Mr. Carter imposed the embargo, he was accused of shooting off America's toe to show his feel-

ings about Afghanistan. By dropping the embargo, President Reagan has shot a bit off the claim to consistency which he wants to make a hallmark of his presidency.

[From the National Journal, May 9, 1981]

REAGAN IN WONDERLAND

(By Michael R. Gordon)

To hear Administration officials tell it, the United States has a new weapon in its diplomatic arsenal: the grain embargo. Even though the embargo, imposed after the Soviet invasion of Afghanistan, was a flop and was lifted without any concessions on Moscow's part, the threat of future trade bans may deter the Soviet Union from invading Poland. Or so the Administration's line seems to go.

This may appear to be an unfair parody of recent Administration foreign policy. But a quick review of the history of the grain embargo shows that the Administration's evolving policy on the ban has a definite Lewis Carroll flavor that is bound to confuse even those inured to the zigs and zags of Carter Administration policy making.

The story starts in the midst of last year's presidential campaign, when candidate Ronald Reagan promised farmers that as President, he would put an end to the partial ban on grain sales imposed by President Carter on Jan. 4, 1980. Following the Soviet invasion of Afghanistan, Carter had stipulated that the United States would not sell the Soviet Union any more grain than the eight million tons guaranteed on an annual basis under a five-year U.S.-Soviet grain agreement. The ban also applied to shipments of phosphate fertilizers and soybeans. With an eye on the farm vote, Reagan declared that "Jimmy Carter's grain embargo, which has hobbled American farmers for months now, has had virtually no impact on the Soviet Union."

The scene then shifted to the White House soon after Reagan's inauguration. By that time, however, there was precious little evidence that American farmers were being hurt by the embargo. Drought in the Midwest had pushed up the price of corn, and U.S. farmers had found new markets, including some abandoned by Argentina as it aggressively marketed its grain—at inflated prices—to the Soviet Union. The Agriculture Department issued several reports showing that despite the embargo, U.S. grain exports were running at record levels and that the United States exported a record $40.5 billion in agricultural goods in fiscal 1980.

At the same time, reports persisted that the grain embargo was having a modest impact on the Soviet Union. Though Agriculture Department statistics showed that the Soviet Union was in the process of importing a record 34.5 million metric tons of grain in the marketing year ending June 30, the Soviets unexpectedly suffered a second bad harvest. Meat production was down slightly and reports of demonstrations in several Soviet cities and in Estonia filtered back to the West. Some Soviet experts cited reduced Soviet exports to Eastern European nations, including Poland.

Faced with these facts and with the growing Soviet threat to Poland, Reagan ordered a "review" of the embargo in January. On Feb. 17, Sen. Nancy Landon Kassebaum, R-Kans., reported that Reagan, in a meeting with Members of Congress, said that if the embargo were "gratuitously lifted, without some quid pro quo from the Russians, it would be sending a signal to our allies that we were softening our stand against Soviet action." This line was echoed by Commerce Secretary Malcolm Baldrige, who in an April 18 interview stated that the United States would lift the embargo only in a "quid pro quo" deal that involved assurances that Moscow would not invade Poland.

In spite of this tough talk, Reagan less than a week later ordered the embargo lifted without receiving any apparent Soviet assurances. In an effort to deflect any suggestion that the action represents a softening of the U.S. stance toward Moscow, some Administration officials stressed the influence of domestic political "considerations." In an aboutface, Baldrige insisted that lifting the embargo involved no quid pro quo. In an interview with the Associated Press, Secretary of State Alexander M. Haig, Jr. argued that if Reagan had not repealed the embargo, "his farm bill and even his economic program could be in jeopardy. . . ."

Then, to ensure that the United States was not sending the wrong "signal," Haig warned that it would reimpose the embargo as part of a more comprehensive trade ban if the Soviets invaded Poland.

Reconciling foreign and domestic policies is understandably often a difficult task. But the Administration's handling of the grain embargo is a history of lost opportunities, according to some Soviet specialists. The Administration's need to assail the Soviet Union publicly canceled out any gains that may have flowed from using the repeal of the grain embargo as an instrument of rapprochement—a device to initiate discussions about the future of Afghanistan or arms control.

Unable to use the lifting of the embargo as a carrot, the Administration has all but thrown away the stick. Its strategy of advertising that it is yielding to domestic pressure on the one hand and threatening to reimpose the ban on the other can only be characterized as self-defeating. If the United States seeks in the midst of some future crisis to rally its allies to impose trade sanctions against the Soviet Union, the erratic application of the recent U.S. grain embargo may give them pause—and so the Soviets may reason.

By unilaterally lifting the embargo, Reagan has also eliminated one of the few features of his Soviet policy that seemed to unite conservatives and liberals. For hardliners, the embargo was just one more means of punishing Soviet expansionism. For detente-minded moderates, it represented a way to counter Soviet aggression short of intervention in the Third World or a nuclear arms race.

The history of trade sanctions against the Soviet Union and developing nations such as Iran is a mixed one, at best. And the Administration may well be right that as a practical matter, the embargo had only a marginal effect on the Soviet Union and had outlived its usefulness. But symbols are the stuff of which much of the Administration's Soviet policy is made, and its easy dispatch of the grain embargo must cause many to wonder about how steady a course the Administration will steer in its dealings with Moscow.

Mr. ROBERT C. BYRD. Mr. President, I reserve the remainder of my time.

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

Mr. METZENBAUM. Mr. President, will the Senator withhold?

Mr. HEINZ. I yield 2 minutes to the Senator from Ohio.

The PRESIDING OFFICER (Mr. ARMSTRONG). The Senator from Ohio is recognized.

Mr. METZENBAUM. I thank the Senator from Pennsylvania.

I rise to indicate that I had intended originallly to offer an amendment in the second degree to the amendment offered by the distinguished Senator from West Virginia. My amendment in the second degree would have provided a 9-month moratorium on acquisitions by major international energy companies of the smaller oil companies of this country. It would have been a ban with respect to Exxon, Mobil, Texaco, Gulf, Shell, Standard of California, Standard of Indiana, Sohio, and BP.

As a matter of fact, as I thought about it, it occurred to me that it probably would be inappropriate to offer it as an amendment to this very important amendment offered by the Senator from West Virginia. It has to do with a subject totally different from the subject of the amendment.

The facts are that there will be, as I see it, some time, several days at least, in which there ought to be an opportunity for me to offer the amendment at a later point.

I am happy to say the distinguished Senator from Washington (Mr. GORTON) has indicated strong interest as well as support for the concept of providing a ban on this type of acquisition. Senator KENNEDY from Massachusetts has indiindicated his support for the concept.

I do not think it would be in the right vein with respect to the spirit and effort of the distinguished Senator from West Virginia to attack such an amendment at this point.

I, therefore, explain to the Senate and those Members who had indicated their interest in supporting this amendment why it will not be offered at the present time.

I thank the Senator from Pennsylvania and the Senator from West Virginia for yielding the time.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Senator from Ohio (Mr. METZENBAUM) for his consideration and understanding as so stated by him.

The PRESIDING OFFICER. Who yields time?

Mr. HEINZ. Mr. President, I rise in opposition to the Byrd amendment, and I know that my distinguished colleague from Illinois, Senator PERCY, the chairman of the Committee on Foreign Relations, will oppose it.

I oppose it for two reasons: First, I think regardless of the fact that should the Soviets in any way, shape, or form, with their allies, or with anyone else, move in some threatening way toward Poland, or into Poland, by military means, this country should take the strongest possible action.

What I object to in the amendment of the Senator from West Virginia is that this absolutely ties the President's hands. He has no flexibility unless he comes back to Congress; and, further, it is going to make it extraordinarily difficult for the President to negotiate something that would be even more effective than an American total embargo, and that is a multilateral embargo with our allies.

This amendment raises a very legitimate issue: the necessity for a clear and forceful U.S. response to a Soviet intervention in Poland. Unfortunately, in doing so, the amendment would weaken the ability of the United States to respond effectively.

The essence of successful foreign policy is flexibility. All nations maneuver to try to maximize their flexibility and re-

duce that of their opponents. Wars occur when states have lost their flexibility and have no other recourse.

With wisdom, the formers of the Constitution sought to build in flexibility into the U.S. system by placing primary responsibility for the conduct of foreign policy in the executive branch. The Congress was also given a role in the nature of providing advice and consent to the executive in the conduct of our foreign affairs. The need for flexibility has only heightened in today's fast-paced and complex world.

The proposed amendment encroaches upon the spirit of that constitutional mandate given to the President and reduces his flexibility by legislatively prescribing specific options in the event of certain eventualities. The exact eventualities can never be precisely foreseen, so it would be unwise to lock the United States into a specific action in advance of an act all of the details of which cannot possibly be foreknown.

The amendment would require a total response even in the event of a limited Soviet intervention. What form would a Soviet intervention take? Who would be involved? What would be the conditions? What would be the costs and benefits of any given policy in those specific circumstances?

Most important is the effect of this amendment on our NATO relationship, which is already suffering from some difficult strains.

NATO is the body that has been specifically established to coordinate allied responses to Soviet actions in Europe. A Soviet intervention in Poland would have a great impact upon NATO, yet the Byrd amendment would already lock the United States into a position without even involving the NATO framework. As we have painfully learned recently, no embargo is going to be successful without the cooperation and participation of our allies, not only in the implementation of a policy but also in its actual planning. The Byrd amendment would have us step on the toes of our allies just at the moment when we would most need their cooperation. It would show U.S. distrust of NATO in the very hour of its severe testing.

There has been worked out with our NATO allies a carefully calibrated set of responses in the event of Soviet intervention in Poland. Should we now disregard those plans by legislative fiat? We would thereby tie our own hands while weakening any possible allied response. In the guise of support, we would have done a severe disservice to the Polish people, as well as to the people of all Europe.

Mr. President, I ask unanimous consent that a letter from Secretary of State Alexander M. Haig, Jr., to Senator BAKER, dated November 12, 1981, be printed in the RECORD.

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

THE SECRETARY OF STATE,
Washington, November 12, 1981.

Hon. HOWARD A. BAKER, Jr.,
U.S. Senate.

DEAR SENATOR BAKER: Senator Robert Byrd has proposed an amendment to S. 1112, the Export Administration Act, which would impose a total U.S. embargo on exports to the Soviet Union in response to "direct military action" by the USSR or its allies against Poland. The Department of State strongly opposes this amendment.

The Byrd amendment would commit the U.S. to unilateral action in response to Soviet action without provision for consultation with our allies or possible concerted action with them. The United States has already discussed with its major allies, both in NATO and bilaterally, various measures which might be taken in response to possible Soviet moves against Poland.

As such, the Byrd amendment would seriously restrict the President's flexibility in dealing with a complex and potentially dangerous foreign policy issue. The situation in Poland is delicate, complex, and at times rapidly changing. It is a particularly inappropriate environment for tying the President's hands with even the most well-intentioned of legislative initiatives.

Although we oppose this amendment, it might be useful for the Congress (or the Congressional Committees with jurisdiction over the Export Administration Act) to indicate that the statement in the Export Administration Act of 1979 to the effect that it "is not intended to constitute authority to impose total economic embargoes" should not be construed as prohibiting use of the Act as authority for a total embargo in the event of Soviet or Warsaw Pact military action against Poland.

I would appreciate your support in this matter.

Sincerely,

ALEXANDER M. HAIG, Jr.

Mr. HEINZ. Mr. President, the most important part of this letter to our majority leader from our Secretary of State is as follows:

As such, the Byrd amendemnt would seriously restrict the President's flexibility in dealing with a complex and potentially dangerous foreign policy issue. The situation in Poland is delicate, complex, and at times rapidly changing. It is a particularly inappropriate environment for tying the President's hands with even the most well-intentioned of legislative initiatives.

I do not doubt that the amendment of my friend from West Virginia is indeed well intentioned. I understand his objective, and I think I support his goal of trying to insure that we have the strongest possible, most effective, response to any Soviet or Warsaw Pact military action against Poland. It is only a question of means, and we do not want to get into a situation which precludes making such an action fully effective. I believe, Mr. President, that includes having our allies who should and necessarily must stand up with us to make such action truly effective.

Mr. President, does the Senator from Illinois seek time? How much time remains?

The PRESIDING OFFICER. The Senator has 5 minutes and 41 seconds remaining.

Mr. HEINZ. I yield 3 minutes to the Senator from Illinois.

Mr. PERCY. I want to first commend my distinguished colleague for his statement. Certainly all of us would concur in the feeling that if Poland were invaded by the Soviet Union, or otherwise used military force, that this would be a provocative action calling for decisive United States and Western action. But we have all known that unilateral embargoes over a period of time simply do not work. Further, the effect of this amendment might well be a disincentive for our allies to come together with us.

Responses in the contingency of military action against Poland is a matter we have discussed in detail with our allies. The Foreign Relations Committee, and individual members of the committee and the chairman certainly have discussed it with Chancellor Schmidt and others in Europe to see what kind of unified action we would take. I have even discussed this in the Kremlin without any equivocation, laying the cards right on the table.

There should be no chance of miscalculation. But any action that would be taken by the Senate that would appear as though we were moving unilaterally, not in concert with our allies, would be counterproductive to our aims.

So, therefore, I feel we can take the spirit of the Byrd amendment and strengthen that amendment by indicating clearly that we would not be acting unilaterally, we would be acting with our allies. It would be the sense of the Senate that we thus move in concert with our allies along lines that the President, the Secretary of State, the Secretary of Defense, and others have obviously discussed with our allies, and as many of us have talked with our counterparts in European countries.

So I certainly commend the distinguished manager of the bill, the Senator from Pennsylvania (Mr. HEINZ), for the comments he has made with respect to the Byrd amendment as it now stands, and I stand ready to support a substitute amendment that would accomplish the same purpose but, I think, strengthen the Byrd amendment considerably by indicating clearly that we intend to work in concert with our allies and not on a unilateral basis.

May I also indicate that Senator GORTON is unavoidably detained now at a dinner. He will be back for a vote. He asked me to associate himself strongly with the position the Senator from Pennsylvania and the Senator from Illinois have taken on the floor this evening, and also associate himself strongly with the letter from Secretary Haig dated November 12 to the majority leader that the floor manager of the bill has just inserted in the RECORD. I too wish to associate myself with Secretary Haig's letter.

Mr. HEINZ. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Until such time as——

Mr. HEINZ. Mr. President, I withhold the amendment.

Mr. President, at the appropriate time, I will send an amendment to the desk as a substitute for the amendment of my friend from West Virginia. The substitute will simply reflect the kind of reservations I have stated about Senator BYRD's amendment. The amendment is in two parts.

First, it will state very clearly that no provision of the Export Administration Act or any other act shall be construed as prohibiting the use as authority for a total embargo in the event of Soviet or

Warsaw Pact military action against Poland.

That, Mr. President, is language that Secretary Haig has asked that we include in any action in this area, because he believes that it will make very clear that he is in no way constrained from acting as he may see fit in this regard, even if it does involve a total embargo.

The second part of the amendment makes it the sense of the Senate that a suspension of, or restriction on, exports from the United States to the Soviet Union shall be imposed in concern with our allies if the Soviet Union or its allies engages in direct military action against Poland, including but not limited to an armed invasion.

The purpose of that clearly, Mr. President, is to put us on record, in the strongest possible way, and to make it clear that we want our allies to be part of the solution, not part of the problem.

Let me state one other reeason why I hope my colleagues will support the Heinz-Percy substitute for the Byrd amendment. It is this: If, by any chance, the Byrd amendment, on an up or down vote, should be defeated, I believe it would send a signal of weakness. Should it be accepted, I think it ties our President's hands. For that reason, I suggest that the substitute that Senator PERCY and I will offer provides the proper signal that we want to send to the Soviet Union and its allies, and yet it strikes a balance with our allies, and with the President and his Secretary of State, that we believe is necessary for the conduct of American foreign policy.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The time of the Senator from Pennsylvania has expired.

Mr. ROBERT C. BYRD. How much time have I remaining?

The PRESIDING OFFICER. The minority leader has 1 minute 23 seconds.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I have an additional 5 minutes and that the distinguished Senator from Pennsylvania (Mr. HEINZ) have a similar addition of time.

The PRESIDING OFFICER. Is there objection?

Mr. HEINZ. Reserving the right to object, how much time did the Senator ask for?

Mr. ROBERT C. BYRD. Five minutes each.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I had a letter delivered to the President at midday today requesting his views on my amendment to impose an across-the-board ban on the Soviet Union in the event the Soviets or their allies invaded Poland.

I received a copy of the letter that was delivered to the distinguished majority leader this afternoon outlining the State Department opposition to my amendment. Since I have not yet received a response to my letter, I take it that Secretary Haig's letter is the position of the administration.

I only reiterate what I stated already. Senators PERCY and HEINZ both deplore the fact that my amendment would require unilateral action against the Soviets.

Well, Mr. President, I take it that Mr. Haig had considered such unilateral action when on April 25 of this year he made the unequivocal public statement which was reported in the April 27 Washington Post, in which the Secretary stated unequivocally that the administration would impose not only a new grain embargo but an across-the-board ban on trade with the Soviets should they invade Poland.

He did not say anything about unilateral action. He just said that there will be an across-the-board ban on trade with the Soviet Union in the event they invade, period. No ifs, ands, or buts about it.

So I took him at his word.

Senator PERCY said:

> We have discussed this matter in detail with our allies.

Well, we should have discussed it in detail with our allies because the prospect of the Soviet invasion of Poland has been imminent for many weeks and months. I hope we have discussed this with our allies. I hope that in discussions with our allies we have made it plain to them what the Secretary of State made preeminently clear to all the world when on April 25 he said that the administration would impose not only a new grain embargo but an across-the-board ban on trade with the Soviets should they invade Poland.

I took him at his word. My amendment simply seeks to put the Congress, the imprimatur of the Congress, in back of the Secretary's word which he stated publicly in April.

Now we find those on the other side saying, "We would be acting unilaterally if we did that. We should discuss this with our allies."

Presumably Mr. Haig already made that plain. He did not have any doubts as to what this country would do if the Soviets invaded. He said we would impose an across-the-board ban.

Now when it comes down to the Congress putting its stamp of approval and stating its support for that position, then we hear from the Secretary and we hear from Senators that, "We must not do that because we would be acting unilaterally."

The distinguished Senator from Pennsylvania is now going to offer a substitute. Let us take a look at it.

> It is the sense of the Senate that a suspension of or restriction of all exports from the United States to the Union of Soviet Socialist Republics shall be imposed in concert with our allies if the Union of Soviet Socialist Republics or its allies engages in direct military action against Poland, including but not limited to an invasion.

By putting in "in concert with our allies," it seems we are not tying our allies' hands but our President's hands.

Suppose our allies did not want to act in concert with us? Are we going to back away from imposing such a ban on trade against the Soviets? Why tie our own hands by that language?

We are not tying the President's hands in my language. I am giving him 30 days in which to certify to the Congress that it would not be in the national interest, the national security interests or the national foreign policy interest, to impose such a ban. So the flexibility is given to the President in my amendment and we have ample time in which to consult with our allies if we have not already done it. And if we have not already consulted with them, why have we not? The threat has been there for weeks and months. Mr. Haig surely must have consulted with our allies when he said without any equivocation, without any question, indubitably clear, in his statement:

> We will impose an across-the-board ban on trade with the Soviets if they invade Poland.

I simply want to put it in stone, to say that Congress will support that.

I hope my colleagues will support my amendment. In order to do that, of course, they would have to vote down the substitute by Mr. HEINZ, my distinguished friend from Pennsylvania.

Mr. HARRY F. BYRD, JR. Will the Senator yield for a question?

Mr. ROBERT C. BYRD. Yes.

Mr. HARRY F. BYRD, JR. As I understand the Senator from West Virginia——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HARRY F. BYRD, JR. I ask unanimous consent that I might have a half minute to propound a question.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HARRY F. BYRD, JR. I wanted to get a half minute to ask a question of the Senator from West Virginia.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. May I ask the Senator from West Virginia this question: As I understand the amendment of the Senator from West Virginia, if the President makes a certification to the Congress that it would be in the best interests that this amendment be set aside, it could then be set aside.

Mr. ROBERT C. BYRD. I did not understand the Senator's question.

Mr. HARRY F. BYRD, JR. As I understand the amendment of the Senator from West Virginia, the President, at any time, could make a certification to the Congress that this action was not in the best interests of the country and in that event the amendment of the Senator from West Virginia would become inoperative. As I understand, that would in no way tie the President's hands.

Mr. ROBERT C. BYRD. The Senator is preeminently correct. He would have 30 days in which to make such a certification.

Mr. HARRY F. BYRD, JR. I thank the Senator.

Mr. HEINZ. Mr. President, having listened to the colloquy between Senator BYRD, of Virginia, and Senator BYRD, of West Virginia, I would like to make something more clear for the RECORD.

As I understand the question of the

Senator from Virginia, he asked the minority leader, once the embargo was in place, whether at any time the President could suspend such embargo, to which, as I understand the answer of the minority leader, it was "Yes." Therefore, it was argued that this provided the President with flexibility.

In fact, as I read the amendment, and I shall address a question to Senator BYRD about this in a minute, my understanding, based on his amendment, is if the President does within 30 days request that the embargo be lifted, or if the Congress does not go along with his request, the President is locked in. So if the President waited for 31 days, if he or the Congress simply did nothing within that 30-day period, he would be locked in. Is that not correct?

Mr. HARRY F. BYRD, JR. It is not my amendment, but as I read the amendment, the President would have 30 days to make that decision. He can make the decision the first day that the embargo went into effect. I cannot see how that ties the President's hands.

Mr. HEINZ. Let me ask the author of the amendment, Senator BYRD, if I might have his attention.

Mr. President, let me ask my good friend from West Virginia (Mr. ROBERT C. BYRD) is it not the case that if the President, within the first 30 days, does not certify to the Congress, as required here, if he should, on the 31st or the 41st or on the 101st or on the 2001st, decide he wanted to lift the embargo, would he not be prevented from doing so?

Mr. ROBERT C. BYRD. He has 30 days.

Mr. HEINZ. And after that, if he should go along for 31 days, he is locked in for a month, for a year, for 2 years, for 5 years, for 100 years. So this locks us into a total trade embargo, if this is ever triggered, forever. Is that not correct?

Mr. ROBERT C. BYRD. Mr. President, the President has 30 days in which to certify to Congress that such an embargo would not be in the national interest or the foreign policy interest. Congress also, of course, at any time, can take whatever action is necessary to give the President greater flexibility if the circumstances so require.

Mr. HEINZ. Mr. President, I listened carefully to the answer of my good friend from West Virginia, and I did not hear him deny that, once this was in effect for 31 days, it would be in effect forever unless Congress took action to undo it. I do not think he is going to deny that, because that is the way the amendment is written.

Mr. President, I am second to none in my concern about the Soviet Union. I know exactly how the minority leader feels about it. But it seems to me that this locks us into a permanent confrontation with the Soviet Union. If we impose this embargo and, 45 days or 60 days later, the Soviets pulled out, that embargo would still have to be in place. That means that they would have no incentive to pull out of Poland.

Mr. President, if there is one thing we all want to do, we not only want to keep them out but if they should ever go in, we want to get them out.

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. HEINZ. I am happy to yield to the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, they would have every incentive to move out, every incentive, because the reason for which the embargo would have been applied would have been removed.

Mr. HEINZ. I say to the Senator from West Virginia, Mr. President, I certainly do disagree on the effect of his amendment. It is for that reason that I hope my colleagues will wisely adopt the Percy-Heinz, or Heinz-Percy, substitute.

Mr. PERCY. If the Senator would yield, Mr. President, I do not recall at any time that the Secretary of State testified before the Foreign Relations Committee his saying that we were going to unilaterally impose, flatly, an embargo if they took certain action. The Secretary has absolutely clearly stated that the President should have maximum flexibility and we should work in concert with our allies.

The PRESIDING OFFICER. All time has expired.

UP AMENDMENT 618

Mr. ROBERT C. BYRD. Mr. President, I send an amendment to the desk in substitution

The PRESIDING OFFICER. The amendment will be stated

The bill clerk read as follows:

The Senator from West Virginia (Mr. ROBERT C. BYRD) for himself and Mr. JACKSON and Mr. MOYNIHAN proposes an unprinted amendment numbered 618 to amendment No. 628.

SEC. . Notwithstanding any other provision of law, a suspension of or restriction on all exports from the United States to the Union of Soviet Socialist Republics shall be imposed if the Union of the Soviet Socialist Republics, or its allies, engages in direct military action against Poland, including but not limited to an armed invasion.

SEC. . Such suspension or restriction of all exports from the United States to the Soviet Union shall be imposed unless the President certifies to the Congress within 60 days of direct military intervention in Poland by the Soviet Union or its allies that the suspension is not in the national security and foreign policy interests of the United States.

UP AMENDMENT NO. 619

Mr. HEINZ. 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 Pennsylvania (Mr. HEINZ) for himself and Mr. PERCY, proposes an unprinted amendment numbered 619 to amendment 628, as modified.

The PRESIDING OFFICER. The Senator's amendment has no keying language. Could the Senator indicate where he wishes the amendment to go?

Mr. HEINZ. The Senator's amendment is a perfecting amendment to the Byrd amendment.

The PRESIDING OFFICER. Could the Senator elaborate where he intends the amendment to be placed? At the end of the first-degree amendment?

Mr. HEINZ. Mr. President, I need a copy of the Byrd amendment.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HEINZ. 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. HEINZ. Mr. President, I ask that my amendment that is at the desk be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania (Mr. HEINZ) for himself and Mr. PERCY, proposes an unprinted amendment numbered 619 to amendment No. 628, as amended.

Mr. HEINZ. I ask unanimous consent that further reading of the amendment be dispensed with, Mr. President.

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

The amendment is as follows:

Strike all after the word "law" line 1.

No provision of this act or any other act shall be construed as prohibiting the use of this act as authority for a total embargo in the event of Soviet or Warsaw Pact military action against Poland.

"SEC. . It is the sense of the Senate that a suspension of or restriction on all exports from the United States to the Union of Soviet Socialist Republics shall be imposed if the Union of Soviet Socialist Republics, or its allies, engages in direct military action against Poland, including but not limited to an armed invasion."

The PRESIDING OFFICER. The question is on agreeing to the Heinz perfecting amendment to the Robert C. Byrd first-degree amendment. There is no time for debate.

Mr. HEINZ. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. HEINZ. Mr. President, as I understand the situation, the first vote will be on the Heinz perfecting amendment to the Robert C. Byrd first-degree amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. HEINZ. That amendment, which was necessitated because the Senator from West Virginia proposed a substitute for his own amendment, virtually identical to his amendment, is really the only way it is possible to have a vote on what I referred to earlier as the Heinz substitute. My question, Mr. President, is this:

If those people who are in favor of the Heinz substitute first should vote for it as the first vote comes up and it should carry, then those people who are in favor of the Heinz substitute should vote against the Byrd substitute amendment; then, assuming the Byrd substitute amendment falls, they would then be voting on the first-degree Byrd amendment as amended by the Heinz substitute amendment. If they still favored it at that point, I assume they would still want to vote for it.

Would that be correct, Mr. President?

The PRESIDING OFFICER. As the Senator knows, the Chair cannot interpret the effect of votes on various pending amendments. The question now re-

curs on agreeing to the Heinz perfecting amendment.

Mr. HEINZ. Mr. President, I ask for the yeas and nays on the Heinz amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the Heinz perfecting amendment. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Missouri (Mr. DANFORTH), the Senator from North Carolina (Mr. EAST), the Senator from Arizona (Mr. GOLDWATER), the Senator from California (Mr. HAYAKAWA), and the Senator from Oregon (Mr. PACKWOOD) are necessarily absent.

I further announce that if present and voting, the Senator from North Carolina (Mr. CAST), would vote "nay."

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Michigan (Mr. LEVIN), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. MELCHER), the Senator from New York (Mr. MOYNIHAN), the Senator from Arizona (Mr. DECONCINI), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY) is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 49, nays 35, as follows:

[Rollcall Vote No. 368 Leg.]

YEAS—49

Abdnor	Hatch	Quayle
Andrews	Hatfie'd	Roth
Armstrong	Hawkins	Rudman
Baker	Heinz	Schmitt
Boschwitz	Humphrey	Simpson
Burdick	Jepsen	Specter
Chafee	Kassebaum	Stafford
Cochran	Kasten	Stevens
Cohen	Laxalt	Symms
D'Amato	Lugar	Thurmond
Denton	Mathias	Tower
Dole	Mattingly	Tsongas
Domenici	McClure	Wallop
Durenberger	Murkowski	Warner
Garn	Nickles	Weicker
Gorton	Percy	
Grassley	Pressler	

NAYS—35

Baucus	Dodd	Metzenbaum
Bentsen	Eagleton	Mitchell
Biden	Exon	Nunn
Boren	Ford	Pell
Bradley	Heflin	Proxmire
Bumpers	Helms	Pryor
Byrd, Harry F., Jr.	Hollings	Randolph
Byrd, Robert C.	Inouye	Riegle
Chiles	Jackson	Sarbanes
Cranston	Johnston	Sasser
Dixon	Kennedy	Williams
	Matsunaga	Zorinsky

NOT VOTING—16

Cannon	Hart	Melcher
Danforth	Hayakawa	Moynihan
DeConcini	Huddleston	Packwood
East	Leahy	Stennis
Glenn	Levin	
Goldwater	Long	

So Mr. HEINZ' amendment (UP No. 619) was agreed to.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GORTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The vote now occurs on the Robert C. Bryd substitute for his own first-degree amendment as amended by the Heinz amendment.

Mr. ROBERT C. BYRD. What was that?

Mr. BAKER. That is not right.

Mr. ROBERT C. BYRD. The vote recurs on my substitute.

Mr. BAKER. On the Robert C. Byrd substitute.

The PRESIDING OFFICER. The Chair stated that the vote now occurs on the Robert C. Byrd substitute for his own first-degree amendment as amended by the Heinz amendment.

Mr. ROBERT C. BYRD. The vote occurs on the substitute for the first amendment which has been amended.

The PRESIDING OFFICER. Which has been amended in the prior action of the Senate.

Mr. HEINZ. I think that the Chair has accurately stated the circumstance. The first vote that we have now will be as the Chair states on the Robert C. Byrd substitute, which is a substitute for the original underlying Robert C. Byrd amendment, which has now been perfected by the Heinz-Percy amendment.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HEINZ. I suppose it is safe to say that those Senators who favor the Robert C. Byrd amendment vote "yea"; and those Senators who favor the Heinz-Percy amendment vote "nay."

The PRESIDING OFFICER. The Chair will state that the question now pending before the Senate is the Robert C. Byrd substitute for his own first degree amendment which has been perfected by the Heinz amendment. The Chair will not undertake to interpret the effect of such votes.

Mr. ROBERT C. BYRD. Mr. President, 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.

The question is on agreeing to the amendment of the Senator from West Virginia.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Missouri (Mr. DANFORTH), the Senator from North Carolina (Mr. EAST), the Senator from Arizona (Mr. GOLDWATER), the Senator from California (Mr. HAYAKAWA), and the Senator from Oregon (Mr. PACKWOOD) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. EAST), would vote "yea."

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Arizona (Mr. DECONCINI), the Senator from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Michigan (Mr. LEVIN), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. MELCHER), the Senator from New York (Mr. MOYNIHAN), and the Senator from Mississiippi (Mr. STENNIS) are necessarily absent.

I also announce that the Senator from Vermont (Mr. LEAHY), is absent because of illness.

I further announce that, if present and voting, the Senator from Montana (Mr. MELCHER), would vote "yea."

The PRESIDING OFFICER (Mr. RUDMAN). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 39, nays 45, as follows:

[Rollcall Vote No. 369 Leg.]

YEAS—39

Baucus	Eagleton	Pell
Bentsen	Exon	Pressler
Biden	Ford	Proxmire
Boren	Heflin	Pryor
Bradley	Helms	Randolph
Bumpers	Hollings	Riegle
Burdick	Inouye	Sarbanes
Byrd, Harry F., Jr.	Jackson	Sasser
Byrd, Robert C.	Johnston	Tsongas
Chiles	Kennedy	Weicker
Cranston	Matsunaga	Williams
Dixon	Metzenbaum	Zorinsky
Dodd	Mitchell	
	Nunn	

NAYS—45

Abdnor	Grassley	Nickles
Andrews	Hatch	Percy
Armstrong	Hatfield	Quayle
Baker	Hawkins	Roth
Boschwitz	Heinz	Rudman
Chafee	Humphrey	Schmitt
Cochran	Jepsen	Simpson
Cohen	Kassebaum	Specter
D'Amato	Kasten	Stafford
Denton	Laxalt	Stevens
Dole	Lugar	Symms
Domenici	Mathias	Thurmond
Durenberger	Mattingly	Tower
Garn	McClure	Wallop
Gorton	Murkowski	Warner

NOT VOTING—16

Cannon	Hart	Melcher
Danforth	Hayakawa	Moynihan
DeConcini	Huddleston	Packwood
East	Leahy	Stennis
Glenn	Levin	
Goldwater	Long	

So Mr. ROBERT C. BYRD's amendment (UP No. 618) was rejected.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. BAKER. Mr. President, 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 would be agreeable to vitiating the yeas and nays on the amendment, as amended, and also on final passage.

Mr. BAKER. Mr. President, I am pleased to hear that. I know of no insistence that we have a rollcall vote on final passage. I ask unanimous consent that the yeas and nays on final passage be vitiated and also the yeas and nays, if there is one, on the amendment of the Senator from West Virginia.

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

The question is on agreeing to the amendment of the Senator from West Virginia.

The amendment No. 628, as modified and amended, was agreed to.

Mr. STENNIS. Mr. President, on Monday there were offered certain amendments to S. 1112, the Export Administration authorization bill. These amendments related to the problem that we all have concerning the high interest rates, and related also to the financial institutions exercising, on a voluntary basis, restraint in extending credit for the purpose of unproductive corporate takeovers.

Mr. President, I was not in the Chamber at the time these amendments were taken up because of intestinal virus that I had on that day.

Mr. President, I would have supported the amendments to which I have referred because of the extreme situation in which we find ourselves with reference to credit and interest rates in particular, high interest rates. They are a matter of concern to all of us, and, we understand, the President of the United States.

I thank the Chair for allowing me to speak at this time out of order. I thank the floor leaders for their assistance in this matter.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to the consideration of H.R. 3567, which the clerk will state by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3567) to authorize appropriations for the fiscal years 1982 and 1983 to carry out the purposes of the Export Administration Act of 1979, and for other purposes.

Mr. HEINZ. Mr. President, I move to strike all after the enacting clause and substitute therein the text of S. 1112, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 3567), as amended, was passed, as follows:

Strike out all after the enacting clause and insert:

That this Act may be cited as the "Export Administration Amendments Act of 1981".

SEC. 2. (a) Section 18(b)(1) of the Export Administration Act of 1979 (50 U.S.C. App. 2417(b)(1)) is amended to read as follows:

"(1) $9,659,000 for fiscal year 1982, and $8,454,000 for fiscal year 1983; and".

(b) The amendment made by subsection (a) shall take effect on October 1, 1981.

SEC. 3. Section 12(c) of the Export Administration Act of 1979 (50 U.S.C. App. 2411 (c)) is amended by adding at the end thereof the following:

"(3) Departments or agencies which obtain information which is relevant to the enforcement of this Act shall furnish such information to the department or agency with enforcement responsibilities under this Act to the extent consistent with the protection of intelligence, counterintelligence, and law enforcement sources, methods, and activities, and sensitive diplomatic information. The provisions of this paragraph shall not apply to information subject to the restrictions in section 9 of title 13, United States Code; and return information, as defined in section 6103 of title 26, United States Code, may be disclosed only as authorized by such title.".

SEC. 4. (a) Section 11(b)(1) of the Export Administration Act of 1979 (50 U.S.C. App. 2410(b)(1)) is amended by striking out "purposes," and all that follows through the period at the end thereof and inserting in lieu thereof the following: "purposes—

"(A) except in the case of an individual, shall be fined not more than five times the value of the exports involved or $1,000,000, whichever is greater; and

"(B) in the case of an individual, shall be fined not more than $250,000, or imprisoned not more than ten years, or both.".

(b) Section 11(b)(2) of that Act (50 U.S.C. App. 2410(b)(2)) is amended by striking out "Defense," and all that follows through the period at the end of the first sentence and inserting in lieu thereof the following: "Defense—

"(A) except in the case of an individual, shall be fined not more than five times the value of the exports involved or $1,000,000, whichever is greater; and

"(B) in the case of an individual, shall be fined not more than $250,000, or imprisoned not more than five years, or both.".

(C) Section 11(c)(1) of that Act (50 U.S.C. App. 2410(c)(1)) is amended—

(1) by striking out the period at the end of the sentence; and

(2) by adding at the end thereof the following: ", except that the civil penalty for each such violation involving national security controls imposed pursuant to section 5 of this Act or controls imposed on the export of defense articles and defense services pursuant to section 38 of the Arms Export Control Act may not exceed $100,000.".

(d) The amendments made by this section apply with respect to violations occurring after the date of the enactment of this Act.

SEC. 5. Section 12(c)(2) of the Export Administration Act of 1979 (50 U.S.C. App. 2411) is amended to read as follows:

"(2) Nothing in this Act shall be construed as authorizing the withholding of information from the Congress or from the General Accounting Office. All information obtained at any time under this Act, or previous Acts regarding the control of exports, including any report or license application required under this Act, shall be made available to any committee or subcommittee of Congress of appropriate jurisdiction upon request of the chairman or ranking minority member of such committee or subcommittee. No such committee or subcommittee, or member thereof, shall disclose any information obtained under this Act or previous Acts regarding the control of exports which is submitted on a confidential basis unless the full committee determines that the withholding thereof is contrary to the national interest. Notwithstanding paragraph (1) of this subsection, information referred to in the second sentence of paragraph (2) of this subsection shall, consistent with the protection of intelligence, counterintelligence, and law enforcement sources, methods, and activities, and sensitive diplomatic information, as determined by the originating agency, and consistent with the provisions of the Budget and Accounting Act, 1921, as amended, be made available only by the originating agency upon request to the Comptroller General of the United States or to any of his duly authorized assistants or employees. General Accounting Office representatives shall not disclose in an individually identifiable manner any such information which is submitted on a confidential basis except to a congressional source entitled to the information under this paragraph.".

SEC. 6. (a) Section 5 of the Export Administration Act of 1979 (50 U.S.C. App. 2404) is amended by adding at the end thereof the following:

"(m) EXCLUSION FOR AGRICULTURAL COMMODITIES.—This section does not authorize export controls on agricultural commodities, including fats and oils or animal hides or skins.".

(b)(1) Section 6 of such Act (50 U.S.C. App. 2405) is amended by adding at the end thereof the following:

"(1) AGRICULTURAL COMMODITIES.—If the authority conferred by this section is exercised to prohibit or curtail the export of any agricultural commodity to carry out the policy set forth in subparagraph (B) of paragraph (2) of section 3 of this Act, other than in connection with the prohibition or curtailment of all exports, the President shall immediately report such prohibition or curtailment to the Congress, setting forth the reasons therefor in detail and specifying the length of time the prohibition or curtailment is proposed to remain in effect.

"(2)(A) If the Congress, within sixty days after the date of its receipt of such report, adopts a joint resolution approving such prohibition or curtailment pursuant to paragraph (3), then such prohibition or curtailment shall remain in effect for the period specified in the report, for one year after the close of the sixty-day period, or until terminated by the President, whichever occurs first.

"(B) If the Congress, within sixty days after the date of its receipt of such report, fails to adopt a joint resolution approving such prohibition or curtailment pursuant to paragraph (3), then such prohibition or curtailment shall cease to be effective upon the expiration of such sixty-day period.

"(3)(A) For purposes of this paragraph, the term 'resolution' means only a joint resolution the matter after the resolving clause of which is as follows: 'That, pursuant to section 6(1) of the Export Administration Act of 1979, the Congress approves the exercise of the authority conferred by section 6 of such Act as reported by the President to the Congress on .', with the blank space being filled with the appropriate date.

"(B) On the day on which a report is submitted to the House of Representatives and the Senate under paragraph (1), a resolution with respect to such report shall be introduced (by request) in the House by the majority leader of the House, for himself and the minority leader of the House, or by Members of the House designated by the majority leader and minority leader of the House; and shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself and the minority leader of the Senate, or by Members of the Senate designated by the majority leader and minority leader of the Senate. If either House is not in session on the day on which such a report is submitted, the resolution shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter on which that House is in session.

"(C) All resolutions introduced in the House of Representatives shall be referred to the Committee on Foreign Affairs and all

resolutions introduced in the Senate shall be referred to the Committee on Banking, Housing, and Urban Affairs.

"(D) If the committee of either House to which a resolution has been referred has not accepted it at the end of thirty days after its introduction the committee shall be discharged from further consideration of the resolution or of any other resolution introduced with respect to the same matter.

"(E)(i) A motion in the House of Representatives to proceed to the consideration of a resolution shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(ii) Debate in the House of Representatives on a resolution shall be limited to not more than twenty hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to recommit, the resolution shall be in order. It shall not be in order to move to reconsider the vote by which a resolution is agreed to or disagreed to.

"(iii) Motions to postpone, made in the House of Representatives with respect to the consideration of a resolution, and motions to proceed to the consideration of other business shall be decided without debate.

"(iv) All appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to a resolution shall be decided without debate.

"(v) Except to the extent specifically provided in the preceding provisions of this subparagraph, consideration of a resolution in the House of Representatives shall be governed by the Rules of the House of Representatives applicable to other resolutions in similar circumstances.

"(F)(i) A motion in the Senate to proceed to the consideration of a resolution shall be privileged. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(ii) Debate in the Senate on a resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than twenty hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

"(iii) Debate in the Senate on any debatable motion or appeal in connection with a resolution shall be limited to not more than one hour, to be equally divided between, and controlled by, the mover and the manager of the resolution, except that in the event the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

"(iv) A motion in the Senate to further limit debate on a resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a resolution is in order in the Senate.

"(G) In the case of a resolution described in subparagraph (A), if prior to the passage by one House of a resolution of that House, that House receives a resolution with respect to the same matter from the other House, then—

"(i) the procedure in that House shall be the same as if no resolution had been received from the other House; but

"(ii) the vote on final passage shall be on the resolution of the other House.".

(2) Section 7(g)(3) of such Act (50 U.S.C. App. 2406(g)(3) is amended by adding at the end thereof the following new sentence: "This paragraph does not apply to the prohibition or curtailment of the export of any agricultural commodity pursuant to section 6(1).".

(c) The amendments made by this section shall take effect on January 21, 1985.

SEC. 7. Since persistent high-interest rates are exacerbated by large Federal budget deficits and by inflationary expectations, since high-interest rates are having a disastrous effect on credit-sensitive sectors of the United States economy, including housing, automobiles, small business, and thrift institutions, and since the prime interest rate has declined from 22 per centum to 17 per centum, the administration shall emphasize and continue to implement policies necessary to sustain the downward movement of interest rates.

SEC. 8. (a) The Congress finds that—

(1) Continued high interest rates are contributing to the current serious slowdown in the economy.

(2) These high interest rates are a principal cause of the severe decline in agriculture, small business, the housing and automobile industries, and other productive sectors of the economy.

(3) Large corporations and banks may have compounded the problem of high interest rates and contributed to the scarcity of credit by reserving billions of dollars of credit for the takeover of other corporations.

(4) Strong measures are needed at this time to discourage wasteful uses of credit and to conserve credit for productive sectors of the economy.

(b) The President shall take appropriate actions on a voluntary basis to encourage banking or other financial institutions to exercise restraint in extending credit for the purpose of unproductive large scale corporate takeovers. Such actions shall include consultation and cooperation with the Board of Governors of the Federal Reserve System.

SEC. 9. Notwithstanding any other provision of law, no provision of this Act or any other Act shall be construed as prohibiting the use of this Act as authority for a total embargo in the event of Soviet or Warsaw Pact military action against Poland.

SEC. 10. It is the sense of the Senate that a suspension of or restriction on all exports from the United States to the Union of Soviet Socialist Republics shall be imposed if the Union of Soviet Socialist Republics, or its allies, engages in direct military action against Poland, including but not limited to an armed invasion.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HEINZ. Mr. President, I ask unanimous consent that S. 1112 be indefinitely postponed.

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

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1982

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 4169, which the clerk will state by title.

The assistant legislative clerk read as follows:

A bill (H.R. 4169) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related Agencies for the fiscal year ending September 30, 1982, and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. BAKER. Mr. President, as I indicated earlier, there will be no more rollcall votes tonight. It would be my hope that the managers of the State, Justice appropriations bill might be able to dispose of some amendments which may not require rollcall votes within the next 5 or 10 minutes. It is not my intention to ask the Senate to remain in much longer this evening.

The PRESIDING OFFICER. The pending question is a perfecting amendment of the Senator from Connecticut to committee amendment No. 7.

Mr. WEICKER. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside until such time as the manager of the bill calls it up again.

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

Mr. WEICKER. I ask that my colleague from Florida be recognized for the purpose of offering an amendment.

UP AMENDMENT NO. 620

(Purpose: To prohibit the obligation or expenditure of funds for the detention or processing of certain aliens at facilities in the State of Florida)

Mrs. HAWKINS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Florida (Mrs. HAWKINS for herself and Mr. CHILES) proposes an unprinted amendment numbered 620.

Mrs. HAWKINS. Mr. President, 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 26, line 19, before the period insert a colon and the following: *"Provided further,* That none of the funds appropriated under this paragraph may be obligated or expended after March 1, 1982, for the detention of any entrant, any applicant for political asylum or for refugee status, or any other alien which would cause the total number of aliens to exceed 525 at the facility known as Krome North, located in the State of Florida, or to exceed 525 at the other facility in the State of Florida for the detention of aliens awaiting exclusion, deportation, or resettlement which is not used for such purpose on the date of enactment of this Act".

Mrs. HAWKINS. Mr. President, this amendment would require the Immigration and Naturalization Service to limit the population at the Krome North detention facility to 525 by March 1, 1982. I understand that without this amendment INS has said that they would be forced to release 500 Haitians onto the streets of Florida. This would be unacceptable. So, my amendment provides INS with sufficient time to prepare additional detention space.

In addition, my amendment would recognize the burden that has fallen on the whole State of Florida because of the recent inundation of Cubans and Haitians to our shores.

Mr. President, Krome North is the primary facility used by the Immigration and Naturalization Service to detain and process aliens who have illegally entered Florida. The conditions at this facility are pitiful. It was designed to hold 525 people based on a space allotment of 50 square feet per person, but currently it is holding 1,024 people. This is only 26 square feet per person, roughly the size of a single bed. The overcrowding has led to breakdowns in the water and sewage systems giving rise to unsanitary and unhealthy conditions. The Haitians are generally characterized as an obedient, passive people, but several months ago the overcrowding and unsanitary conditions at the camp led to riots and demonstrations. I believe that this overcrowding cannot be allowed to persist. The camp's population must be brought down to its designed level. We have accepted these unacceptable conditions at Krome North for too long.

In addition to the problems of overcrowding, Krome North has become a symbol of this country's inadequate immigration policy. It has become a monument to the Government's inability to deal with the immigration-related problems afflicting south Florida.

Many people discount the problems facing south Florida because fewer illegal aliens wash up on Florida's shores than cross the Rio Grande. These skeptics point to the millions of Mexicans who have crossed into this country in search of work, and compare this to the 150,000 Cubans and Haitians that have arrived in south Florida in the last year and a half. From this they conclude that the problems of south Florida are a drop in the bucket. If there are any of my colleagues in this body who hold this view, I challenge you to travel to Dade County in south Florida and learn the truth first hand. I was in Dade County this past weekend where the plight of the county was again vividly drawn to my attention. Illegal immigration has affected Dade County more than any other county in the country. One out of every nine people currently living in Dade County entered this country illegally within the last year and a half. The results of this massive influx have been devastating. Housing is tight. Police and fire departments are overworked. Sewer, water, and electric systems are strained. Jails and schools are filled beyond capacity, and unemployment is high.

Tourism has always flourished in south Florida, but with the recent and continuing influx of illegal aliens, tourism has declined. Unfortunately this decline comes as no surprise because the crime rate has shot through the roof in the last year and a half. In the city of Miami from 1979–80, robberies were up 103 percent, murders were up 59 percent, auto thefts were up 68 percent, rapes were up 23 percent, and the rest of the crime statistics were equally bleak. 1981 statistics indicate that the crime rate has leveled off at this higher rate, and in some categories gone even higher. Miami has been terrorized by many of these illegal aliens. The city of Miami further reports that the Mariel refugees, those who came from Cuba in 1980, are responsible for 40 percent of the crime statistics in 1980. In all violent crime categories, the Mariel refugees made up a greater percentage than any other single group. It is not uncommon to hear of an elderly man or woman being beaten and robbed by Mariel refugees, or to hear of brazen robberies conducted by these aliens, or to hear mysterious shots in the night. And Krome North has come to symbolize these problems for the people of south Florida. It has come to symbolize the slowness with which the Federal Government is dealing with our runaway immigration policy.

I know that the administration has announced a new immigration policy. I know that they have sent us legislation to implement this new policy. I know of the tremendous efforts by Senator SIMPSON and the members of the Immigration Subcommittee to study and treat our immigration problems.

I know that the Coast Guard has begun interdicting Haitian vessels off the coast of Haiti. I know of the resolve in the administration and the Congress to face up to and deal with our immigration problems. But all the people of south Florida see are more murders, more robberies, more theft, and more rape. We must show them this Congress' resolve to take decisive, affirmative action to solve our immigration problems. We must show them that we recognize that immigration is a Federal responsibility and that the Federal Government must help find a solution. We must show them that they have not been forgotten.

Mr. President, I would like to digress for a moment if I might. It would be a grave disservice to the Cuban community living in south Florida if, when discussing the immigration problems of south Florida, we do not distinguish between the upstanding and valuable elements of the Cuban community, and the troublemakers who came to this country during the 1980 Mariel boatlift. The Cubans who settled in south Florida prior to Mariel have worked wonders in the area. They are in large part responsible for the tremendous increase in the exporting business that is done through the Port of Miami. They have helped open doors for U.S. trade with Latin America and the Caribbean. They have attracted international banks to settle in Miami. Their culture, traditions, and language combined with Miami's tremendous climate combined to lure Latin and Caribbean tourists in large numbers who have spent their money on American goods and services. In addition, the pre-Mariel Cubans had the lowest crime rate of any ethnic group in the United States. In short, this portion of the Cuban community has been a boon to the area, and the entire country has benefited because of their hard work, diligence, and enterprise.

Now, Mr. President, if I may, let me continue my discussion of this amendment.

Some of my colleagues might be inclined to think that the newly implemented interdiction policy might in some way ease the overcrowded and unsanitary conditions at Krome North. I wish this were so, but the facts do not bear this out. Only a handful of Haitians have been returned to Haiti from the United States in the last 5 years because of a legal tangle in the District courts, and they continue to arrive in steady numbers on Florida's shores. The Coast Guard has set up its interdiction patrol off the coast of Haiti for logistical and safety reasons. Under this arrangement the Coast Guard cutters are in a good position to intercept Haitians who are now departing for Florida. However, most of the Haitians who are currently arriving left Haiti before the Coast Guard began interdiction and have been island hopping through the Bahamas and are only now reaching Florida's coast. So interdiction does hold out some hope for a long-term solution to this problem, but not short-term which is where the need lies.

Finally, this amendment would provide the INS with time to develop locations in which to detain the overflow Haitians in Krome North. INS has recently announced that they anticipate developing a new interim detention facility at Fort Drum in Watertown, N.Y. They expect this facility to be able to detain several thousand Cubans or Haitians, and they say that it can be ready in 30 to 90 days. My amendment provides ample time for INS to prepare this facility to hold the overflow from Krome North. I believe that this effectively dispells the fear that the excess Haitians will be turned loose in the streets of Miami. I have made it clear to INS that I do not consider releasing these detainees on the streets of Miami as an acceptable way of resolving this problem, and I believe that my amendment provides a way around this problem. By giving INS until February 1, they have 10 weeks to be able to work out a solution to the overcrowding at Krome North. I believe that this is more than sufficient time for them to adequately prepare Fort Drum or to possibly provide other arrangements.

Finally, our colleagues in the House have recognized the validity of these arguments and voted to accept the language without my amendment, and I believe that the House would recede in favor of my amendment in conference. So I urge support for this amendment because it would correct the deplorable conditions at the camp. I urge support for this amendment because it would show that this Congress is willing to deal decisively and effectively with our Nation's immigration problems. I urge support for this amendment because it will provide the INS with sufficient time to properly take care of the overflow at Krome North. I urge support for this amendment because action is needed now.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WEICKER. 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. WEICKER. Mr. President, I ask that the amendment of the distinguished Senator from Florida be temporarily laid aside.

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

FIFTH EXCEPTED COMMITTEE AMENDMENT—PAGE 26, LINES 10–19

Mr. WEICKER. Mr. President, I ask that the committee amendment on page 26, lines 10 through 19, be accepted.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The fifth excepted committee amendment was agreed to.

UP AMENDMENT NO. 620

Mr. WEICKER. Mr. President, I now ask unanimous consent that the Senate return to the amendment of the Senator from Florida.

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

● Mr. CHILES. Mr. President, I am concerned about a crisis which all of Florida is facing. The crisis I am referring to is overcrowded, unsanitary conditions at the immigration and naturalization detention facility called Krome North. The amendment which my colleague and I are offering would relieve this crisis by effectively placing a cap on the number of persons who can be held at Krome.

Krome North is an old Army post located on the outskirts of Miami, and it has been pressed into service as a processing center and holding facility for immigrants who land on south Florida's shores. The official capacity of Krome, based on an allowance of 50-square-feet per-person, is 525 people. Yet the day-to-day population of Krome far exceeds this stated capacity. In the past, the population has run as high as 1,600 persons. As of this morning, the Krome population was 1,026 persons, twice the stated capacity. That means that each person in Krome has about 24 square feet of space, an amount of space a bit larger than the average desk top.

It is not surprising that these overcrowded conditions have led to health problems, and added to the tensions in an already explosive situation. The overcrowding has caused malfunctions in the water and sewerage systems at Krome, and as a result, Krome no longer meets State and local health standards.

This unsanitary situation poses a public health hazard to the population at Krome and to south Florida in general. There have been riots and demonstrations inside Krome, and outside its gates.

To the people of south Florida, Krome stands as a symbol of the Federal Government's inability to live up to its responsibility to handle this national problem, and of the frustration all Floridians feel in trying to contend with uncontrolled immigration.

Mr. President, the Federal Government has begun to move ahead to solve some of these problems, and to bring relief to south Florida. Today in fact, we have the opportunity to approve funding for a comprehensive immigration enforcement program that, among other things, will set up a new detention center for immigrants.

I certainly support these efforts, and will do everything I can to make sure they are enacted as quickly as possible. Furthermore, I believe that our amendment is consistent with this new enforcement effort.

Mr. President, it is important to keep in mind that this amendment is a temporary measure. It recognizes that, in the future, we will have a permanent facility to accommodate immigrants. All this amendment says is that, until that facility is completed, we ought to assure that those who are being held, and the communities in which they are being held, are not subject to health and safety hazards.

Florida is already doing more than its fair share, and will continue to do so under this amendment, until that new facility is completed. It is only appropriate that we make sure that Florida is protected during the weeks and months ahead, while the new facility is under construction.

As far as I am concerned, there is another issue, one of fairness, involved in this matter. We all recognize that authority over immigration is delegated to the Federal Government under the Constitution. We all recognize that we have an immigration problem in America today. But what we all must recognize is that that problem is centered in only a few States, like Florida, and those States are helpless to do anything in the absence of Federal action.

There ought to be fairness involved in the burden the Federal Government asks each State to bear. In many instances, the Federal Government has been fair to States. We think that our State should be treated fairly, too.

Recently, the Federal Government and the Governor of Puetro Rico entered into an agreement to open a holding center for Haitian immigrants at Fort Allen, Puerto Rico. But the Federal Government agreed to place a cap on the total number of immigrants at Fort Allen. That cap—800 persons—assures that those being detained will have humane conditions, and hardship and disruption to the government and people of Puerto Rico will be minimized.

The Federal Government ought to enter into a similar agreement with the State of Florida, and that is precisely what our amendment does. It simply puts Florida on the same footing as other States.

Mr. President, the INS claims that it does not have any room available to hold these people, and some have suggested that the people at Krome would have to be released into the community under our amendment. That is highly unlikely. First, it would be inconsistent with our present and future immigration policy. Second, we in Florida have come to learn that, when pressure is applied, the Justice Department is able to find necessary space and facilities.

Just this last weekend, 125 persons at Krome were relocated to a facility at Lake Placid, N.Y., and another 60 were transferred to a Morgantown, W. Va. facility. Room can be found, especially when we recognize that we are talking about a temporary situation, one that will end when the permanent facility is opened.

Mr. President, nothing underscores the frustration the people of Florida feel more than the lawsuit which the Governor of Florida recently filed against the Federal Government. That lawsuit seeks to reduce the population at Krome, and it has been the source of much of the pressure that has resulted in finding space for Haitians at other facilities. In fact, many people in south Florida have noticed a strange coincidence.

Whenever someone from the Justice Department in Washington comes down to Miami, the Government comes up with new facilities elsewhere for the people at Krome. Our amendment is another way to put pressure on the Federal Government to resolve this problem. In doing so, we show our willingness to face up to our responsibility to handle this national problem.

Mr. President, in closing let me make it clear that we are not attacking this administration, or its immigration policies. This is a bipartisan issue. It is an issue of fairness. It is a matter of the Federal Government living up to its responsibilities.

The Krome facility remains overcrowded, and the continued overcrowding is a serious threat to the health and safety of south Florida. Over the last year and a half, south Florida has been forced to bear the brunt of what is a Federal problem, and this amendment lifts some of that weight from Florida's shoulders. It is a temporary measure, which lapses once permanent holding facilities are completed.

The amendment would have a limited impact on the rest of the country, but would be vital to the people at Krome and to south Florida. It also assures the State of Florida and the people of Florida that the Federal Government, in handling immigration matters, will treat States in a fair, evenhanded manner.●

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Florida (Mrs. HAWKINS).

The amendment (UP No. 620) was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WEICKER. Mr. President, I am searching around for more amendments, something I think we shall not have to wait for for very long. I suggest the absence of a quorum so I may find out whether or not the distinguished Senator from Kansas may have an amendment.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. 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. BAKER. Mr. President, may I in-

quire of the distinguished managers of the bill if there are any other amendments we can do tonight without a record vote?

I gather there are no other amendments that are available to be dealt with by the Senate this evening, and I see no contrary position asserted.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there be a brief period for the transaction of routine morning business not to extend beyond the hour of 9:30 p.m. in which Senators may speak.

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

SMALL BUSINESS INNOVATION RESEARCH ACT OF 1981

Mr. SYMMS. Mr. President, our Nation stands alone in history as the standard of human initiative and freedom. Our form of government is unique in that it was established as a shield to protect God-given freedoms and liberties from usurpation by tyranny.

Because we as a nation of free men and women are able to exercise these God-given rights, we are a people known for our creativity and productivity. It is when we are not free or are in some way hindered in exercising these rights that creativity and productivity suffer.

To insure that this creativity and innovation are continued I am proud to be a cosponsor of S. 881, the Small Business Innovation Research Act of 1981. No sector of our society has added more to our national well-being than that of small business.

When unhampered by Government interference the creativity and inventiveness of men and women involved in private enterprise have led to major advances and improvements in our way of life. Much of what we enjoy every day has its origins in the creativity of small business.

Federal policymakers often forget the contributions of small firms. Small business has been our Nation's most efficient and fertile source of new technology. Between 1952 and 1973, small firms accounted for almost one-half of major U.S. innovations, and they did this 50-percent cheaper than if it had been done by large firms or the Government.

Also, small innovative businesses create jobs and stimulate economic growth. Between 1969 and 1976 small business provided 87 percent of all new jobs in the United States. We all know that innovation creates new jobs, increases productivity, adds to the competitiveness of U.S. products in overseas markets, and stimulates economic growth. Surely we are to be thankful that we have the creative force of the small businessman and woman.

But, Mr. President, I am very concerned that our Nation is not fully promoting and utilizing this vast creative resource. Over the past decade our Nation has experienced a decline in innovation. As other nations have increased their research efforts, we seem to have entered a period of little creative development.

One of the causes of this decline is the failure of Federal policymakers to fully realize the suppressive effects of Federal involvement and legislation on small business' private enterprise creativity.

We in the Federal Government must provide the leadership that will create a climate where private innovation and creativity may once again flourish.

S. 881 goes far in doing this. Not only does it recognize the abilities of the individual and the private sector; it also seeks to stimulate increased private activity in the creation of new innovations. This can be promoted by requiring Federal agencies to allocate certain amounts of research and development funds to small business. The infusion of such funds into small business, the most prolific source of new technology, will spark a creative upsurge affecting all levels of our economic life for the better and increase our competitive stance among other nations.

Mr. President, I am pleased that small business and private enterprise are once again being recognized for the contributions they offer our society.

SUPPLY-SIDE ECONOMICS

Mr. SYMMS. Mr. President, I suspect that the widely announced death of supply-side economics will turn out to be premature. Whatever one calls it, supply-side economics is nothing more than the commonsense recognition that there are limits to the amount of blood the taxman can get out of a turnip.

The program enacted so far cannot even really be called "supply-side" so far. Despite all the wringing of hands among political pundits and ersatz economists, the tax cuts so far enacted barely keep pace with the inflationary tax increases Congress has so thoughtfully built into the system over the last couple of decades.

Now the special interest groups are sharpening their pens for attacks on proposed spending cuts while at the same time they sharpen their knives for the President and his aides who have to propose those cuts. The tragedy of it is that no one points out their bias in the matter.

It is all well and good for a social worker to talk about how "the poor" will be hurt by budget cuts; what has to be recognized, but seldom is, is that it is the social worker who has done the best out of the existing system.

There is an enormous welfare bureaucracy and industry, quite as well-entrenched and fanatic as the military-industrial complex the liberal media get so exercised about. That welfare-industrial complex feels itself threatened right now, and the barricades are manned.

Above all, what is needed is political courage. Facts are facts. We do not have the money to do everything the welfare-industrial complex wants, and we cannot get that money from increasing taxes. We have tried that for so long, that one would think we would have learned. Right now is the time for leadership, for courage, and I urge my President, the leader of my party in the Senate, and all my colleagues to rally round.

If we are not able to resist the special interests now, with the results of last November's election to strengthen us, then I fear for the future of this democracy.

Mr. President, our problems have been over a generation in the making. In my view, President Reagan has put us on the right track with his economic proposals, and it is discouraging to me to see so much scrambling for a politically expedient solution.

For a problem this serious, there will be no universally popular solution, and there will be no quick solution. Time is going to be required.

What is the alternative to the Reagan program, Mr. President? Has anyone offered anything other than the ruinous taxation and uncontrolled spending that got us into the mess we are in now, with high unemployment, astronomical interest rates, a decline in productivity, and raging inflation? The answer, simply, is no. No one has. "Back to the old ways," we hear from Democratic politicians and their scribes.

Mr. President, this Senator will not go back to the old ways. We tried them and tried them, and tried them again. They failed. I am going to continue to resist the special interests, the panic-mongers, and those whose political interest in the failure of the President's program is manifest.

Mr. President, some of the connections between and among the special interests, the bureaucracy, and the Congress were perceptively outlined in an editorial in the Wall Street Journal a short time ago. It is a timely warning against "the old ways" 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:

[From the Wall Street Journal, Oct. 15, 1981]

THE TREASON OF CONGRESS

In 1906, the muckraking journalist David Graham Phillips wrote a magazine series on the way leading U.S. Senators served the bidding of corporate interests. He gave his articles the collective title "The Treason of the Senate." Exaggerated as the charge might have been, it is no less appropriate now for a Congress that has let spending run out of hand, relied on unlegislated tax increases and phony bookkeeping for any semblance of budget balance, driven the nation's largest trust fund to the verge of bankruptcy, and, when confronted with a national mandate to change its ways, thrown up its hands at the "political difficulty" of reform.

The "political difficulty" is that Senators and Representatives are just as subservient now as in 1906 to the bidding of special interests. These interests masquerade under humanitarian labels, but they are even more harmful to the public good than the trusts and corporations belabored by the Progressive movement. There is the lobby for job training programs, which is less concerned with turning welfare recipients into productive workers than with protecting federal contracts for the job training industry. There is the housing lobby, which represents builders so addicted to federal rent subsidies that they can't conceive of putting up a moderate-income apartment house without them.

There are myriads more. The motives and men may be worthy, but these interests have all come to depend for a living on one or another federal line item in health, welfare or social service, and nothing arouses their energies as much as a campaign to keep Congress from cutting their program.

Washington is all too receptive to these campaigns. In a group, Congressmen make all the appropriate noises about fiscal responsibility, but each one knows in his heart that his political future is best served by staking a claim to a well-heeled, well-organized "program constituency." The arrangement is all the tighter if the Congressman holds rank on a subcommittee that controls the program's funding. In the Executive Branch, the bureaucrats who work on that program have an obvious interest in seeing it grow. And so, with the private industry that springs up around each program, you have the famous "iron triangles" which, until this year, have been the downfall of every attempt to control the budget. President Reagan's massive budget assault earlier this year threw the interests in momentary disarray; now they have regrouped and one hears on every side how hard it will be to make further cuts.

But the problem goes beyond structures. Congress lives in an isolated, self-indulgent universe, oblivious to the way its rhetoric translates into the real world. House Majority Leader Jim Wright presents budget cuts as an assault on women, children and the helpless without pausing to glance at the mound of evidence that federal social programs have bettered mainly their administrators and contractors and have often done harm to the people they were intended to help. Senators of both parties murmur that tax cuts have been overdone, even though the President's program does little more than compensate for the "bracket creep" caused by inflation. For members of Congress, Social Security remains an abstract problem interesting only for its short-term politics, since they pay no Social Security taxes and don't have to worry whether any of this considerable bite on the payroll will be around for their retirement in the next century.

Congress is one of the main victims of the elephantiasis that infects the federal government. As committees and programs have proliferated, staff members have taken over much of the legislative detail. As employes of Congress have multiplied, it has been spreading its increasingly bloated buildings over Capitol Hill, threatening to expropriate space from the Library of Congress and even the Supreme Court. This antheap of legislative aides and committee staff—the legocracy, as some call it—is even more divorced than the members from the real world back home.

Pampered, privileged, surrounded by aides who regard him with servile contempt, your Congressman has become adept at confusing the public good with his own interest and interests. Campaign reforms become a means for protecting incumbents. Budget outlays become a mutual aid arrangement with budget constituencies. The duty to the folks back home becomes a matter of winning them federal goodies, to the point that it is a question whether the Congressman is serving his electors or corrupting them.

The result has been double-digit inflation, suffocating tax increases procured in the dark of the moon, and now, the agonizing corrective of high interest rates. By any view that the public interest lies in balanced budgets, sound currency and a stable tax rate, Congress has sold us out. And now it is about to tell us that because of the "political difficulty", of real budget control, there is "no alternative" but to postpone the scheduled tax rate cuts, allow inflation once again to boost taxes surreptiously and go back to all of the old ways.

THE ECONOMIC SITUATION

Mr. SYMMS. Mr. President, as the economic recession begins to take hold, I am sure all my colleagues have received mail from constituents about the effects of the slowdown. If we have not received letters ourselves, the Washington Post is kind enough to treat us to almost daily accounts of how the Reagan economic program is devastating our country's poor and helpless.

I have received letters from home as well, and many of them are thoughtful reactions to difficult economic situations. Given the level of interest rates and the resulting housing slump, the forest products industry is among the hardest hit in the Nation. I have just received a letter from one of my constituents, a worker in that industry, whose wife is a realtor.

This constituent recognizes that our economic course was heading into the hurricane, and that a drastic course of correction was required if we were ever to emerge into the economic sunshine again. To quote this Idahoan:

> One should take a few moments to consider where the country would end up should we have remained on the same old track of spend now and pay later.

Robert A. Maxwell, the writer of this letter, points out that Government is consumptive, not productive. Whatever is produced in this country is produced by private individuals. The Reagan program is designed to stimulate that productive capacity, and I continue to believe that it will do so.

Mr. President, I ask unanimous consent that Mr. Maxwell's letter be printed in the RECORD. I think all my colleagues can profit from his insight.

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

OCTOBER 27, 1981.

Hon. STEVEN D. SYMMS,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR SYMMS: The present poor economic situation is close to home as I am part of the hard hit Forest Products Industry. My wife is a realtor and the high interest rate is hurting them badly as well.

One should take a few moments to consider where the country would end up should we have remained on the same old track of spend now and pay later. The government makes no products to sell. When it gives one person something it must come from someone else. There are no freebee's in this world.

The Reagan changes are hurting many, but I feel the present administration's direction is correct. The budget must be balanced. It appears the so called "entitlement programs" need looking into, and update the laws on them if required so they are realistic.

No one should get a handout without contributing. Our country must return to new but solid ideas that are realistic and not just a government dream.

Your job, like most everyone else's, is not easy but with others you must find and lead the ways to a balanced budget.

At the same time, we must keep this great country of ours stimulated, working and productive.

Yours truly,

ROBERT A. MAXWELL,
Coeur d' Alene, Idaho.

PROPOSED F-16 FIGHTER SALE TO PAKISTAN

Mr. HATFIELD. Mr. President, I would like to take the opportunity today to present the case for a resolution of disapproval on the proposed sale of F-16 fighters to Pakistan. Senator MOYNIHAN and I introduced this resolution 2 days ago. The arguments which can be leveled against this proposed sale are so numerous and so serious that I will limit my remarks to what I consider to be the principal concerns. I would like to say at the outset, Mr. President, that I do not accept this role with enthusiasm.

I am fully cognizant of the need to strengthen and revitalize our relationships with any and all nations located in areas of vital strategic concern. I would be the first to assert, Mr. President, that a friendly Pakistan would be a tremendous asset to U.S. interests in Southern Asia. But I am convinced that we are dreaming. What we would like to accomplish, and what the evidence indicates we can expect to accomplish, are worlds apart in the case of this sale.

Let me first address the question of stability. The most recent State Department report grimly notes:

> Restriction on dissent and individual freedom have grown during the past year in Pakistan, while citizens' rights have diminished.

The extremely tentative power base held by General Zia in Pakistan is well-known. His is a brutal and unstable government unable to provide even the base necessities of life for its people.

Though I would welcome evidence to the contrary, the future, as I see it, points only to General Zia's imminent demise. The people of Pakistan will not view this new security relationship as an expression of friendship; rather they will view it as an open-armed embrace of the unpopular Zia regime. Top leaders of the Pakistan Peoples' Party, the party it is generally agreed would win free elections, have warned that if this security package goes through, they will terminate the relationship when they assume the reins of power.

If we were embarking on an exploratory arrangement—a limited package of economic and military support designed to create a constructive relationship, there would be less need for concern. But we are talking about 40 sophisticated aircraft totaling over $1 billion, and an economy-military package totaling $3 billion for one of the least developed nations on the globe. This is a massive injection of aid and sophisticated hardware.

Yet I am constantly told that anything less is likely to cause Pakistan to reject it out of hand. I must say that I find this incredible. If General Zia is so deeply concerned about the Soviet threat and is so anxious to become a key ally of the United States, I seriously doubt that he would be so particular. At the same time, we are turning our backs on the party in Pakistan which would clearly win a free election if General Zia would only allow one to take place.

The second point I would like to ad-

dress is the prospect of an endlessly spiraling arms race on the Indian Subcontinent. India and Pakistan have fought three wars in the last 34 years. I fully acknowledge that India is the stronger of the two nations.

India's increasing intimacy with the Soviet Union and its bankrupt policy of noncriticism over the invasion of Afghanistan rightly concern the administration and Congress. While I am disturbed over India's pro-Soviet leanings, I do not believe that the facts in any way suggest that she has become a hopelessly pro-Soviet surrogate. India's foreign policy has always been characterized by nonalinement. But there are now disconcerting indicators that pro-Soviet factions in India, once on the defense over Afghanistan, are being rejuvenated.

Indian anxieties over the Soviet invasion of Afghanistan appear to be giving way to a renewed preoccupation with the Chinese-Pakistani-American challenge. Sentiment for a joint India-Pakistan response to the Soviet threat was once powerful, but it has been replaced with stirrings for a preemptive nuclear showdown with Islamabad.

The underlying rationale behind the Pakistan security arrangement is to deter Soviet adventurism and to reinforce our position with respect to the Persian Gulf. But let us examine this assumption carefully, Mr. President, as I believe that it is so riddled with holes as to defy logic. As recently as 4 months ago, Pakistan's foreign minister announced that the Soviet Union was not a central threat to Pakistan. It is well known that Pakistan seeks some kind of political accommodation with the Soviet Union and the Karmal regime in Afghanistan.

There has been no major redeployment of Pakistani forces since the invasion of Afghanistan. Two-thirds of the Pakistani military is deployed not along the Afghanistan border, but on the Indian border. Pakistan has expressed unqualified opposition to the administration's goals in the region, including the concept of a rapid deployment force.

Of course, it is possible that this open-armed embrace of General Zia will ultimately result in moderation of these positions. But considering the magnitude and the implications of the $4 billion we intend to invest in Pakistan, one would think that changes would have already been forthcoming. Instead, we receive signals that any tampering with the aid package will result in Pakistan's rejecting the entire idea.

Finally, significant though this aid may be when viewed in a vacuum, it is light-years away from being sufficient to deter an invasion by the Soviet Union. Interceptor aircraft would be far better suited to Pakistan's defense than F-16 fighters. I completely fail to comprehend how one can be anything but horrified at the potential for disaster we stand to create through this sale. The vision of nuclear weapons and F-16 fighters in the hands of General Zia is as fundamentally frightening a prospect as I can imagine in this volatile age.

While it is suggested that enough conventional arms might induce Pakistan to abandon the nuclear option, there is absolutely no evidence that this theory will work. A recent State Department cable reveals that Pakistan has obtained sensitive nuclear equipment from Turkey. The cable reported:

> We have strong reason to believe that Pakistan is seeking to develop a nuclear explosive capability. We have information that Pakistan is conducting a program for the design and development of a triggering package for nuclear explosive devices.

I hope this body is aware of the speculation that Pakistan could be seeking an Islamic bomb in conjunction with Colonel Qadhafi. A report by the London Observer indicates that Libya has supplied Pakistan with uranium ore. If these reports are inaccurate, the burden of proof lies with those who are promoting the gamble. I would also like to call the Senate's attention to an essay written by William Sapphire which recently appeared in the New York Times. He points out that a German-based company is now assisting Libya in developing a long-range, surface-to-surface missile.

He further suggests that it would be natural for Pakistan, rapidly developing an offensive nuclear capability, to cooperate with the Libyans on a delivery system. Both Islamic countries could then have missiles with nuclear warheads. I suggest this prospect, Mr. President, for the benefit of those who are comforted by the notion that it may be some years before Pakistan could develop an atomic bomb small enough to be carried on F-16's.

We are setting the stage for another preemptive strike against a nation suspected of developing offensive nuclear capability. I would like to point out that the provisions on aid introduced by Senator GLENN, which would necessitate an aid cutoff if a nuclear device is detonated, does not apply to the F-16 package. We are all aware of the abundance of evidence: intelligence reports, photographs of the construction of a uranium enrichment plant at Kahuta, and statements by Prime Minister Bhutto prior to his execution by General Zia.

I would now like to turn to the final point, around which all of my previous concerns revolve, and that is the question of allegiance.

I must confess that I tend to lose my objectivity when I recall the wanton act of terrorism which occurred less than 2 years ago when the Zia government stood by in passive indifference while two American personnel were killed, the U.S. Embassy was burned to the ground, and other U.S. Government facilities were destroyed. It took the Zia government more than 5 hours to respond to the desperate pleas of the Americans trapped in the Embassy. The American people have yet to be provided with an apology, let alone an explanation or full reimbursement for this murderous violation of international law.

The Pakistani Government can never replace the lives of the personnel who were killed in that incident while serving as officials of the U.S. Government. Why has the Government of Pakistan not moved to punish those who conducted the attack?

Finally, serious questions remain unanswered regarding the involvement of the Pakistani Government in this act. Does anyone in this Chamber seriously believe that these same individuals can be trusted to defend American interests? The substance of Pakistan's allegiance to the United States is even more questionable than its own stability. Even if our convenient friends in the Zia regime are in power on the day when we need them, what evidence exists that they can help us in the face of bitter domestic opposition greatly exacerbated by this jet-fighter sale?

This Nation is fast becoming the world's most compulsive gambler. With so much talk of renewed commitment to our real friends, we now move to bestow "allied status" on a regime that so recently displayed supreme disregard for this Nation and which has always displayed disregard for our ideals.

This sale represents a desperate substitute for the genius and the courage which the increasingly dangerous global situation requires of us. We are becoming the national image of a gambler who disregards his family's welfare, blinds himself to the future, and blanks out the past in a feverish effort to achieve immediate and total security. I have been as critical of the Soviet Union as any Member of this Chamber. I deplore the march of totalitarianism.

I condemn the brutality and spiritual bankruptcy of their system. But we must stand for something. This sale is a rash move. It is intended to signal strength and resolve to the Soviets, but it in fact signals confused purpose and hollow commitment. We must confront ourselves with brutal honesty. Have we come to view nonproliferation, democracy and allegiance as such hopeless goals that our only recourse is to live for the moment? It is as though we are prepared to abandon everything in deference to an all-consuming and myopic anti-Sovietism.

Mr. President, I hope and pray that this deliberative body will not allow itself to succumb to the bankrupt interpretation of national security which underlies this proposal. That which masquerades as realism is increasingly proving itself removed from reality.

I appeal to this body to reject this dangerous and compulsive toss of the dice. We cannot afford to confuse that which is desirable with that which is possible. A rejection of this sale will not make life any easier for us. It will not solve anything. It will not rid us of the dilemma which confronts us. In fact, it will add a new dimension to the already ominous responsibilities we face.

But I am certain, Mr. President, that the other alternative—the acceptance of this sale—spells disaster not only for the United States, but for mankind. Let us choose the more difficult road, secure in the knowledge that we rejected the simple answer, and maintained our historic ideals.

Mr. President, I ask unanimous consent an article to which I referred appearing in the New York Times of October 9, 1981, and the article appearing in the Christian Science Monitor of November 9, 1981 be printed at this point in the RECORD.

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

[From the New York Times, Oct. 1, 1981]

THE ISLAM BOMB

(By William Safire)

WASHINGTON.—You are Indira Gandhi, Prime Minister of India, a "nonaligned" country that is tightly aligned with the Soviet Union.

You pick up The New York Times and read, in an exclusive story by Judith Miller, that U.S. arms control officials suspect Pakistan may be diverting fuel from its nuclear reactor to build a bomb.

You note that the International Atomic Energy Agency has detected "irregularities" and "anomalies" at the plant site, and that Pakistan refuses surveillance that might slow development of "the Islam bomb."

You note further that President Reagan has asked the U.S. Congress to exempt Pakistan from the law barring military aid to countries building nuclear weapons, and that 40 F-16's are on their way to help Pakistan defend itself against the Russians in nearby Afghanistan.

You remember that Menachem Begin used F-16's to reach across the desert to attack the Iraqi reactor in Baghdad, and you ask your air force chief if the Pakistanis could use their F-16's to drop an atomic device on India's population centers, or to attack India's own nuclear plants.

Your air force man says yes, the F-16's could hit your nuclear facilities, but not for years could Pakistan develop an atom bomb small enough to be carried on a fighter-bomber. In the meantime, the major threat to India would be a Pakistanti nuclear device that might be delivered by a large missile such as those being developed by OTRAG.

And what, you ask, is OTRAG? You are informed that Orbital Transport und Raketen Aktien-Gesellschaft is the Munich-based private company now helping the Libyans develop a long-range surface-to-surface missile. As Pakistan builds its bomb, it would be natural to make a deal with the Libyans on a delivery system; both Islamic countries would then have missiles with nuclear warheads.

As Prime Minister of India, which not long ago crushed and dismembered Pakistan in a war, you are concerned: why don't the West Germans close down OTRAG? Answer: business is business, and the people of Munich—many of whom protest American neutron weapons being positioned there in West Germany's defense—are evidently unconcerned at the prospect of incineration if a country laid waste by a German-produced rocket lashes back in retaliation.

You ask if India has the means to remove the forthcoming nuclear threat from Pakistan. Yes, you have British Jaguar fighter-bombers with the range to reach the Karachi reactor, and the Russians are eager to explain how to penetrate Pakistan's radar.

Now switch identities. You are Marshal Ustinov, the Soviet defense chief. You have no intention of invading Pakistan, because that might trigger a war with the U.S. But if your ally India, in pre-emptive self-defense, attacks Pakistan—that would not be an East-West superpower confrontation. That would just be an old grudge fight, at the conclusion of which you could enlist Baluchi tribesmen in a simple reach through Pakistan for Soviet control of the Persian Gulf. To a Soviet marshal, the provocation of a Pakistani bomb would be a godsend.

Switch identities once more: you are now President of the United States. Your hard-line advisers tell you that the only opposition to sending F-16's to General Zia in Pakistan comes from the usual dovecote that flinches at supporting friendly dictators. You are persuaded that the only way to stand up to the Russians in the Persian Gulf is to bolster the Pakistani chief even if he tells us to get lost when we inquire about his atomic-bomb intentions.

You, as President, know which side you are on: our side, of course, alongside all those who join our strategic consensus against the Russians. But then a cloud, no bigger than a man's hand (I Kings 18:44), ariseth out of the sea: our support of the Pakistanis is directed against the Russians, but what if General Zia sees it as useful against Mrs. Gandhi? Won't our turning of a blind eye to Pakistan's atomic pretentions induce India, a Soviet ally, into doing the Russians' work for them? Common sense suggests that by attaching no strings to our aid, we may be tripping ourselves up.

Now drop all identities and be yourself. Think it over: the notion of supplying military aid to Pakistan without extracting its signature on a nonproliferation agreement is almost as foolish as supplying our most advanced weapons system to the Saudis without extracting an agreement guaranteeing our presence and joint control. Senator John Glenn seems to understand this; that is why he is trying to assure Saudi-American co-management of the Awacs, and why he is trying at the same time to amend the foreign-aid bill to limit the nuclear waiver Mr. Reagan was all too willing to grant the Pakistanis.

A parallel interest is not an alliance. We furnish arms to parallel interests like the Saudis and Pakistanis (and Chinese) for the purpose of aiding their defense against the Soviet threat. If our purpose is subverted, then those arms should be diverted to other nations whose interests parallel our own.

America's interest is in helping General Zia defend Pakistan against the Russians, and not in encouraging him to build a bomb that will make his country an irresistible target for a Soviet surrogate.

[From the Christian Science Monitor, Nov. 9, 1981]

PAKISTAN CONSIDERS FRIENDLIER LINE TOWARD MOSCOW

(By David K. Willis)

ISLAMABAD, PAKISTAN.—Pressures are growing here for Pakistan, viewed in Washington as a key strategic ally against Soviet expansionism, to consider a softer line toward Moscow.

Well-placed Pakistani sources report that the editor of a prominent weekly magazine with close ties to President Zia ul-Haq has been asked for a confidential report on how popular opinion would react to any move toward recognizing the Moscow-backed Kabul government of Babrak Karmal.

Meanwhile, Western sources in Islamabad say they detect among some senior Pakistani diplomats a growing feeling that the only way out of the impasse with Moscow is to signal some kind of recognition of Babrak Karmal and to open a new dialogue with the Soviets.

The new pressures may represent a split between President Zia's generals and the civilians who operate Pakistan's diplomacy.

The Reagan administration would strongly oppose any Pakistani softening. It is going to great lengths to assure General Zia of US support against Soviet troops next door. The US also seeks Pakistan's cooperation to counter the Soviets in the Middle East.

Some Western sources dismiss the report about the weekly newspaper, saying it represents, if true, no more than normal government contingency planning.

But other observers tie the report to the rationale they detect among Pakistan diplomats. The rationale goes this way:

Soviet troops cannot be dislodged from Afghanistan by force, just as they cannot subdue areas outside the cities unless they are strongly reinforced. Soviet strategy seems to be to hold on, to support Karmal and await developments.

(The Karmal government was installed by Soviet troops in December 1979. Some 85,000 Soviet troops remain in Afghanistan.)

The thesis argues that now is the time to send some kind of signal to Moscow that Pakistan is prepared to accept Babrak Karmal as a fact of life in Kabul. This, it is said, could break the diplomatic impasse with Moscow, lend greater flexibility to Pakistani democracy, and lead to an easing of Soviet and Afghan pressure on Pakistan's western borders.

There is even some hope, according to this thesis, that talks with Moscow might open up some kind of inducement to the 2 million Afghan refugees in Pakistan to start going home. The aim would be to cut the financial burden on Pakistan and reduce the tribal frictions that the refugee presence exacerbates.

But the hope is slim: The refugees fled Afghanistan because they dislike and fear Karmal and Soviet occupation. Pakistani recognition of Karmal could add to their fears.

So far, General Zia and his military government have rejected Moscow's demand for talks that would, in effect, grant Karmal legitimate status.

Even if so inclined, President Zia is unlikely to take new iniatives toward Moscow while the US Congress is considering an aid package.

The US Senate has just approved a $3.2 billion package of economic aid and military credits for Pakistan, on condition that President Zia does not explode the nuclear device many experts say he is building. The House of Representatives is about to take up the package.

Neither Senate nor House has yet acted on a formal administration notification Oct. 23 that the US intends to sell Pakistan 40 super-sophisticated F-16 fighter-bomber aircraft. The sale will go through unless both houses veto it within 30 days.

The choices for Pakistan seem to be to continue standing firm against Soviet diplomacy with US support and international aid for the Afghan refugees, or exploring a softer line toward Moscow while keeping as close as possible to Washington.

An important pressure on President Zia is the refugees. Two million of them (the United Nations High Commissioner for Refugees estimates 1.6 million, while Pakistan says 22.5 million) are camped along the broad arc from Peshawar in the northwest to Quetta, further south.

They have millions of head of livestock with them, all grazing on land claimed by local tribes.

Two issues confront President Zia. One is financial: Who is to pay for maintaining the refugees? The US contributed $100 million last year. Western Europe, Japan, and Australia gave another $100 million. Pakistan says it spent $200 million of its own money. For how long will other countries keep up their payments?

Already some European countries are saying privately they cannot sustain another Palestinian-type of aid program for 35 years or more.

The other major issue is tribal: The refugees are Pashto-speakers. In Baluchistan Province, where Baluchis are in the majority with 1.6 million, there are now almost 1 million Pashto-speakers (half a million local, half a million Afghans). This alarms the Baluchis. Their separatist movement appears to have quieted since the Soviet troops arrived next door, but the Soviets could try to exploit it at any time.

Despite Pakistan's present pro-American tilt, a US visitor quickly detects, even at senior levels, reservations about the United States.

Conversations recall how Washington cut off spare parts to Pakistani armed forces during the war with India in 1965. US spare parts to India also ended, but the effect was much greater here. Pakistani arms are largely US, while India's are largely Soviet and French.

The Pakistani sources who revealed the request to the weekly newspaper editor said the man is a close confidant of President Zia. His weekly is published in the Urdu language. All publications are under strict censorship during the current period of martial law. The editor is said to be still working on his report.

Mr. BUMPERS. Mr. President, I would like to be added as a cosponsor to the resolution of the Senator from Oregon, the resolution of disapproval.

Mr. HATFIELD. I thank the Senator.

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

Mr. HATFIELD. I thank the distinguished Senator and welcome his vital support for this initiative.

(The name of Mr. WEICKER was also added as a cosponsor of the resolution.)

SOUTHEAST ASIA REVISITED

Mr. HAYAKAWA. Mr. President, I have just read a most perceptive article in the October 12 issue of the U.S. News & World Report on current attitudes of Southeast Asian leaders toward international politics in the region. The views expressed by the author, Marvin Stone, closely coincide with mine based on my trip to the area last August.

The article points out that many attitudes have changed since the Vietnam war. Vietnam is now perceived as the principal threat to regional security. The Soviet Union is seen by most countries to be a greater immediate threat than China. Although suspicions of the latter remain, the Association of Southeast Asian Nations (ASEAN) has grown into an important economic and political grouping. The American presence is again welcome in Southeast Asia, both in terms of trade and investment and as a guarantor of security. Southeast Asian leaders stress that they are not interested in the return of American troops, but they would welcome increased military aid. In order to keep vital Southeast Asian sealanes open, sufficient U.S. naval strength to balance Soviet naval power is seen as of paramount importance.

Because of the valuable insights this article gives us on this important part of the world, 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:

SOUTHEAST ASIA REVISITED

(By Marvin Stone)

BANGKOK.—When I left Southeast Asia 15 years ago, it was in a mood of despair. I had become convinced in Vietnam that we were trapped in a hopeless war. America's resolve in 1966 was fast melting away. The fighting was not going well, and a corrupt regime in Saigon was unworthy of more GI blood.

Still, we pursued the war for almost another decade out of fear that all Southeast Asia would fall, country by country, like so many tumbling dominoes. America, we were told, could ill afford to abandon this rich region to the advancing Communists.

Well, we were wrong. There was no chain reaction. Non-Communist Asia still stands firm, thriving as never before. Disgrace has not followed defeat. American influence, while muted, again is gaining. In fact, the wheel has come full circle: Once more, American friendship and support are being courted.

On the personal level, the residual warmth that remains for the American people is surprisingly full and open. The present U.S. President is respected. Even the often-critical leftist press shows unusual restraint when dissecting U.S. foreign policy.

Not only has the worst not happened but, except for the unwelcome entry of the Soviet Union in these parts, there have been some unpredictable and pleasant pluses for the U.S. in Southeast Asia.

Item. Communist China has split with the Communist Hanoi regime and claims to be eager for U.S. support in its struggle against the Soviet Union.

Item. Hanoi is in disfavor everywhere but Moscow. Its aggression against neighboring Cambodia has made it an international outcast.

Item. Thailand, marked as one of the likely falling dominoes, instead is a linchpin of a defense grouping called the Association of Southeast Asian Nations (ASEAN)—along with the Philippines, Malaysia, Singapore and Indonesia. Says Adm. Robert L. J. Long, commander of U.S. forces in the Pacific: "ASEAN is one of the true success stories of the past few years."

Item. Whatever the U.S. did not accomplish in Vietnam, its sacrifice there gave countries of the region vital years to build their security—modestly in military terms, more importantly in political and economic terms. Asians, like Americans, want to share in a prosperous, nontotalitarian world. The American model is admired and its free-enterprise system is envied and emulated.

GROPING FOR A POLICY

The American resurgence in Southeast Asia has not come overnight, nor easily. In 1975, when I accompanied President Ford to Peking, then on to Indonesia and the Philippines, the U.S. was scrambling to shape a new course in the wake of the debacle in Vietnam.

On that 24,000-mile journey with Ford, we traveled with the uneasy realization that we were groping, at best, for some way to put the U.S. on a firmer footing in Asia other than through those policies of the past that had drawn the U.S. into three wars in Asia in a single generation—the Pacific action of World War II, Korea and, of course, the long struggle in Vietnam.

An Indonesian editor told me that while his countrymen did not hold the U.S. at fault for the collapse of South Vietnam—they blamed the South Vietnamese—"it is better that you stay home from now on; a white army cannot fight in Asia and have support of local people."

At that time, the U.S. had not yet found a new, natural relationship with its remaining friends. There was political trouble brewing internally throughout the region. Economies were fragile. No one knew what to expect next. America's emerging policy, wisely, was to keep hands off and let the Asians sort things out for themselves.

WELCOME BACK, AMERICA

When the United States was "invited" to withdraw its massive air and naval forces from Thailand in 1975, the retreat from Southeast Asia was complete. America simply was not regarded as having the will to defend further against Communism, and the Asian states were hopeful that, without the U.S. military presence as a lightning rod, Hanoi would be satisfied not to push beyond its unified Vietnam.

All that changed in 1978 when the regime in Hanoi, heady with ambition and hungry for Cambodia's resources, invaded the country that now calls itself Kampuchea. It became apparent that the Vietnamese would be there, and in Laos—the third of the Indo-China states—for a long time.

That invasion accomplished two things:

First, it split Communist China and Communist Vietnam. Peking not only saw Hanoi encroaching on an area it considered in its own sphere, but realized that Russia was now supporting the Vietnamese occupation of Cambodia, in a real way increasing its encirclement of the mainland. Russia today, by estimates in Bangkok, is spending 6 million dollars a day to support the 200,000 Vietnamese troops fighting off attempts by 30,000 Cambodian guerrillas to retake their country.

Second, the invasion gave real and sudden purpose to the five ASEAN allies. For the first time in history, the Soviets had made an entry into their region. Now the threat from the Communist world was a triple-header—the Soviets adding to traditional suspicions about China's ultimate designs and the aggressive ambitions of the Vietnamese.

All at once, five nervous nations started beckoning renewed American interest and support. They wanted to feel that their concern was shared by Washington. At this point, it is not so much a matter of seeking American troops as it is availability of U.S. forces in a showdown.

Thailand's Foreign Minister, Air Chief Marshall Sitthi Savetsila, in a lengthy conversation in his office, proved to be one who draws the line at inviting U.S. forces back to his country, even though Vietnamese troops stand at his borders. "Yet," he says, "if things get worse, or if your forces must go into action in the Indian Ocean area, you can count on us to make our bases available."

Not only Thailand, but Singapore and Indonesia are building new runways capable of handling the heaviest American bombers. Today, U.S. forces are present only at Subic Bay and Clark Field in the Philippines. And while only Singapore is pressing openly for a return of U.S. forces to the region, all are looking once again to the U.S. for future insurance.

THE TRIPLE THREAT

Not everyone agrees on where the danger lies. To the Thais, the grave threat today is not from the ancient antagonist, China, but the nearby Vietnamese and their Soviet backers. The Thais are going out of their way to improve relations with Peking. "Our national interests now coincide with China," a Thai official declares. "They fear the Soviets and so do we." Singapore, too, regards the Soviets and Hanoi as Enemy No. 1. "They are the hard-line states," an American diplomat reports.

Indonesia and Malaysia—half of Malaysia's population is of Chinese ancestry—continue to view Communist China as the main threat. Indonesia, after 14 years, still refuses to re-establish diplomatic relations with Peking. Says a diplomat from Singapore: "Thailand will be sorry 10 years from now that they downgraded the Chinese danger."

What of the fifth ASEAN nation—the Philippines? Reports an American official here: "They are really on the sidelines. They have enough internal problems to occupy all their attention—and then some."

AS U.S. SEES IT

Most disconcerting to American officials are Soviet designs. "They have finally been able to establish a foothold in Southeast Asia," says one. "They are in a position to expand their intelligence collection and their air reconnaissance and, with their naval forces, they pose a threat to the U.S. and Japan—and the lifeline to Southeast Asia."

In fact, the Soviets are all over Asia. In the north, they have perhaps 50 divisions facing China. To the west, they have found

a renewed ally in India. They are supporting the Vietnamese in Cambodia. They are upgrading their Pacific air forces with modern Backfire bombers. Admiral Long reports that in 1980 "the Soviets added more modern bombers—200 of them—to their Pacific forces than the U.S. has total fighters in the Pacific." Long cites the presence of the latest Soviet nuclear attack submarines, cruise-missile subs, modern cruisers and one of their two aircraft carriers.

It is Vietnam, at sword's point with China, that has opened the door to the Russians, and Moscow shows no reluctance to take advantage of the opening.

You find Soviet naval ports at two bases the U.S. spent hundreds of millions of dollars to establish—at Da Nang and Cam Ranh Bay in South Vietnam. In the view of our military experts, Moscow's aim is not only to outflank mainland China, but to sit astride the key sea-lanes of the Far East. For the first time, the Soviet Navy has broken out of the northern Pacific port of Vladivostok, free to range over thousands of more miles of Asian waters.

Martin L. Lasater, an authority on the Far East, writing in the September issue of Asia Report, makes this point:

"A conflict between the armed forces of the U.S. and the Soviet Union in the Indian Ocean [some 11,000 miles from either coast of the U.S.] would inevitably involve the Pacific fleets of both powers. Whoever gained supremacy over the sea-lanes around the periphery of Asia would determine the course of events within the Indian Ocean. For the U.S., operating at such tremendous distances from its home ports, control over the sea-lanes and local areas of operation would be essential. Conversely, the Soviets would seek to deny freedom of movement to American units. The destruction of forward deployed naval units and support facilities would be of utmost importance to both sides. Naval air, whether carrier or land-based, would play an essential role in the struggle, as would submarines and their ASW counterparts.

"Given the present force levels available to the U.S. and U.S.S.R. in the Indian and Pacific oceans, a favorable outcome of that struggle would be in doubt, especially if it were initiated by a Soviet surprise attack against our surface fleet. . . ."

Lasater concludes: "An increased military budget, tough rhetoric and more consultations with its Asian allies on military and strategic matters are important steps in the right direction. But none of these can replace the absolute necessity of increasing the size of the American military presence in the Far East."

There is no question that since the retreat from Vietnam, U.S. military strength in Asia has gone downhill. The forward island-defense line that was built after World War II has shrunk. The Pacific Fleet is stretched many thousands of miles from Pearl Harbor to the Indian Ocean. Observes Admiral Long:

"We have insufficient forces in the Pacific to handle all the contingencies simultaneously. Our forces are spread too thin. We have drawn down the naval forces in the western Pacific to move forces into the Indian Ocean, into the vital Persian Gulf area. We do not have sufficient air forces, and I have estimated that we are short somewhere around 25 to 30 percent."

WILL AMERICA RETURN?

The great guessing game in Southeast Asia is whether American interest in returning to the scene of so recent a disaster will soon be rekindled.

As many Asians see it, America's stake in this part of the world goes beyond an interest in helping contain Vietnamese-Soviet expansion beyond Indo-China. It involves a tangled web of strategic crosscurrents involving the Soviets, the Chinese, free Asian nations, oil and trade.

Since the turn of this century, the blood of a half-million Americans attests to America's historic role as a major power in the Far East. Yankee clippers carried American trade to the Pacific a century and a half ago. By 1833, we had a treaty of commerce with the Kingdom of Siam, now Thailand. Today, that country and its four ASEAN allies are our fifth largest trading partner. In all, U.S. investments in Asia, excluding Japan, run to more than 20 billion dollars, and the return on that investment is the highest anywhere in the world. Two-way trade with Asia, again excluding Japan, totals more than 113 billion dollars a year.

When a visitor tells his Asian friends that the people of the United States have no desire to return with troops to Southeast Asia, that the scars of Vietnam have not healed at home, there is universal acceptance of this explanation.

Yet some Asians believe that the wedge the Soviets are driving into the area may force Washington's hand over the next several years. "The future may depend on the clash of interests of the two superpowers in this region," says one Thai official, "and whether Peking can induce you to take Soviet pressure off China's southern flank."

That is a worrisome prospect to Asians. They no more want to see Americans fighting in Southeast Asia than Americas want to return.

What, then, do the Asians want?

A leading Thai magazine, its cover reproduced on page 91, welcomes the report that the U.S. will increase its military aid to Thailand from 50 to 80 million dollars next year. It then sums up a widely held view: "It is necessary for the U.S. to render more arms assistance to friendly countries rather than sending its men to help fight the war the same as in Vietnam. . . . The job can be done better by the Thais, and with less expense to the U.S."

Singapore's Prime Minister, Lee Kuan Yew, dealt recently with the picture this way: "The naval balance must be a rough U.S. equivalent to Soviet naval power in the area. There must be sufficient American forces to influence the thinking of governments, to assure them that outside intervention against them would not be permitted and to caution them that they themselves should not embark on ventures."

I asked the man who, as Prime-Minister of Thailand in 1975, threw the Americans out, what U.S. policy should be. Replied Kukrit Pramoj: "The American image has been restored in Thailand. Even the leftist press reflects no animosity. But the worst thing that could happen is for you to return physically to bases in Thailand. What your country should do is maintain your image as the most powerful nation on earth. Stand up to the Russians everywhere. We take heart from that."

From a U.S. diplomat: "We can increase economic aid and aid for military training. But we are not, and should not, be getting out front and forcing issues. Some may think it's not much of a policy, but it's not a bad one."

No one may be certain of where we should, or will, go next in Southeast Asia. But people here remind you that the world is menaced by the tyranny of Communist regimes. They send a message that they share in our own struggles to resist domination by these tyrants.

ARMS SALES TO TAIWAN

Mr. HAYAKAWA. Mr. President, I have just read a most persuasive article on the question of arms sales to Taiwan, which I would like to share with my colleagues. It was written by Edward N. Luttwak, senior fellow at the Georgetown University Center for Strategic and International Studies, and appeared in the November 3, 1981 issue of the Wall Street Journal.

Mr. Luttwak argues that the administration has made a serious mistake by delaying its decision on selling modern fighter aircraft to Taiwan. The delay has allowed China to mount a high-pressure campaign with the administration against further arms sales to Taiwan, and has focused attention on the issue internationally and within China—thus adding to the eventual embarrassment of Deng Ziaoping and his colleagues when the United States does supply planes to Taiwan. In addition, the delay has damaged our credibility with Taiwan in terms of our commitment under the Taiwan Relations Act to provide defensive arms.

Beyond concern for Taiwan, however, Luttwak asserts that we are risking our credibility as a security partner with both the Southeast Asians and China itself. The Asian nations are counting on us as a protective shield against Vietnam, in the short term, and China in the long run. The readiness of the United States to keep its promise to Taiwan is the obvious test case, the repudiation of which would have grave consequences for our diplomatic and strategic position in Southeast Asia. China is in the process of developing a security relationship with the United States which would help deter the Soviet threat in East Asia. While the leaders of the Peoples' Republic will no doubt express their displeasure if Washington fulfills its commitment to Taiwan, they will also recognize, albeit paradoxically, that the very act is proof of American reliabilty.

As I feel Mr. Luttwak offers some very compelling arguments on this controversial issue, I hope my colleagues will take the time to read his article. 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:

SELLING ARMS TO TAIWAN: THE SOONER THE BETTER

(By Edward N. Luttwak)

In a high-pressure diplomatic campaign, the Peking government is trying to force the Reagan administration to renounce further arms sales to Taiwan. American Congressmen and former officials visiting mainland China have been told that the "normalization" agreement of December 1978 included—or at least implied—a tacit promise to "phase out" the sale of weapons to Taiwan, and that the time has come to do that.

It is safe to assume that the same demand is being pressed in the diplomatic dialogue between Washington and Peking. During his China visit, former President Carter performed a major service when he flatly denied that his administration had promised to cut off arms sales to Taiwan; but then, in his very characteristic manner, Mr. Carter made further statements that weakened the impact of his clarification. Always gracious but also relentless, Chinese diplomacy, including the individual persuasion of the many important American guests so warmly received, is having its effect: A number of

Senators have already expressed support for the mainland Chinese position.

In the meantime, the administration is still acting with no great sense of urgency. Partly because of the fairly large arms sales of the last year of the Carter administration, and partly because of the understandable desire to make its own appraisal of Taiwan's military needs, Mr. Reagan's team has yet to authorize its first arms sale to that country. The Republic of China government in Taipei has also been patient, no doubt because it remains confident that the Taiwan Relations Act of 1979 and the President's personal goodwill ultimately guarantee that the weapons will be supplied.

But in the light of Peking's campaign, the administration's delay seems unfortunate: Inevitably, the diplomatic offensive is having its effect within China also, focusing attention on the issue and thus adding to the eventual embarrassment of Deng Xiaoping and his men when the U.S. does supply something to Taiwan, as it must. What could have been a minor affair some months ago may become a first-class diplomatic row if the decision is delayed much longer.

To be sure, even within the administration there are those who would simply accept the Chinese demand, and who welcome the prospect of a "peaceful reunification" that would be imposed on a disarmed Taiwan. But even if there were no Taiwan Relations Act to give the full force of law to the American commitment to do so, it would still be in our interest to supply Taiwan with the weapons it needs to deter attack.

That Taiwan's dynamic and increasingly open society of 17 million people is intrinsically worthy of our concern is obvious. So is the fact that to repudiate our promise must damage our credibility. But there is also a more specific reason for honoring our commitment to Taiwan.

As Secretary of State Haig learned during his recent visit to the region, the governments of Southeast Asia agree with the U.S. in seeing Vietnam and its Soviet patron as the salient threat to their security—but only in the short run. For the long term, it is China that presents the dominant threat to their independence, and they foresee a situation in which a Soviet-supported Vietnam could become a most useful barrier against Chinese power.

The leaders of 260 million Southeast Asians nevertheless strongly favor the growth of Sino-American cooperation, but only on the understanding that the U.S. will remain active and credible in the region as their residual guarantor against Chinese power. Otherwise, much against their inclinations, they will be forced to seek reassurance elsewhere, by developing a security relationship with China's natural counterweight, the Soviet Union. In this setting, the readiness of the U.S. to keep its promise to Taiwan is the obvious test case, and a repudiation of the commitment would have grave consequences.

In spite of the huge disparity in their overall military power, the maintenance of a deterrent balance between Taiwan and China is by no means impossible. For it is not the totality of Chinese power that must be balanced but only that small fraction that has the strategic reach to threaten Taiwan. So far, that deterrent balance is well assured, but it will take the prompt release of modern fighter aircraft and some naval munitions to maintain the balance during the rest of this decade.

The decision to sell those weapons is already greatly overdue. The U.S. can renounce neither its friendship with Peking nor its obligation to Taiwan. If Washington is resolute in fulfilling its commitment to Taiwan, the leaders of the People's Republic will no doubt express their displeasure, but they will also recognize that the very act is proof of American reliability. Whatever else Peking needs, it does not need an unreliable partner in facing an intense and growing Soviet threat to its own security.

MESSAGES FROM THE PRESIDENT

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

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting a withdrawal and sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

CONTINUATION OF EMERGENCY SITUATION IN IRAN—MESSAGE FROM THE PRESIDENT—PM 90

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination on the anniversary date of a declaration of emergency, unless prior to the anniversary date the President publishes in the *Federal Register* and transmits to Congress a notice that the emergency authority is to continue in effect beyond such anniversary date. On November 12, 1980 President Carter caused to be published in the *Federal Register* and transmitted to the Congress a notice that the emergency declared on November 14, 1979 with respect to Iran was to continue in effect beyond the November 14, 1980 anniversary date. I have sent to the *Federal Register* for publication the attached notice stating that the Iran emergency is to continue in effect beyond the November 14, 1981 anniversary date.

Although the crisis which existed in the fall of 1979 and throughout 1980 between the United States and Iran has substantially abated, the internal situation in Iran remains uncertain. The war between Iran and Iraq continues and the Soviet Union still occupies Afghanistan. In January 1981, Iran and the United States entered into agreements for release of the hostages and the settlement of opposing claims. An international arbitral tribunal has been established for the adjudication of claims of U.S. nationals against Iran and by Iranian nationals against the United States; but it must decide four disputes between the United States and Iran over the proper interpretation of the agreements before it can address private party claims. It appears that full normalization of commercial and diplomatic relations between the U.S. and Iran will require more time. In these circumstances, I have determined that it is necessary to maintain in force the broad authorities that may be needed to respond to the process of implementation of the January 1981 agreements with Iran and the eventual normalization of relations.

I will see that the Congress is kept informed of significant developments.

RONALD REAGAN.

THE WHITE HOUSE, *November 12, 1981.*

MESSAGE FROM THE HOUSE RECEIVED DURING THE RECESS

Under the authority of the order of the Senate of November 10, 1981, the Secretary of the Senate, on November 11, 1981, received a message from the House of Representatives announcing that the House disagrees to the amendments of the Senate to the bill (H.R. 4522) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1982, and for other purposes; agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. DIXON, Mr. NATCHER, Mr. STOKES, Mr. WILSON, Mr. LEHMAN, Mr. WHITTEN, Mr. COUGHLIN, Mr. GREEN, Mr. PORTER, and Mr. CONTE as managers of the conference on the part of the House.

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 1:16 p.m., a message from the House of Representatives, delivered by Mr. Gregory, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 4734. An act to recognize the organization known as the Italian American War Veterans of the United States.

The enrolled bill was subsequently signed by the President pro tempore (Mr. THURMOND).

At 4:16 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 1322. An act to designate the U.S. Department of Agriculture Boll Weevil Research Laboratory Building, located adjacent to the campus of Mississippi State University, Starkville, Miss., as the "Robey Wentworth Harned Laboratory"; to extend the delay in making any adjustment in the price support level for milk; and to extend the time for conducting the referenda with respect to the national marketing quotas for wheat and upland cotton.

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 3455) to authorize construction at military installations for fiscal year 1982, and for other purposes; agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. PRICE, Mr. BRINKLEY, Mr. MONTGOMERY, Mr. KAZEN, Mr. WON PAT, Mr. DICK-

INSON, Mr. TRIBLE, Mr. WHITEHURST, and Mr. MITCHELL of New York as managers of the conference on the part of the House.

The message further announced that the House disagrees to the amendment of the Senate to the bill (H.R. 3413) to authorize appropriations for the Department of Energy for national security programs for fiscal year 1982, and for other purposes; agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appointed Mr. PRICE, Mr. STRATTON, Mrs. BYRON, Mr. MAVROULES, Mr. DICKINSON, Mrs. HOLT, and Mr. HILLIS as managers of the conference on the part of the House.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 4144) making appropriations for energy and water development for the fiscal year ending September 30, 1982, and for other purposes; agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. BEVILL, Mr. BOLAND, Mrs. BOGGS, Mr. CHAPPELL, Mr. FAZIO, Mr. WATKINS, Mr. BENJAMIN, Mr. WHITTEN, Mr. MYERS, Mr. BURGENER, Mrs. SMITH of Nebraska, Mr. RUDD, and Mr. CONTE as managers of the conference on the part of the House.

ENROLLED BILLS SIGNED

The message also announced that the Speaker has signed the following enrolled bills:

S. 195. An act to recognize the organization known as the U.S. Submarine Veterans of World War II;

S. 999. An act to amend the Earthquake Hazards Reduction Act of 1977 and the Federal Fire Prevention and Control Act of 1974 to authorize the appropriation of funds to the Director of the Federal Emergency Management Agency to carry out the earthquake hazards reduction programs and the fire prevention and control program, and for other purposes; and

H.R. 4792. An act to amend title 10, United States Code, to improve the military justice system.

The enrolled bills were subsequently signed by the President pro tempore (Mr. THURMOND).

At 4:44 p.m., a message from the House of Representatives, delivered by Mr. Berry, 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. 4035) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1982, and for other purposes; it recedes from its disagreement to the amendments of the Senate numbered 1, 8, 22, 25, 31, 85, 92, 93, 101, and 114 to the bill, and has agreed thereto; and that the House recedes from its disagreement to the amendments of the Senate numbered 2, 4, 6, 9, 11, 12, 20, 21, 33, 35, 36, 41, 55, 64, 73, 74, 77, 78, 86, 95, 97, 104, 106, 111, 112, and 117 to the bill, and has agreed thereto, each with an amendment, in which it requests the concurrence of the Senate.

ENROLLED BILL SIGNED

At 5:39 p.m., a message from the House of Representatives, delivered by Mr. Gregory, announced that the Speaker has signed the following enrolled bill:

S. 1322. An act to designate the United States Department of Agriculture Boll Weevil Research Laboratory building, located adjacent to the campus of Mississippi State University, Starkville, Miss., as the "Robey Wentworth Harned Laboratory"; to extend the delay in making any adjustment in the price support level for milk; and to extend the time for conducting the referenda with respect to the national marketing quotas for wheat and upland cotton.

The enrolled bill was subsequently signed by the President pro tempore (Mr. THURMOND).

ENROLLED BILLS PRESENTED

The Secretary reported that on today, November 12, 1982, he had presented to the President of the United States the following enrolled bills:

S. 195. An act to recognize the organization known as the United States Submarine Veterans of World War II;

S. 999. An act to amend the Earthquake Hazards Reduction Act of 1977 and the Federal Fire Prevention and Control Act of 1974 to authorize the appropriation of funds to the Director of the Federal Emergency Management Agency to carry out the earthquake hazards reduction programs and the fire prevention and control program, and for other purposes; and

S. 1322. An act to designate the United States Department of Agriculture Boll Weevil Research Laboratory building, located adjacent to the campus of Mississippi State University, Starkville, Mississippi, as the "Robey Wentworth Harned Laboratory"; to extend the delay in making any adjustment in the price support level for milk; and to extend the time for conducting the referenda with respect to the national marketing quotas for wheat and upland cotton.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2193. A communication from the Acting Director of the Defense Security Assistance Agency transmitting, pursuant to law, a report on a proposed foreign military sale to Thailand; to the Committee on Armed Services.

EC-2194. A communication from the Assistant Secretary of the Air Force for Research, Development, and Logistics transmitting, pursuant to law, notice of conversion of television maintenance at Wright-Patterson Air Force Base, Ohio, to performance under contract; to the Committee on Armed Services.

EC-2195. A communication from the Principal Deputy Assistant Secretary of Defense for Manpower, Reserve Affairs, and Logistics transmitting, pursuant to law, reports relative to the disposal of certain excess properties to the City of Key West, Florida; to the Committee on Armed Services.

EC-2196. A communication from the Secretary of the Treasury transmitting, pursuant to law, the annual report for fiscal year 1980 on the operations of the Exchange Stabilization Fund; to the Committee on Banking, Housing, and Urban Affairs.

EC-2197. A communication from the Under Secretary of Commerce for International Trade transmitting, pursuant to law, a report on an extension of foreign policy controls on export of aircraft equipment to Libya; to the Committee on Banking, Housing, and Urban Affairs.

EC-2198. A communication from the Administrator of the Federal Aviation Administration transmitting, pursuant to law, the Administration's semiannual report on the effectiveness of the Civil Aviation Security Program; to the Committee on Commerce, Science, and Transportation.

EC-2199. A communication from the Chairman of the National Transportation Safety Board transmitting, pursuant to law, a copy of the Board's appeal from the Administration's proposed budget reductions for the agency; to the Committee on Commerce, Science, and Transportation.

EC-2200. A communication from the Secretary of Commerce transmitting, pursuant to law, the fifth report concerning fishery management plans, regulations, and activities; to the Committee on Commerce, Science, and Transportation.

EC-2201. A communication from the Railroad Retirement Board transmitting, pursuant to law, the Board's report under the Milwaukee Railroad Restructuring Act; to the Committee on Commerce, Science, and Transportation.

EC-2202. A communication from the Administrator of the National Aeronautics and Space Administration transmitting, pursuant to law, a report on contracts negotiated by the Administration under 10 U.S.C. 2304 (a)(11) and (16) for the period January 1, 1981 through June 30, 1981; to the Committee on Commerce, Science, and Transportation.

EC-2203. A communication from the Acting Executive Secretary of the Office of the Secretary of Defense transmitting, pursuant to law, the October-August, 1981 Report on Small Business Participation in Department of Defense Procurement; to the Committee on Small Business.

EC-2204. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Improved Oversight and Guidance Needed to Achieve Regulatory Reform at DOE; to the Committee on Energy and Natural Resources.

EC-2205. A communication from the Secretary of Agriculture transmitting, pursuant to law, a multiple-use plan for the management of the National Forest System lands in the Alpine Lakes management unit in the State of Washington; to the Committee on Energy and Natural Resources.

EC-2206. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, a final rule promulgated by the Commission relating to the protection of certain unclassified material; to the Committee on Environment and Public Works.

EC-2207. A communication from the Deputy Assistant Secretary of State for Congressional Relations, transmitting, a draft of proposed legislation to authorize support to Radio Broadcasting to Cuba, Incorporated; to the Committee on Foreign Relations.

EC-2208. A communication from the Acting Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the sixty day period prior to November 4, 1981; to the Committee on Foreign Relations.

EC-2209. A communication from the Acting Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the sixty day period prior to October 28, 1981; to the Committee on Foreign Relations.

EC-2210. A communication from the Director of the General Accounting Office, transmitting, pursuant to law, a report entitled "Framework For Assessing Job Vul-

nerability To Ethical Problems"; to the Committee on Governmental Affairs.

EC-2211. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Fraud In Government Programs: How Extensive Is It? How Can It Be Controlled? Volume III"; to the Committee on Governmental Affairs.

EC-2212. A communication from the Assistant Vice President and Director of Human Resources of the Farm Credit Banks of Springfield, transmitting, pursuant to law, the disclosure for the Group Retirement Plan for Federal Land Bank Associations, Production Credit Associations and Farm Credit Banks in the First Farm Credit District; to the Committee on Governmental Affairs.

EC-2213. A communication from the Assistant Secretary-Treasurer of the Trustees of the Seventh Farm Credit District Employee Benefits Program, transmitting, pursuant to law, the annual report on the financial condition of the Retirement Plan for Employees of the Seventh Farm Credit District for the year ending April 30, 1981; to the Committee on Governmental Affairs.

EC-2214. A communication from the Director of the International Communication Agency, transmitting, pursuant to law, a report on a proposed new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-2215. A communication from the Inspector General of the Department of Agriculture, transmitting, pursuant to law, a matching report for a computer match of Federal employees against Farmers Home Administration records; to the Committee on Governmental Affairs.

EC-2116. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a special report on refugee resettlement; to the Committee on the Judiciary.

EC-2217. A communication from the Secretary of Education transmitting, pursuant to law, a review of final regulations for graduate and professional study fellowships program transmitted to the Federal Register for publication; to the Committee on Labor and Human Resources.

EC-2218. A communication from the Chairman of the National Mediation Board transmitting, pursuant to law, the Annual Report of the Board; to the Committee on Labor and Human Resources.

EC-2219. A communication from the Executive Director of the Committee for Purchase from the Blind and Other Severely Handicapped transmitting, pursuant to law, the annual report of the Committee for the fiscal year ending September 30, 1980; to the Committee on Labor and Human Resources.

EC-2220. A communication from the Chairman of the National Commission for Employment Policy transmitting, pursuant to law, the annual report of the Commission; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ABDNOR, from the Committee on Environment and Public Works, with amendments:

S. 1493. A bill to deauthorize several projects within the jurisdiction of the Army Corps of Engineers (Rept. No. 97-270).

By Mr. HATFIELD, from the Committee on Appropriations, with amendments:

H.R. 4241. An act making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1982, and for other purposes (Rept. No. 97-271).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. ZORINSKY:

S. 1837. A bill to designate the building known as the "Lincoln Federal Building and Courthouse" in Lincoln, Nebr., as the "Robert V. Denny Federal Building and Courthouse"; to the Committee on Environment and Public Works.

By Mr. PROXMIRE:

S. 1838. A bill for the relief of Cesar Noel Orantes; to the Committee on the Judiciary.

By Mr. DURENBERGER (for himself, Mr. SYMMS, Mr. MITCHELL, Mr. MOYNIHAN, Mr. ROTH, Mr. BOREN, Mr. MATSUNAGA, Mr. CHAFEE, Mr. HEINZ, Mr. WEICKER, and Mr. NUNN):

S. 1839. A bill to amend the effective-date provision of section 403(b)(3) of the Windfall Profit Tax Act of 1980 (Public Law 96-223) to further defer the effective date of certain provisions providing for the recognition as income of LIFO inventory amounts; to the Committee on Finance.

By Mr. DURENBERGER:

S. 1840. A bill to amend section 170 of the Internal Revenue Code of 1954 to increase the amounts that may be deducted for maintaining exchange students as members of the taxpayer's household; to the Committee on Finance.

S. 1841. A bill to amend the Internal Revenue Code of 1954 to allow a credit for transportation expenses incurred in connection with foreign exchange programs; to the Committee on Finance.

By Mr. DODD (for himself and Mr. WEICKER):

S. 1842. A bill to provide that certain trusts shall not be treated as private foundations; to the Committee on Finance.

By Mr. DODD:

S. 1843. A bill to repeal the additional duties imposed until 1993 under the Omnibus Reconciliation Act of 1980 on imported ethyl alcohol; to the Committee on Finance.

By Mr. JOHNSTON (for himself, Mr. WEICKER, Mr. BRADLEY, Mr. MURKOWSKI, Mrs. HAWKINS, Mr. MATSUNAGA, and Mr. BUMPERS):

S. 1844. A bill to facilitate the national distribution and utilization of coal; to the Committee on Energy and Natural Resources.

By Mr. MATHIAS (for himself, Mr. EAGLETON and Mr. RUDMAN):

S. 1845. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act and the charter of the District of Columbia with respect to the provisions allowing the District of Columbia to issue general obligation bonds and notes and revenue bonds, notes, and other obligations; to the Committee on Governmental Affairs.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 1846. A bill to amend title 38, United States Code, to authorize the Administrator of Veterans' Affairs to provide incentive special pay for certain dentists in the Department of Medicine and Surgery of the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. HELMS:

S. 1847. A bill to require an annual authorization for the Federal court system excluding the Supreme Court; to the Committee on the Judiciary.

By Mr. KASTEN:

S.J. Res. 125. A joint resolution authorizing and requesting the President to proclaim National Junior Bowling Week"; to the Committee on the Judiciary.

By Mr. MURKOWSKI (for himself, Mr. ABDNOR, Mr. ANDREWS, Mr. D'AMATO, Mr. DENTON, Mr. EAST, Mr. GORTON, Mr. GRASSLEY, Mrs. HAWKINS, Mr. KASTEN, Mr. MATTINGLY, Mr. NICKLES, Mr. QUAYLE, Mr. RUDMAN, Mr. SPECTER, and Mr. SYMMS):

S.J. Res. 126. A joint resolution to authorize and request the President to designate May 7, 1982, as "Vietnam Veterans' Day"; to the Committee on the Judiciary.

By Mr. COCHRAN (for himself and Mr. STENNIS):

S.J. Res. 127. A joint resolution to grant official recognition to the International Ballet Competition; to the Committee on Labor and Human Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ZORINSKY:

S. 1837. A bill to designate the building known as the Lincoln Federal Building and Courthouse in Lincoln, Nebr., as the "Robert V. Denny Federal Building and Courthouse"; to the Committee on Environment and Public Works.

ROBERT V. DENNEY FEDERAL BUILDING AND COURTHOUSE

● Mr. ZORINSKY. Mr. President, today I am introducing S. 1837, a bill to designate the Lincoln Federal Building and Courthouse in Lincoln, Nebr., as the "Robert V. Denny Federal Building and Courthouse." I believe that designating the Lincoln Federal Building and Courthouse in honor of the late Judge Denney is fitting and reflective of his sincere devotion and lifelong commitment to the State of Nebraska.

Some men hope to conquer one dream in their lifetime. Judge Denney conquered many dreams in his short lifetime. Graduating from Creighton University Law School in 1939, Denney was a third generation attorney who carried on the tradition in his family practice in Fairbury. His list of public service accomplishments include 2 years working with the Federal Bureau of Investigation, 4 years of service to the U.S. Marine Corps, and 4 years of service to First District Nebraskans in the U.S. House of Representatives. His dedication to Nebraskans did not end at the close of his second term in the House. He served Nebraska as a U.S. Federal district court judge before his retirement and death only just this year.

Designating the Lincoln Federal Building and Courthouse in Judge Denney's honor is a proper memorial to a man who gave so generously of his time and energy on behalf of his fellow Nebraskans and Americans.●

By Mr. DURENBERGER (for himself, Mr. SYMMS, Mr. MITCHELL, Mr. MOYNIHAN, Mr. ROTH, Mr. BOREN, Mr. MATSUNAGA, Mr. CHAFEE, Mr. HEINZ, Mr. WEICKER, and Mr. NUNN):

S. 1839. A bill to amend the effective date provision of section 403(b)(3) of the Windfall Profit Tax Act of 1980 (Public Law 96-223) to further defer the effective date of certain provisions providing for the recognition as income of LIFO inventory amounts; to the Committee on Finance.

LIFO RECAPTURE LEGISLATION

Mr. DURENBERGER. Mr. President, today I am introducing, along with my colleagues Mr. SYMMS, MITCHELL, MOYNIHAN, ROTH, BOREN, MATSUNAGA, CHAFEE, HEINZ, WEICKER, and NUNN, a bill to defer for 1 year the effective date of the "Last-In/First-Out"—LIFO—reserve recapture that would tax the LIFO reserve on the liquidation of a business.

In the Economic Recovery Tax Act of 1981, Congress made it abundantly clear that it wanted to encourage the use of the "Last-In/First-Out"—LIFO—accounting method by small businesses. An amendment introduced by my distinguished colleague from Maine (Mr. MITCHELL) and cosponsored by myself and several other Senators, made it much simpler for small businesses in particular to convert from the "First-In/Last-Out"—FILO—accounting method to the more realistic LIFO method.

Unfortunately, at least one other major disincentive will soon exist for small businesses wishing to convert to LIFO. On December 31, 1981, a significant change will occur in the law due to a little known provision of the Windfall Profit Tax Act of 1980. In essence, this provision would establish for the first time an amount of income subject to taxation in cases where a corporation using the LIFO accounting method liquidates. In other words, when such a company liquidates, the Government will now tax this newly invented "LIFO reserve income."

Apparently, Mr. President, this provision is based on the assumption that the LIFO accounting method is an aberration—that there is something wrong with it as a method of sequencing inventory costs to arrive at income. In reality, however, LIFO is not only a generally accepted method of accounting, but in times of relatively high inflation, it is far superior to the FILO method for accurately valuing inventory.

Back in 1980, when this unfortunate provision was incorporated as part of the Windfall Profit Tax Act, there had been no hearings on this issue either in the Senate or in the House. Our conferees, in part out of concern that no real review of this proposal or its implications had occurred, agreed to suspend the effective date to December 31, 1981. The conferees made clear their intention that the period of suspension be used for careful and thorough congressional study of this recapture provision. Unfortunately, this consideration has not yet occurred.

Given the intent of Congress toward LIFO as expressed in the Economic Recovery Tax Act of 1981, I believe a strong case can be made for the outright repeal of this recapture provision. However, given the fact that the time remaining in this session makes serious consideration of this matter virtually impossible, I am now introducing a bill calling for a 1-year postponement of the LIFO recapture provision to December 31, 1982.

I sincerely hope my colleagues will give swift and favorable action to this 1-year extension so as to give us time to calmly and carefully consider this matter next year. It also coincides with the December 31, 1981, due date for a report on inventory accounting methods that the Treasury Department is required to file under the terms of the Economic Recovery Tax Act. Through this study, the Treasury Department can articulate their views on the retention of the LIFO recapture provision. Upon receipt of that report, Congress can then give this very important matter the consideration it deserves.

Mr. President, it is certainly not the fault of the small businesses of this Nation that we did not find the time to review a matter of such importance to them. I think it is now incumbent on us to postpone for 1 year this potentially damaging provision to give all interested parties a chance to present their arguments.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

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

S. 1839

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 403(b)(3) of Public Law 96-223 (relating to the effective date of amendments to sections 336 and 337 of the Internal Revenue Code of 1954 providing for the recognition as income of LIFO inventory amounts in connection with certain distributions and dispositions in liquidations) is hereby amended by striking out "December 31, 1981" at the end of the sentence and by inserting at the end of the sentence "December 31, 1982".

By Mr. DURENBERGER:

S. 1840. A bill to amend section 170 of the Internal Revenue Code of 1954 to increase the amounts that may be deducted for maintaining exchange students as members of the taxpayer's household; to the Committee on Finance.

S. 1841. A bill to amend the Internal Revenue Code of 1954 to allow a credit for transportation expenses incurred in connection with foreign exchange programs; to the Committee on Finance.

EXCHANGE STUDENT ASSISTANCE LEGISLATION

Mr. DURENBERGER. Mr. President, today I would like to introduce two very special bills about a very special program. Each year, tens of thousands of high school students from foreign lands come to the United States to spend a year as part of an American family. Likewise, thousands of American high school students travel each year to other countries to live with families with varied and unique lifestyles.

While we could discuss the benefits provided by foreign exchange programs in a large sense, I think it would be more effective to focus on the experience of just one of the hundreds of thousands of students that have lived with families in other lands. A young Minnesotan now on my Washington staff described for me his experience as a foreign exchange student:

I can remember clearly when the terms "hunger" and "starvation" took on a new meaning for me. I was walking with a group of friends down the streets of a huge, overcrowded city in a third-world nation. The streets of this city were lined with beggars. Often these beggars are children who have been abandoned by their parents; often, they are old people who simply have no living relatives who care; sometimes, the beggars are people that have been thrown out on the streets by their families to die.

Anyway, I was walking along a downtown street when I decided to have a piece of gum. I took out the pack, took a piece, and threw the wrapper on the ground. Suddenly, seemingly out of all the dark corners of the street, came these hideous shrieks and groans. I turned around to find a number of beggars dragging themselves along the ground toward the gum wrapper. One man had no legs, another some kind of skin disease. One mother left her baby in a pile of garbage as she fought with the men for the wrapper. There may have been others, but, after I saw the mother get to the aluminum wrapper and hungrily stuff it in her mouth, I couldn't bear to watch any more.

My friends were furious. They said I should have known better than to throw litter with sugar on it near beggars. Sure enough, as we continued on our way along the street, other beggars, roused by the scene I had caused, grabbed for the cuffs of my jeans as they begged for more wrappers.

The whole episode scared and sickened me at the time, but it taught me in a few seconds what I may never have learned for the rest of my life. It taught me what starvation and hunger do to human beings. It also taught me how lucky I was, and how, despite all the complaints and grumbling, lucky we as an American people are.

I learned many other things during my stay overseas—about the lives of average people living in vastly different cultures, about how little material possessions have to do with the happiness of those families, about life under a very different form of government. Never have I learned so much in so little time. My life was permanently shaped by those new months—I only wish every American high school student could have the same experience.

Mr. President, this member of my staff was just one of many Americans whose lives were changed by their experiences as foreign exchange students. Also, we must remember the thousands of students from foreign lands—many from Third World nations—that are allowed to experience American life directly because of the compassion of host families in this country.

I can think of no other single effort that does so much to foster mutual understanding between cultures on a person-to-person basis as student exchange programs. Year after year, foreign students make lifelong friends in this country and take home a knowledge and an experience that will help them to better understand their own lives, their countries, and even world events. And, of course, the same is true for our young students that spend time overseas.

Yet, Mr. President, foreign exchange programs are beginning to fall on hard times. Due to economic conditions, thousands of students in foreign lands are not able to come to this country because there are not enough families willing or able to host them. And thousands of American students, especially those from low- and moderate-income families, can no longer afford to go abroad.

We, as a Federal Government, have done very little to help foreign exchange programs. Back in 1960, President Eisenhower signed into a law a bill that provided a $50 a month tax deduction for the host families of foreign exchange students living in private American

homes and attending high school in the United States. In the 20 years since the legislation was enacted, inflation has clearly made that $50 figure, which was originally based on the $600 exemption for dependents, totally unrealistic.

The bill I am introducing today would raise that exemption to $100 per month, up to a maximum $1,000 per year. In other words, it would allow families who host a foreign exchange student for at least 10 consecutive months to take the equivalent of a personal exemption for that child on their income tax. Given the tremendous educational benefits provided by foreign exchange programs, and given the considerable expense incurred in adding another member to one's family, I think that raising the current deduction by $50 per month is entirely appropriate.

Also, Mr. President, my other bill would provide a 20-percent tax credit on the transportation expense incurred by a family sending a child overseas. This would make it somewhat more financially possible for struggling families to give their children this remarkable educational experience.

Mr. President, in conclusion let me point out that, at a time when we are spending billions of dollars manufacturing more efficient methods of killing people, it is appropriate to give up a few thousand dollars to support the understanding and love generated by foreign exchange programs. I hope my colleagues will give this special measure their speedy and favorable consideration. Many thousands of children in this world would be very grateful to us if we did.

Mr. President, I ask unanimous consent that the bills be printed in the RECORD.

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

S. 1840

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subparagraph (A) of section 170(g)(2) of the Internal Revenue Code of 1954 (relating to limitation on amounts paid to maintain certain students as members of taxpayer's household) is amended by striking out "$50" and inserting in lieu thereof "the lesser of $1,000, or $100".

(b) The amendments made by subsection (a) shall apply to taxable years beginning after December 31, 1981.

S. 1841

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by inserting immediately before section 45 the following new section:

"SEC. 44H. TRANSPORTATION EXPENSES OF FOREIGN EXCHANGE STUDENTS.

"(a) GENERAL RULE.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 25 percent of the qualified foreign exchange transportation expenses.

"(b) QUALIFIED FOREIGN EXCHANGE TRANSPORTATION EXPENSES.—For purposes of this section, the term 'qualified foreign exchange transportation expenses' means any amount paid or incurred—

"(1) by or on behalf of an individual who is a participant in a foreign exchange program which is designated by the Director of the International Communication Agency as a teenager exchange-visitor program, and

"(2) for transportation of such individual between such individual's home and the location outside of the United States where such individual is to participate in the teenager exchange-visitor program.".

(b) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by adding after the item relating to section 44G the following new item:

"SEC. 44H. TRANSPORTATION EXPENSES OF FOREIGN EXCHANGE STUDENTS.".

(C) The amendments made by this Act shall apply to taxable years beginning after December 31, 1981.

By Mr. DODD (for himself and Mr. WEICKER):

S. 1842. A bill to provide that certain trusts shall not be treated as private foundations; to the Committee on Finance.

THE DAY OF NEW LONDON

● Mr. DODD. Mr. President, the purpose of this legislation is to permit The Day, a New London, Conn., daily publication, to continue its services as a community newspaper and as a contributor to local charities and nonprofit causes.

The Day was founded by Theodore Bodenwein, a German immigrant with ambitious and constructive ideas. In 1938, Mr. Bodenwein's will created a split-interest trust to own his paper and, upon his death, to pay 10 percent of its dividends to charitable organizations and the remaining 90 percent to his heirs until their deaths. Since the death of the last family member in 1978, all profits not reinvested in the newspaper have been distributed to charitable organizations in the community, as Mr. Bodenwein's will instructed.

However, in March, the Internal Revenue Service ruled that the trust was in fact a private foundation, and that under the terms of the Tax Reform Act of 1969, it would owe a considerable amount to the IRS. The net result would be that The Day would have to pay taxes in excess of its net income.

This legislation would allow The Day to continue to receive the tax advantages of a split-interest trust. In these times of fiscal austerity, particularly in the area of social services, it is imperative that we encourage private sector contributions of the sort provided by The Day. Mr. Bodenwein and The Day ought to serve as an example of philanthropic generosity which is admired and respected, and not taxed to the point of uselessness. For more than 40 years, The Day had set a shining example. Today, I propose that we allow this to continue with our blessing.●

By Mr. DODD:

S. 1843. A bill to repeal the additional duties imposed until 1993 under the Omnibus Reconciliation Act of 1980 on imported ethyl alcohol; to the Committee on Finance.

REPEAL OF TARIFFS ON IMPORTED ETHYL ALCOHOL

● Mr. DODD. Mr. President, I am introducing today a bill to repeal the tariff on imports of ethyl alcohol enacted as part of the Omnibus Reconciliation Act of 1980. I am hopeful that this legislation which is identical to H.R. 1989, introduced by Representative FRENZEL, will provide a focal point for an in-depth assesment of the true impact of this hastily passed tariff.

The tariff, of 10 cents per gallon in 1981, 20 cents per gallon in 1982 and 40 cents per gallon in 1983 through 1992, was attached to the 1980 Reconciliation Act at the last minute without hearings and without thoughful consideration by the Congress. It allegedly was intended to provide a boost to the domestic development of alcohol motor fuel production. Its real impact appears to be precisely the opposite.

By erecting a prohibitive barrier to imports the tariff will effectively cut off potential domestic producers from alcohol supplies needed to develop a market for alcohol blend fuels. It is essential that this market development precede substantial investments in domestic production facilities and imports constitute the only viable source of fuel grade alcohol for many potential producers, particularly those on the east coast.

This point is presented convincingly in a recent letter I received from Mr. William Kash, an alcohol fuel distributer from Southport, Conn. Mr. Kash points out that:

> Pending the development of domestic distilleries capable of supplying the needs in our region, we have been almost solely dependent on imported alcohol produced by friendly countries from renewable resources.

Mr. Kash continued, making the point that—

> The tariff has effectively interrupted imports of motor fuel grade alcohol needed to supply a marketing network established in anticipation of new domestic alcohol plants coming on-stream. Thus, if this ill-conceived sur-duty were to remain in effect, new domestic alcohol production could well find itself without a market.

Many of us from the Northeast have repeatedly emphasized the vulnerability of our region to insecure OPEC oil supplies. The development of alternative fuels and alternative sources of energy supplies is vital to the security of New England and other Northeastern and Midwestern States. Alcohol imports are an important ingredient in broadening the mix of fuels and sources of supply available to these States as well as in laying the foundation for a transition to domestic production of alcohol fuel. The extremely high tariff imposed effective January 1 of this year has all but eliminated our access to these much needed alcohol supplies.

In addition to the adverse impact on domestic fuel alcohol development, the tariff also violates two important principles of international trade law. The first is that import duties cannot be raised except under very limited circumstances and then only after certain procedures have been complied with. The second principle is that of "national treatment" whereby the United States and its major trading partners agree to treat importers no less favorably than

domestic producers with respect to internal taxes, laws, and regulations.

The imposition, by the United States, of the sur-duty on foreign alcohol constitutes a prima facie violation by this country of the General Agreement on Tariffs and Trade. Under the GATT, nations harmed by this action may take compensatory action against imports from the United States.

This prospect is not purely hypothetical. Last Friday Brazil notified United States representatives in Geneva that it was requesting consultations to negotiate compensating actions under section 28 of the GATT. It is ironic that among the major U.S. commodities shipped to Brazil are wheat and corn, the latter being the chief feed stock for domestically produced fuel alcohol. If Brazil imposes trade barriers against U.S. corn, the negative effect on domestic corn producers of our sur-duty on fuel alcohol could well be compounded. Not only would this duty reduce the potential for domestic alcohol production, which uses corn, it would also reduce the foreign demand for corn through reduced Brazilian imports.

The development of a viable domestic alcohol fuels industry is an important step in reducing this Nation's dependence on foreign oil. Alcohol imports are, somewhat ironically, an important interim step in establishing domestic production capacity. The Brazilians have consistently maintained that their chief aim in alcohol production is to meet domestic fuel needs. They are not developing production capacity to compete with our domestic alcohol industry. To the extent that Brazil's excess capacity in the short run can serve our development needs, the interest of both countries is served by eliminating trade barriers such as the sur-duty imposed by the Congress last year.

To the extent that excess capacity in Brazil, or any other nation, leads to dumping in the U.S. market, domestic producers may be protected under the antidumping provisions of the General Agreement on Tariffs and Trade. For those who argue that these procedures are too cumbersome, I would suggest that rather than resorting to actions that violate our international agreements, we should move to negotiate mutually agreeable trade arrangements with Brazil that provide the necessary protections against dumping.

In this regard it may be possible to negotiate voluntary limits on Brazilian alcohol exports to the United States with the sur-duty applying to imports that violate these levels. Alternatively, it may well be agreeable to both the United States and Brazil to postpone implementation of this sur-duty for several years. This would give U.S. producers time to develop domestic markets and production facilities and would give Brazil an outlet for its excess production capacity developed in anticipation of domestic consumption increases through increased production of alcohol-fueled automobiles.

As things now stand, we confront a classic example of a trade barrier erected allegedly to serve a domestic interest having, as I have stated, precisely the opposite effect. It is harmful to potential domestic alcohol producers, to American corn producers, and to American energy consumers. We have all seen this kind of trade barrier back fire time and time again. It should not surprise us. It should stimulate serious reconsideration by the Congress of the unilateral action that created the situation. In this case, it was hastily enacted legislation that brought about the dilemma we now face. We can and should correct this error. I hope we will do so expeditiously and urge the Committee on Finance to take up this matter at its earliest convenience.

I ask that the letter I received from Mr. William Kash and the bill be printed in the RECORD.

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

S. 1843

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) item 901.50 of the Tariff Schedules of the United States (19 U.S.C. 1202) is repealed.

(b) Subtitle G of title XI of the Omnibus Reconciliation Act of 1980 (94 Stat. 2694; Public Law 93-499) is repealed.

SEC. 2. (a) The amendment made by subsection (a) of the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of enactment of this Act.

(b) Upon request therefor filed with the customs officer concerned on or before the ninetieth day after the date of the enactment of this Act, the entry or withdrawal of any article to which item 901.50 of the Tariff Schedules of the United States applied and—

(1) that was made after December 31, 1980, and before the date of the enactment of this Act; and

(2) with respect to which there would have been no duty under such item if the amendment made by subsection (a) of the first section of this Act applied to such entry or withdrawal;

shall, notwithstanding the provisions of section 514 of the Tariff Act of 1930 or any other provision of law, be liquidated or reliquidated as though such entry or withdrawal had been made on the date of the enactment of this Act.

SOUTHPORT, CONN.,
September 9, 1981.

HON. CHRISTOPHER J. DODD,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR DODD: Our Company has for some time been in the forefront of the alcohol fuel program in an effort to carry out the expressed intent of Congress and the Executive to develop a viable distribution network for such renewable fuels. Pending the development of domestic distilleries capable of supplying the needs in our region, we have been almost solely dependent on imported alcohol produced by friendly countries from renewable resources. The continuity of these supplies is now gravely threatened by a prohibitive sur-duty imposed during the lame-duck session of the last Congress.

Toward the end of the 96th Congress, against the advice of the Department of State, the Department of the Treasury, and the Special Trade Representative, a progressively increasing sur-duty not only violated our commitments under the General Agreement on Tariffs and Trade, but it threatened action by affected countries, notably Brazil, against important U.S. exports such as wheat and corn. Equally important is the fact that this sur-duty has effectively interrupted imports of motor fuel grade alcohol needed to supply a marketing network established in anticipation of new domestic alcohol plants coming on stream. Thus, if this ill-conceived sur-duty were to remain in effect, new domestic alcohol production could well find itself without a market.

Recognizing the need to correct this hastily considered bad legislation, Congressman Bill Frenzel early in the 97th Congress introduced a bill to repeal the sur-duty and in this effort had the full support of the new Administration. At hearings held on June 15, 1981, before the Subcommittee on Trade of the Committee on Ways and Means of the U.S. House of Representatives, testimony in support of repeal was presented by affected parties and by representatives of the Administration. Not a voice was raised in opposition to repeal.

Since that time, however, Members have received a flood of letters in opposition to repeal. The thrust of this opposition has been to allege that domestic production is impaired by the threats of alcohol imports and that, in fact, the sur-duty does not benefit the single current major producer, namely Archer Daniels Midland. The real facts, of course, are that ADM accounts for approximately 85 percent of current domestic production and that, therefore, ADM quite obviously benefits from a duty which has effectively barred imports of alcohol since its imposition on January 1, 1981.

A viable alcohol fuels industry must have multiple supply sources and not be dependent on what today is effectively a monopoly source. If the new distilleries under construction and planned for construction are to function effectively it is necessary that they have a distribution network ready to receive and market their supplies. It is, therefore, in our Nation's self-interest to have alcohol from friendly trading partners to establish and maintain such a distribution network. We hope that you will lend your support to the early repeal of the sur-duty so that the business which we and other have established can continue to serve the best interests of the United States and of our customers, the American consumers of alcohol fuels.

Please support the Frenzel-Gibbons Bill, H.R. 1989 and repeal this unconscionable legislation which clearly violates our international commitments and long established trade policies under both Democratic and Republican administrations.

Very truly yours,

WILLIAM B. KASH.●

By Mr. JOHNSTON (for himself, Mr. WEICKER, Mr. BRADLEY, Mr. MURKOWSKI, Mrs. HAWKINS, Mr. MATSUNAGA, and Mr. BUMPERS):

S. 1844. A bill to facilitate the national distribution and utilization of coal; to the Committee on Energy and Natural Resources.

COAL DISTRIBUTION AND UTILIZATION ACT OF 1981

● Mr. JOHNSTON. Mr. President, we are today introducing legislation that will authorize the grant of Federal eminent domain for interstate coal pipelines.

This legislation is long overdue. The failure of Congress to enact this bill has delayed the development of our coal resources, increased costs to coal consumers and jeopardized the future of a strong coal export policy.

The Coal Distribution and Utilization Act of 1981 would establish procedures whereby the Secretary of Energy, or his successor, may determine that interstate

coal pipeline distribution systems are in the national interest. Any such interstate system would have access to the Federal eminent domain authority for use in acquiring rights-of-way for the system. The act provides that any water used in such systems must be obtained pursuant to the substantive and procedural laws of the various States, and the Federal eminent domain authority may not be used to acquire rights to water. Our proposed legislation provides no Federal assistance for interstate coal pipeline systems.

This legislation is simple and straightforward but its long-term impact could be enormous. It would provide a modern alternative to existing coal transportation systems. It would help keep U.S. coal costs competitive in world coal trade. It would afford relief from the skyrocketing costs of rail transportation. Finally, it would provide an alternative to the environmental impact of massive unit coal trains crossing the countryside.

Mr. President, the concept of distributing coal through pipelines is not new. Since 1963, the Black Mesa pipeline, which is owned and operated by an affiliate of the Southern Pacific Railroad Co., has transported 4.8 million tons of coal per year from Kayenta, Ariz., to South Point, Nev. The Black Mesa pipeline has proven itself to be safe, reliable, and economic.

In coal pipeline distribution systems, coal is pulverized to the consistency of powdered sugar, mixed with water, or some other medium, and pumped through underground pipelines to the point of use. When the coal slurry reaches its destination, the coal is removed from the water in a centrifuge and is dried. The coal is then used for fuel and the water is either used in plant cooling or cleaned for disposal.

The coal pipeline transportation systems which have been proposed, would serve both western and eastern coal fields. These systems cannot be financed without the assurance that the necessary rights-of-way can be obtained. The grant of Federal eminent domain authority provided in this legislation is essential if the pipelines are to obtain rights-of-ways through the various States. Because these huge coal distribution systems will move coal from our producing centers across several States to consuming regions, State grants of eminent domain authority will not suffice.

Presently, only 10 States extend their eminent domain authority to coal pipeline systems. These State eminent domain statutes impose a variety of substantive and procedural conditions that may be incompatible with the requirements of other States through which these pipelines must pass. In addition, pipelines may encounter legal difficulty in identifying a public use or benefit to a State through which it must pass, but in which it will neither gather nor deliver coal. It may thus be precluded from receiving the right of State eminent domain.

Similar difficulties led to the grant of Federal eminent domain authority to interstate natural gas pipelines and to the adoption of the Cole Act in 1941, which granted Federal eminent domain authority to petroleum pipelines. Even the western land grant railroads, including the Union Pacific and the predecessors to the Burlington Northern and the Santa Fe Railroads, were granted Federal eminent domain authority in the mid-1860's.

Legislation to grant the right of Federal eminent domain to interstate coal pipelines was first considered by Congress in 1974. The Senate passed the Coal Pipeline Act of 1974 by voice vote on September 18, 1974, but the legislation was not considered by the House. In 1978, the House defeated coal slurry pipeline legislation. Much of the opposition to the legislation then and now has come from the pipeline's competitors, the railroads.

Mr. President, railroad coal transportation rates have increased precipitously since 1974. For instance, in the now famous case concerning San Antonio, Tex., the city-owned electric utility was quoted a railroad coal haulage rate of $11.09 per ton in 1974. On the basis of the quoted rate, the utility entered into two 20-year purchase contracts for western coal and committed to build two coal-fired electric generating plants. The coal haulage rates to San Antonio increased steadily until, on March 18, 1981, the Interstate Commerce Commission approved a rate of $23.05 per ton—a doubling in 7 years.

This is not an isolated experience, Mr. President. The rail haulage rate for moving 5 million tons of coal per year from the Powder River Basin in Wyoming to a utility near White Bluff, Ark., increased from $12.78 per ton in 1977, to $21.66 per ton on November 1, 1981. Domestic coal transportation rates have gone so high that some utilities have actually found it more economic to import coal from Poland, South Africa, and Australia. In addition, our coal export potential has not and will not be fully recognized until there is a viable alternative to rail transport.

The development of interstate coal distribution systems will provide competition for the railroads that should help moderate the increases in rail coal haulage rates. A perfect example of this is the response of the competing railroad to the 108-mile intrastate coal pipeline from Cadiz, Ohio, to Cleveland. In a successful effort to drive that pipeline out of business, the railroad cut its coal transportation rates from $3.47 per ton to $1.88 per ton. While coal pipelines will undoubtedly provide competition to the railroads, such predatory pricing should be obviated by our Nation's projected increase in coal production.

The national energy transportation study (NETS), which was issued in July 1980, projects that coal shipments will triple between 1975 and 1990. According to the NETS report:

> If all the slurry pipelines currently under consideration are built and operated at full capacity, they will be able to carry 176 million tons by 1990. This amounts to 19 percent of the increase (in coal haulage) and 13 percent of the total amount (of coal haulage). However, a recent study conducted by the Department of Energy concluded that slurry pipelines are most likely to be carrying between 70 and 126 million tons of coal in 1990. This amounts to between 5 and 9 percent of the total coal to be transported in 1990. (NETS Report, p. 76-78; parentheticals added)

Moreover, the Staggers Rail Act of 1980 has given the railroads the flexibility to compete with coal pipelines. To a large extent, railroad rates have been deregulated and railroads now have the authority to enter into long-term coal haulage contracts. Because the first interstate coal pipeline system could take at least 5 years to become operational, the railroads will have sufficient time to develop a strategy for competing with such pipelines.

The water requirements of coal pipelines have been a concern in the arid Western States where much of our low-sulfur coal is located. Yet, except for unit trains coal pipelines will be the least water consumptive method of making use of western coal. Coal pipelines require 1 ton of water per 1 ton of coal; coal gasification plants will require 2 tons of water per ton of coal; and mine-mouth electric generating plants will require 7 tons of water per ton of coal. Given the safety and environmental problems associated with the numerous unit trains required to move western coal, Western States may well determine that coal pipelines are a more than acceptable method of transport. The legislation we are introducing protects all States by providing that any water used in the pipelines must be obtained pursuant to State substantive and procedural law. In addition, the bill provides legislative protection for such State laws by stating that use of water in a coal pipelines is not a use in interstate commerce.

Mr. President, interstate coal pipelines can be as important to our Nation as interstate natural gas pipelines, interstate petroleum pipelines, and transcontinental railroads. The time has come to allow the marketplace to determine if these systems should be developed as an integral part of our national energy transportation system. Private companies stand ready and waiting to develop such systems with private funds. All they require is the impetus that is provided by this bill. We urge our colleagues to join us in assuring that the Coal Utilization and Distribution Act of 1981 is enacted during this Congress. The nation should not be forced to wait any longer.●

● Mr. MURKOWSKI. Mr. President, today I am cosponsoring legislation that will authorize the Federal right of eminent domain for coal pipelines. The time has come for Congress to permit the development of coal pipelines as an integral part of our national energy transportation and distribution system.

Coal pipelines, which will be privately financed, could be the key to unlocking much of our vast coal resources and moving them to domestic and foreign markets at reasonable cost. The existence of a temporary oil surplus should not lull us into a false sense of security. The outlook for the next 25 years is bleak. We simply will not be finding enough domestic oil to meet our needs.

We will remain heavily dependent on costly foreign oil, much of it from insecure sources. Our national energy strategy must continue to stress the development of coal, nuclear, synfuels, and other domestic energy sources in order to reduce the role of oil in meeting national energy needs.

With respect to coal, we need to begin putting in place the infrastructure that will permit the mining, transportation, and marketing of greatly increased volumes of coal. Clearly, this infrastructure must include alternatives to the transportation of coal by rail.

Mr. President, it is a fact of life that the market for coal is an international market. Domestic coal must compete in that market, not only for foreign sales but also for domestic sales. Already some of our utilities are importing foreign coal rather than relying on domestic coal, partly because long-haul domestic rail transportation costs now exceed $20 a ton. In the future, foreign coal may continue to make inroads on domestic markets in areas of the country like the Southeast where there is easy access to foreign coal.

We are also competing for a huge coal export trade. The 1980 world coal study found that world coal production must increase 2.5 to 3 times in the next 20 years if the world's projected energy demand is to be met and forecasts are that world trade in coal must grow 10 to 15 times above 1979 levels. The study found that the United States and Australia are the two countries most capable of meeting this needed growth in world coal trade, although Canada, China, and several South American nations have coal export capability. To the extent that we are able to become leading coal exporters, our Nation obviously will enjoy significant economic and foreign policy benefits.

The development of interstate coal pipelines will assist our Nation to develop our coal resources for both domestic and foreign markets. The existence of coal pipelines will help to moderate the increase in rail coal haulage rates, rates that have already increased 14 percent this year. While the front end costs of pipelines are large, the operating costs are far below railroad costs.

Mr. President, I am well aware of the concerns of some of my colleagues from Western States regarding coal pipelines and the preservation of State water rights. The language in the bill we are introducing today provides every possible protection for State water rights. Any water used for coal pipelines must be acquired pursuant to State substantive and procedural law. A grant of Federal eminent domain power is not in any way a license to acquire State water rights.

I urge my colleagues to recognize that the time has come to give coal pipelines the same right of eminent domain that we have given to other national transportation and distribution systems, including interstate natural gas pipelines, some interstate petroleum pipelines, and certain major transcontinental railroads. The national interest in a secure energy future is at stake.●

● Mrs. HAWKINS. Mr. President, I am pleased to join my distinguished colleague from Louisiana, Senator JOHNSTON, in introducing legislation that will facilitate the construction of coal-slurry pipelines. This legislation is needed to lower the cost of energy to American consumers and lessen our dependency in imported energy by establishing eminent domain authority to slurry-pipeline carriers.

If present construction plans for coal-slurry pipelines are completed, it is estimated that consumers will save a minimum of $4.5 billion in transportation charges during the 1990's. Increases in future costs to operate pipelines will be slight compared with other methods of transporting coal. Overall, once a coal-slurry pipeline is installed, it is nearly inflation proof because it has few moving parts, maintenance costs are low, and few personnel are required to operate the system. The cost advantage enjoyed by slurry pipelines will, therefore, grow in the future.

In addition to saving consumers money, this legislation addresses another pressing issue, energy independence. Presently, coal provides 21 percent of all energy produced in this country. It should supply an even higher percentage because the United States is the Saudi Arabia of coal. At present rates of consumption, this country has 300 years of known reserves. By tapping this enormous source of new energy more fully through the use of slurry pipelines, we can dramatically lower national use of imported foreign energy.

Expanding the use of slurry pipelines will not injure any other industry. Railroads presently move 65 percent of all coal, and by 1990 they will carry an even higher percentage since slurry pipelines are expected to handle only 20 percent of the 1.2 billion additional tonnage the country will need by that date.

Finally, many organizations that are often on opposite sides of development issues are in full accord with the need to expedite development of coal-slurry pipelines as proposed by this legislation. These groups are listed below:

LIST OF GROUPS

Miami Herald.
New York Times.
Chicago Tribune.
Wall Street Journal.
American Association of Retired People.
National Alliance of Senior Citizens.
Consumer Federation of America.
United Association of Plumbers.
Teamsters.
United Brotherhood of Carpenters and Joiners.
Building and Construction Trades, AFL–CIO.
Operating Engineers.
Edison Electric Institute.
National Rural Electric Cooperative Association.
American Trucking Association.
Southern Legislative Conference.
Southern States Energy Board.
Florida Audubon Society.
Florida Engineering Society.
Florida Wildlife Federation.

Coal is an important natural resource which could replace imported oil as an energy source. While important progress toward energy independence is being made, this important step should be taken to encourage greater use of coal as a replacement fuel for oil and gas.●

By Mr. MATHIAS (for himself, Mr. EAGLETON, and Mr. RUDMAN):

S. 1845. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act and the charter of the District of Columbia with respect to the provisions allowing the District of Columbia to issue general obligation bonds and notes and revenue bonds, notes, and other obligations; to the Committee on Governmental Affairs.

ISSUANCE OF GENERAL REVENUE BONDS AND NOTES

● Mr. MATHIAS. Mr. President, I am today introducing legislation for myself and Senators EAGLETON and RUDMAN, to amend the District of Columbia Self-Government and Governmental Reorganization Act and the charter of the District of Columbia with respect to the provisions allowing the District of Columbia to issue general obligation bonds and notes and revenue bonds, notes, and other obligations.

As my colleagues know, the Home Rule Act grants the District of Columbia the authority to fund capital projects through borrowing on the municipal bond market, in the same manner that other municipalities operate. For several years, the District has been working diligently to put its finances in order so as to enable it to utilize this authority.

The legislation which I am introducing today is generally technical in nature. It was drafted with the assistance and collaboration of the city's financial advisers and is intended to clear up potential inconsistencies in the Home Rule Act's authorization of bonding power. It will greatly enhance the city's ability to enter the bond market in a timely fashion.

As chairman of the Subcommittee on Governmental Efficiency and the District of Columbia, I can assure my colleagues that the subcommittee will move expeditiously to consider this legislation and report it back to the full Senate. I urge my colleagues to give the bill every favorable consideration.●

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 1846. A bill to amend title 38, United States Code, to authorize the Administrator of Veterans' Affairs to provide incentive special pay for certain dentists in the Department of Medicine and Surgery of the Veterans' Administration; to the Committee on Veterans' Affairs.

SPECIAL PAY FOR CERTAIN VETERANS' ADMINISTRATION DENTISTS

● Mr. INOUYE. Mr. President, today I am introducing legislation, on behalf of Senator MATSUNAGA and myself, to provide for special incentive pay for those dentists in the Veterans' Administration who have received advanced professional certification/specialty board certification.

Our proposal would authorize and direct the Veterans' Administration to provide for the same $2,500 bonus as Veterans' Administration physicians

presently receive, when a member of the dental profession has passed his or her national specialty boards. This accomplishment is indeed a fine tribute to the practitioner's professional competence and the esteem for which he or she is held by his or her colleagues.

In all candor, we were surprised to recently learn that Veterans' Administration dentists are not already treated in a manner compatible with their Veterans' Administration physician colleagues.

Mr. President, I ask unanimous consent that various background materials provided me by the American Dental Association be printed in the RECORD, as well as the text of our bill.

There being no objection, the bill and other material were ordered to be printed in the RECORD, as follows:

S. 1846

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4118 of title 38, United States Code, is amended—

(1) in subsection (c)(2)—

(A) by redesignating clause (C) as clause (D); and

(B) by inserting after clause (B) the following new clause:

"(C) For board certification in a specialty, $2,500.";

(2) in subsection (c)(4)—

(A) by redesignating clause (C) as clause (D); and

(B) by inserting after clause (B) the following new clause:

"(C) For board certification in a specialty, $1,875."; and

(3) in subsection (d)—

(A) by striking out "(c)(2)(C)" and inserting in lieu thereof "(c)(2)(D)"; and

(B) by striking out "(c)(4)(C)" and inserting in lieu thereof "(c)(4)(D)".

CERTIFICATION AND EXAMINATION DATA

[Accumulative data]

Founding date	Dental public health, 1950	Endodontics, 1964	Oral pathology, 1948	O. & M. surgery, 1946	Orthodontics, 1929	Pedodontics, 1942	Periodontics, 1940	Prosthodontics, 1946
Date of ADA recognition	1951	1964	1950	1947	1950	1948	1948	1948
Number certified without examination	12	34	7	15	98	15	88	69
Number certified by examination to Jan. 1, 1981	145	541	223	2,764	1,581	373	516	660
Total certified to Jan. 1, 1981	157	575	230	2,779	1,679	388	604	279
Number deceased, dropped or placed on inactive roll to Jan. 1, 1981	57	75	22	351	545	41	180	148
Number of diplomates, Jan. 1, 1981	100	500	[1] 212	2,428	1,134	347	424	581
1980 data:								
Number of diplomates, Jan. 1, 1980	100	479	200	2,310	1,123	317	401	565
Number certified in 1980	3	29	8	144	38	33	24	20
Number deceased, dropped or placed on inactive roll	3	8	0	26	27	3	1	4
Number of applications received	7	65	16	186	198	136	107	51
Number of acceptable applications received	6	65	16	172	193	136	107	51
Number of unacceptable applications received	1	0	0	14	5	0	0	0

[1] Includes 4 diplomates dropped from active status in 1979.

ELIGIBILITY REQUIREMENTS

Professional	Dental public health	Endodontics	Oral pathology	O. & M. surgery	Orthodontics	Pedodontics	Periodontics	Prosthodontics
ADA or NDA membership	No	No	No	No	No	No	No	No.
Specialty society membership	No	No	No	No	No	No	No	No.
Education: Years of advanced education in addition to DDS or DMD degree.	2	2	2	3	2	2	2	2.[1]
Experience: Total years of specialty experience including advanced education.	6[2]	5	5	5	5[3]	5	5	5.
Exclusive practice of specialty	Yes	Yes	No	Yes	No	Yes	Yes	Yes.
Other: Citizenship	Any	Any	Any	Any	Any	Any	Any	Any.
Affiliate certificates for noncitizens	No	No	Yes	Yes	Yes	No	No	Yes.
State licensure	No	Yes	No	No	Yes	No	No	No.

[1] 3 yr of advanced training for certification in maxillofacial prosthetics.

[2] A total of 7 calendar years of experience and/or education shall have elapsed subsequent to graduation from dental school before a candidate is eligible for examination.

[3] Does not include years of advanced education.

DEFINITIONS OF SPECIAL AREAS OF DENTAL PRACTICE AS APPROVED BY THE COUNCIL ON DENTAL EDUCATION, AMERICAN DENTAL ASSOCIATION, MAY 1976

It is recognized there are overlapping responsibilities among the recognized areas of dental practice. However, as a matter of principle, a specialist shall not provide routinely procedures that are beyond the scope of his specialty.

DENTAL PUBLIC HEALTH

Dental public health is the science and art of preventing and controlling dental diseases and promoting dental health through organized community efforts. It is that form of dental practice which serves the community as a patient rather than the individual. It is concerned with the dental health education of the public, with applied dental research, and with the administration of group dental care programs as well as the prevention and control of dental diseases on a community basis.

ENDODONTICS

Endodontics is that branch of dentistry that deals with diagnosis and treatment of oral conditions which arise as a result of pathoses of the dental pulp. Its study encompasses related basic and clinical sciences including the biology of the normal pulp and supporting structures, etiology, diagnosis, prevention and treatment of diseases and injuries of the pulp and periradicular tissues. (Revised May 1977).

ORAL PATHOLOGY

Oral pathology is that branch of science which deals with the nature of the diseases affecting the oral and adjacent regions, through study of its causes, its processes and its effects, together with the associated alterations of oral structure and function. The practice of oral pathology shall include the development and application of this knowledge through the use of clinical, microscopic, radiographic, biochemical or other such laboratory examinations or procedures as may be required to establish a diagnosis and/or gain other information necessary to maintain the health of the patient, or to correct the result of structural or functional changes produced by alterations from the normal.

ORAL AND MAXILLOFACIAL SURGERY

Oral and maxillofacial surgery is that part of dental practice which deals with diagnosis, the surgical and adjunctive treatment of diseases, injuries and defects of the oral and maxillofacial region. (Revised May, 1978)

ORTHODONTICS

Orthodontics is that area of dentistry concerned with the supervision, guidance and correction of the growing or mature dentofacial structures, including those conditions that require movement of teeth or correction of malrelationships and malformations of their related structures and the adjustment of relationships between and among teeth and facial bones by the application of forces and/or the stimulation and redirection of functional forces within the craniofacial complex.

Major responsibilities of orthodontic practice include the diagnosis, prevention, interception and treatment of all forms of malocclusion of the teeth and associated alterations in their surrounding structures; the design, application, and control of functional and corrective appliances; and the guidance of the dentition and its supporting structures to attain and maintain optimum occlusal relations in physiologic and esthetic harmony among facial and cranial structures. (Revised, December, 1980)

PEDODONTICS

The specialty of pedodontics is the practice and teaching of comprehensive preventive and therapeutic oral health care of chil-

dren from birth through adolescence. It shall be construed to include care for special patients beyond the age of adolescence who demonstrate mental, physical and/or emotional problems.

PERIODONTICS

Periodontics is that branch of dentistry which deals with the diagnosis and treatment of disease of the supporting and surrounding tissues of the teeth. The maintenance of the health of these structures and tissues, achieved through periodontal treatment procedures, is also considered to be the responsibility of the periodontist. The scope shall be limited to preclude permanent restorative dentistry. (Revised, May, 1980)

PROSTHODONTICS

Prosthodontics is that branch of dentistry pertaining to the restoration and maintenance of oral functions, comfort, appearance and health of the patient by the restoration of natural teeth and/or the replacement of missing teeth and contiguous oral and maxillofacial tissues with artificial substitutes.●

By Mr. HELMS:

S. 1847. A bill to require an annual authorization for the Federal court system excluding the Supreme Court; to the Committee on the Judiciary.

FEDERAL JUDICIAL SALARY CONTROL ACT OF 1981

● Mr. HELMS. Mr. President, today I am introducing the Federal Judicial Salary Control Act. This bill would serve two purposes: It would set up an authorizing process for appropriating funds to Federal courts, and it would put an end to automatic, back-door pay raises for Federal judges.

Currently judges in the Federal court system receive generous annual salaries, ranging from a high of $96,800 awarded the Chief Justice of the Supreme Court to a low of $53,500 given bankruptcy judges. Associate Judges of the Supreme Court receive $93,000, while judges in the 12 circuits of the court of appeals, in the Court of Claims, and in the Court of Customs and Patent Appeals all receive $70,300 a year. Under present law the executive branch and not Congress sets the salaries and budgets of these judges and their staffs. As authorized by the Postal Revenue and Federal Salary Act of 1976, the President submits salary figures to Congress for its ratification. Congress has little chance to form its own coherent budget policy for the judiciary.

The first portion of the legislation I introduce today, sections 3 and 4 of the bill, would make courts of appeals, district courts, the Federal Judicial Center, and the Administrative Office of the U.S. Courts subject to Congress annual authorizing process. Covered also would be U.S. magistrates, jurors, commissioners, and attorneys appointed to represent persons under the Criminal Justice Act of 1964. Under sections 2 and 3, Congress could set up its own specific financial guidelines. It would no longer have to rely solely on the President's budget as its benchmark in setting salaries for judges and their employees or in supplying funds for operating and maintaining the judiciary.

The Federal Judicial Salary Control Act also addresses a major problem with existing legislation, a virtually automatic annual salary increase built into the present statutory system. Under the Executive Salary Cost-of-Living Adjustment Act of 1975 and the Pay Comparability Act of 1970, each year the President passes on to Congress recommendations made by the Department of Labor for increasing judicial salaries.

Should Congress manage not to vote down these increases before midnight on September 30 of a given year, they automatically take effect for the next fiscal year. This year Congress missed the deadline by only 27 minutes and, in an effort to give effect to its intent to cap judicial salaries, even went so far as to stop the clock before midnight. Despite this last minute rush of activity and even though salary increases for other Federal employees were capped, the country has still been saddled with judicial salary increases that Congress did not intend to authorize.

The reason is the Supreme Court's holding last winter in the case of *United States* v. *Will*, 449 U.S. 200. There, the Court ruled that article III of the Constitution prohibits alteration of the salaries of Federal judges on or after October 1 because the new rates vest on that date. At present, a failure by Congress to move quickly enough, even though a delay of only a few minutes, can have harmful consequences for congressional budget plans.

Section 4, the final portion of the bill I am introducing today, would put a stop to these back-door increases for Justices of the Supreme Court and for judges of the inferior courts created by Congress. Only those adjustments that Congress specifically authorizes would actually take effect.

The legislation includes the Supreme Court within its requirement that Congress affrmatively authorize all pay increases. But, it excludes the Supreme Court from the general authorizing process, not because it would be unconstitutional to do otherwise, but because it would obviate the possibility of undue congressional influence over fundamental judicial policy and decisions. Also, I believe it would be inappropriate to require annual authorization for the head of another separate branch and the only court created explicitly by the Constitution. Similarly, Congress has not made the President, the chief of the executive branch, subject to the annual authorizing process.

In its entirety the Federal Judicial Salary Control Act provides a balanced means for legislative committees, and Congress as a whole, periodically to define budgetary objectives for the judiciary. Under its provisions Congress will be able to specify a desired level of funding instead of hastily rushing to amend figures furnished by another branch of the Government.

I urge my colleagues to support this legislation, the need for which has been clearly demonstrated to us all by experience.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at the conclusion of my remarks. I also ask unanimous consent that thereafter there be printed in the RECORD a copy of the November 1, 1981, article from the American Bar Association Journal reporting on the most recent pay raise which was provided to Federal judges contrary to congressional intent.

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

S. 1847

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Judicial Salary Control Act of 1981".

SEC. 2. For purposes of this Act, the term "Federal judiciary" includes—

(1) the courts of appeals, the district courts constituted by chapter 5 of title 28, United States Code, including the Court of Claims, the District Court of Guam, the District Court of the Virgin Islands, the Court of Customs and Patent Appeals, and the Court of Customs;

(2) United States magistrates;

(3) jurors and commissioners;

(4) the Federal Public Defender and Community Defender organizations and attorneys appointed to represent persons under the Criminal Justice Act of 1964;

(5) Bankruptcy courts;

(6) the Federal Judicial Center;

(7) the Administrative Office of the United States Courts; and

(8) the United States Court of International Trade.

SEC. 3. Notwithstanding any other provision of law, no appropriation may be made for the Federal judiciary, including the payment of salaries of judges and employees and the expenses of operation and maintenance, for any fiscal year beginning on or after October 1, 1982, except as specifically authorized by an Act of Congress with respect to such fiscal year.

SEC. 4. Notwithstanding any other provision of law, Judges, both of the supreme and inferior Courts of the United States, shall receive, for their services, no increase in compensation during their continuance in office, or during their retirement therefrom, except as may hereafter be specifically provided by separate Act of Congress authorizing such increase and stating the amount thereof.

JUDICIAL PAY INCREASE SLIP PAST DEADLINE

Federal judges received a pay raise October 1, despite a provision in the fiscal year 1982 continuing resolution package, H.J. Res. 325, which sought to bar executive level federal employees from a recommended 4.8 percent pay increase. Under the Federal Pay Comparability Act, the President recommends an annual pay increase for all federal employees which automatically takes effect at the start of the new fiscal year—October 1—unless Congress disapproves of the raise. H.J. Res. 325, which froze federal executive level salaries at $50,112.50, was intended to cover judges but was not cleared by Congress until 12:27 a.m., October 1, and was not signed by the President until later that day. The automatic salary increases, however, took effect at midnight, and judges' salary increases may not be rescinded, according to last year's *Will* decision, once they take effect. That decision held that repealing a judicial salary increase after the beginning of the new fiscal year would violate the Compensation Clause of the Constitution prohibiting reductions in Article III judges' salaries. The raise brings the Chief Justice's salary up to $96,800 and the associate justices up to $93,000. Circuit judges now earn $74,300 and district court judges earn $70,300.●

By Mr. MURKOWSKI (for himself, Mr. ABDNOR, Mr. ANDREWS, Mr. D'AMATO, Mr. DENTON, Mr. EAST, Mr. GORTON, Mr. GRASSLEY, Mrs. HAWKINS, Mr. KASTEN, Mr. MATTINGLY, Mr. NICKLES, Mr. QUAYLE, Mr. RUDMAN, Mr. SPECTER, and Mr. SYMMS):

S.J. Res. 126. Joint resolution to authorize and request the President to designate May 7, 1982, as "Vietnam Veterans' Day"; to the Committee on the Judiciary.

VIETNAM VETERANS' DAY

Mr. MURKOWSKI. Mr. President, I rise today to introduce, on behalf of myself and Senators ABDNOR, ANDREWS, D'AMATO, DENTON, EAST, GORTON, GRASSLEY, HAWKINS, KASTEN, MATTINGLY, NICKLES, QUAYLE, RUDMAN, SPECTER, and SYMMS, a joint resolution authorizing the President to designate May 7, 1982 as "Vietnam Veterans' Day." We are introducing this measure in recognition of the particular contributions of Vietnam veterans and the many problems they continue to suffer as a result of their service to our country in Vietnam. We are introducing this measure now to allow ample time for the planning of activities that veterans and other groups would develop to honor veterans of the Vietnam war. The date of May 7 has been chosen because this was the date in 1975 that the Veterans' Administration recognizes as the official end to the Vietnam era.

Unfortunately, no date can erase the sacrifices made in that conflict and the suffering which continues for many of our Vietnam veterans. In the minds of thousands of veterans in this Nation, the war in Vietnam continues to rage on. The many problems encountered by Vietnam veterans as they continue the transition from military to civilian life are not over for some and continue to affect careers and family situations.

Many Vietnam veterans suffer from a disorder known as delayed stress syndrome (DSS), a direct result of the trauma of the Vietnam war. A publication from the veterans delayed stress seminar sponsored by the Veterans' Administration and the Veteran Centers of Seattle and Tacoma, Wash., describes some of the categories of the post-traumatic stress disorder.

The essential feature of DSS is the development of characteristic symptoms that follow a psychologically traumatic event generally outside the range of normal human experience. The trauma may be experienced alone or, as a military experience, in the company of groups of people. As the Diagnostic and Statistical Manual of Mental Disorders (third edition) explains, "the traumatic event can be reexperienced in a variety of ways. Commonly, the individual has a recurrent painful, intrusive recollections of the event or recurrent dreams or nightmares during which the event is reexperienced." A person suffering from DSS may complain of feeling detached and estranged from other people and complain of a lost ability to become interested in previously enjoyed activities.

Symptoms of depression of anxiety are common among victims of DSS and are in many cases severe. Increased irritability may be associated with sporadic and unpredictable explosions of aggressive behavior that results from minimal or no provocation. Although all of these symptoms may begin to occur immediately after the trauma, it is not unusual for the symptoms to occur after a latency period of months or years.

Delayed stress syndrome in the military experience is not, of course, limited to the veteran of the Vietnam war. Veterans of all wars have experienced some form of post-traumatic stress. But the incidence of this disorder in Vietnam veterans appears to be particularly high. The intermittent psychological effects of the Vietnam experience continue to hamper significantly some veterans' ability to maintain steady employment.

Recently established veteran centers in cities across the Nation, as well as the doctors in the veterans' hospitals are doing a great deal to ease the post-traumatic stress experienced by Vietnam veterans in order to ease the transition to a productive and useful civilian life. Time, of course, will help as well. But in spite of the time that has passed, veterans of the Vietnam war continue to suffer from the trauma experienced in that conflict.

The problems about which I have been speaking are real. I do want to say, however, that we owe a great deal of admiration to those majority of veterans of the Vietnam conflict who, through will and perseverence, have transcended the physical and psychological effects of that war and who are now making significant contributions to our society.

Mr. President, I feel the veterans of the Vietnam era deserve special recognition for their sacrifice and service to this country. These veterans returned from Vietnam to a nation that was, at best, ambivalent over our involvement in Southeast Asia, and many of them have yet to feel the sense of being welcomed home by the Nation for which they fought. I am proud of their contributions to the Nation and military service and feel that the Congress should support their continued struggle to leave Vietnam behind and to concentrate on life in these United States. I hope this joint resolution and Vietnam Veterans Day will help awaken Americans to the great debt we all have to these patriotic Americans.

By Mr. COCHRAN (for himself and Mr. STENNIS):

S.J. Res. 127. Joint resolution to grant official recognition to the International Ballet Competition; to the Committee on Labor and Human Resources.

RECOGNITION TO THE INTERNATIONAL BALLET COMPETITION

● Mr. COCHRAN. Mr. President, today I am introducing legislation to grant official recognition to the International Ballet Competition held in the United States.

The International Ballet Competitions which began in Varna, Bulgaria in 1964, bring together dancers, choreographers, and teachers from all over the world to compete in what has been termed the "olympics of dance."

This prestigious event honors excellence in human achievement, fosters international friendship, and passes on an understanding of excellence to a new generation by the recognition of the young competitors.

For a decade there had been great interest expressed by the international dance community for a competition to be held in the United States, and in June 1979, Jackson, Miss., produced the first International Ballet Competition ever held in this country. It was judged a major international success and Jackson was joined together with the other host cities of Moscow, Tokyo, and Varna in a cooperative arrangement regarding future competitions.

Next year preliminary competitions in six cities across the United States have been planned in preparation for the second International Ballet Competition to be held in Jackson, June 20 to July 4, 1982. The regional competitions are expected to encourage an even greater U.S. participation in the international event.

The United States has made outstanding contributions to the world of dance and our achievements in ballet have gained international recognition. This was exemplified last spring when Amanda McKerrow of Rockville, Md., received the gold medal at the International Ballet Competition which this year was held in Moscow.

My joint resolution will give the same official sanction and recognition to the competition held in Jackson, Miss., and its participants as is given by the governments of the other host countries.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

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

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States recognizes the International Ballet Competition held in Jackson, Mississippi, under the sponsorship of the Mississippi Ballet International, Incorporated, as the official competition within the United States, and this organization and its participants as the official representatives of the United States in the International Ballet Competition cycle, which originated in Varna, Bulgaria, in 1964, and rotates among the cities of Varna, Bulgaria; Tokyo, Japan, Moscow, Union of Soviet Socialist Republics; and Jackson, Mississippi.●

ADDITIONAL COSPONSORS

S. 671

At the request of Mr. PELL, the Senator from Maryland (Mr. MATHIAS) was added as a cosponsor of S. 671, a bill to amend section 402 of title 23, United States Code, relating to establishment by each State of comprehensive alcohol-traffic safety programs as part of its highway safety program.

S. 895

At the request of Mr. MATHIAS, the Senator from Missouri (Mr. DANFORTH) was added as a cosponsor of S. 895, a bill to amend the Voting Rights Act of 1965 to extend certain provisions for an additional 10 years, to extend certain other

provisions for an additional 7 years, and for other purposes.

S. 1106

At the request of Mr. ZORINSKY, the Senator from Florida (Mr. CHILES) was added as a cosponsor of S. 1106, a bill to reform the insanity defense.

S. 1131

At the request of Mr. DANFORTH, the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 1131, a bill to require the Federal Government to pay interest on overdue payments and to take early payment discounts only when payment is timely made, and for other purposes.

S. 1276

At the request of Mr. DURENBERGER, the Senator from Idaho (Mr. SYMMS), and the Senator from Alabama (Mr. HEFLIN) were added as cosponsors of S. 1276, a bill to amend the Internal Revenue Code of 1954 to permit small businesses to reduce the value of excess inventory.

S. 1655

At the request of Mr. HART, the Senator from California (Mr. CRANSTON) was added as a cosponsor of S. 1655, a bill to amend the Internal Revenue Code of 1954 to reduce the deduction for business meals and to earmark the savings from such reduction for the school lunch programs.

S. 1656

At the request of Mr. DURENBERGER, the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of S. 1656, a bill to amend the Internal Revenue Code of 1954 to clarify certain requirements which apply to mortgage subsidy bonds, and for other purposes.

S. 1831

At the request of Mr. ROTH, the Senator from Delaware (Mr. BIDEN), and the Senator from Virginia (Mr. WARNER) were added as cosponsors of S. 1831, a bill to provide for the establishment of a national cemetery on the Delmarva Peninsula in Delaware, Maryland, or Virginia, and for other purposes.

S.J. RES. 57

At the request of Mr. SYMMS, the Senator from North Dakota (Mr. ANDREWS), the Senator from Colorado (Mr. ARMSTRONG), the Senator from Tennessee (Mr. BAKER), the Senator from Montana (Mr. BAUCUS), the Senator from Oklahoma (Mr. BOREN), the Senator from Minnesota (Mr. BOSCHWITZ), the Senator from New Jersey (Mr. BRADLEY), the Senator from North Dakota (Mr. BURDICK), the Senator from Virginia (Mr. HARRY F. BYRD, JR.) the Senator from Rhode Island (Mr. CHAFEE), the Senator from Florida (Mr. CHILES), the Senator from California (Mr. CRANSTON), the Senator from New York (Mr. D'AMATO), the Senator from Missouri (Mr. DANFORTH), the Senator from Alabama (Mr. DENTON) the Senator from Illinois (Mr. DIXON), the Senator from Connecticut (Mr. DODD), the Senator from Kansas (Mr. DOLE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Minnesota (Mr. DURENBERGER), the Senator from North Carolina (Mr. EAST), the Senator from Nebraska (Mr. EXON), the Senator from Utah (Mr. GARN), the Senator from Iowa (Mr. GRASSLEY), the Senator from Colorado (Mr. HART), the Senator from Oregon (Mr. HATFIELD), the Senator from Florida (Mrs. HAWKINS), the Senator from Alabama (Mr. HEFLIN), the Senator from Pennsylvania (Mr. HEINZ), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Iowa (Mr. JEPSEN), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Wisconsin (Mr. KASTEN), the Senator from Indiana (Mr. LUGAR), the Senator from Maryland (Mr. MATHIAS), the Senator from Idaho (Mr. McCLURE), the Senator from Montana (Mr. MELCHER), the Senator from Maine (Mr. MITCHELL), the Senator from Illinois (Mr. PERCY), the Senator from South Dakota (Mr. PRESSLER), the Senator from Indiana (Mr. QUAYLE), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Michigan (Mr. RIEGLE), the Senator from Delaware (Mr. ROTH), the Senator from New Mexico (Mr. SCHMITT), the Senator from Mississippi (Mr. STENNIS), the Senator from South Carolina (Mr. THURMOND), the Senator from Texas (Mr. TOWER), the Senator from Connecticut (Mr. WEICKER), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Nebraska (Mr. ZORINSKY), and the Senator from South Dakota (Mr. ABDNOR), were added as cosponsors of Senate Joint Resolution 57, a joint resolution to provide for the designation of February 7 through 13, 1981, as "National Scleroderma Week."

S.J. RES. 93

At the request of Mr. HAYAKAWA, the Senator from Wisconsin (Mr. KASTEN) was added as a cosponsor of Senate Joint Resolution 93, a joint resolution to clarify that it is the basic policy of the Government of the United States to rely on the competitive private enterprise system to provide needed goods and services.

S.J. RES. 111

At the request of Mr. McCLURE, the Senator from Montana (Mr. MELCHER), the Senator from Pennsylvania (Mr. HEINZ), the Senator from Oklahoma (Mr. NICKLES), and the Senator from Wyoming (Mr. WALLOP) were added as cosponsors of Senate Joint Resolution 111, a joint resolution consenting to an extension and renewal of the interstate compact to conserve oil and gas.

S.J. RES. 113

At the request of Mr. HATCH, the Senator from Arkansas (Mr. PRYOR), the Senator from Texas (Mr. BENTSEN), the Senator from Maine (Mr. COHEN), and the Senator from Florida (Mr. CHILES) were added as cosponsors of Senate Joint Resolution 113, a joint resolution to designate the week beginning November 8, 1981, as "National Home Health Care Week."

S.J. RES. 123

At the request of Mr. HAYAKAWA, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of Senate Joint Resolution 123, a joint resolution authorizing the President to proclaim "National Disabled Veterans Week."

SENATE CONCURRENT RESOLUTION 48

At the request of Mr. BUMPERS, his name was added as a cosponsor of Senate Concurrent Resolution 48, a concurrent resolution disapproving the sale to Pakistan of F-16 aircraft.

At the request of Mr. WEICKER, his name was added as a cosponsor of Senate Concurrent Resolution 48, supra.

SENATE RESOLUTION 230

At the request of Mr. HART, the Senator from Illinois (Mr. DIXON) was added as a cosponsor of Senate Resolution 230, a resolution to express the sense of the Senate on cuts in combat readiness.

AMENDMENT NO. 591

At the request of Mr. D'AMATO, the Senator from South Dakota (Mr. PRESSLER), and the Senator from Nebraska (Mr. EXON) were added as cosponsors of amendment No. 591 intended to be proposed to H.R. 4121, a bill making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1982, and for other purposes.

SENATE RESOLUTION 243—RESOLUTION RELATING TO TECHNOLOGY USED BY RADIO FREE EUROPE AND VOICE OF AMERICA.

Mr. PRESSLER submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 243

Whereas Radio Free Europe, Radio Liberty, and Voice of America contribute to the achievement of United States and world security goals; and

Whereas Radio Free Europe, Radio Liberty, and Voice of America disseminate truthful and factual reports to listeners in many societies which repress freedom of information; and

Whereas the cost of broadcasting true and accurate information to listeners in such societies represents an important investment in the protection of freedom throughout the world; and

Whereas the application of high-frequency direct broadcast satellite technology may improve the transmission of true and accurate information to such societies: Now, therefore, be it

Resolved, That it is the sense of the Senate of the United States of America that—

(1) an interagency study should be conducted by the United States Government to determine the feasibility of direct broadcast satellite use by Radio Free Europe, Radio Liberty, and Voice of America; and

(2) this study should include analysis of technical, economic, and domestic and international political aspects of direct broadcast satellite implementation; and

(3) in order to complete this study in a timely manner, the fiscal year 1983 budget requests for Radio Free Europe, Radio Liberty, and Voice of America should include requests for sufficient funds to complete the study.

● Mr. PRESSLER. Mr. President, I rise today to offer a resolution which confirms the Senate's support for the study of direct broadcast satellite technology use or leasing by Radio Free Europe/Radio Liberty and the Voice of America.

One of the most exciting developments in telecommunications technology today is that of the direct broadcast satellite or DBS. This technology, which is soon to see widespread commercial implementation, provides broadcasting transmit-

tal directly from a satellite to individual receiving antennas.

The administration, including the Departments of Commerce and Justice, has recognized the enormous potential of DBS and has expressed strong support for the rapid development of this technology. The Federal Communications Commission is currently considering a number of applications for DBS video systems in this country.

This flurry of activity is a strong indication that the telecommunications industry is on the verge of yet another breakthrough.

As a member of the Senate Communications Subcommittee and the Senate Foreign Relations Committee, I am concerned that this technology be made available to the Radio Free Europe/Radio Liberty and the Voice of America radio broadcasting operations as well as to the private sector for commercial use.

According to George Jacobs, a consultant with the Board of International Broadcasting, there are a number of advantages to DBS technology which could be of particular importance to RFE/RL and VOA.

First of all, there is the probability that direct broadcasts by satellites would be less susceptible to jamming, a current problem with transmissions to countries which do not have open broadcasting policies.

Second, use of a DBS system would reduce dependence on terrestrial broadcasting installations in foreign countries which may not always be hospitable to such operations.

Finally, there is the possibility of long-range cost effectiveness compared to current transmission practices.

In recent testimony before a House subcommittee, James B. Conkling, director of the Voice of America, identified three questions pertaining to the possible use of DBS for Voice of America broadcasting. He maintains, and I agree with his assessment, that DBS implementation is technologically feasible. But the political and economic ramifications of such implementation need to be examined further.

The resolution I am offering today would express Senate support for a study of this new technology and its possible implementation by RFF/RL and VOA. This resolution would express the Senate's intention to support and encourage this study through future appropriations.

We can be very proud of the work done by Radio Free Europe/Radio Liberty and the Voice of America. It is estimated that tens of millions of people hear these broadcasts on a regular basis. As the leader of the free world, the United States has an obligation to these millions of individuals to provide accurate, objective information concerning world events and problems. It is important that these radio networks have the opportunity to take advantage of every technological innovation if and when it is practical to implement.

As Mr. Jacobs has said:

We do not want to risk missing any unpredictable technological breakthroughs because of inaction. We believe that the potential of satellite technology justifies the relative small amount of funding and resources required for feasibility studies.

I strongly agree with Mr. Jacobs' statement and today I urge my colleagues to join with me to insure that the great telecommunications revolution will be available to the public as well as the private sector of this important industry.●

AMENDMENTS SUBMITTED FOR PRINTING

COMMERCE, JUSTICE, STATE, AND THE JUDICIARY APPROPRIATIONS

AMENDMENT NO. 629

(Ordered to be printed.)

Mr. WEICKER proposed an amendment to the bill (H.R. 4169) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1982, and for other purposes.

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. COHEN. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a public hearing before the Senate Select Committee on Indian Affairs.

A hearing is scheduled for November 18, 1981, beginning at 9 a.m., in room 1318 of the Dirksen Senate Office Building, on S. 1613, a bill to confer jurisdiction on the U.S. Court of Claims with respect to certain claims of the Navajo Indian Tribe, and, S. 1468, a bill to provide for the designation of the Burns Paiute Indian Tribe as the beneficiary of a public domain allotment, and to provide that all future similarly situated lands in Harney County, Oreg., will be held in trust by the United States for the benefit of the Burns Paiute Indian Colony.

For further information regarding the hearing, you may wish to contact the committee staff on 224–2251.

Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing before the Select Committee on Indian Affairs on S. 1370, a bill to authorize the Secretary of the Army to acquire a subordination, by condemnation or otherwise, in such interests in the oil, gas, coal, or other minerals owned by the Osage Tribe of Indians needed for Skiatook Lake, Osage County, Okla.

The hearing is scheduled for November 23, 1981, beginning at 9:30 a.m. in room 5302 Dirksen Senate Office Building. For further information regarding the hearing, you may wish to contact Timothy Woodcock, staff director, or Peter Taylor, general counsel of the Select Committee on Indian Affairs at 202–224–2251. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Select Committee on Indian Affairs, U.S. Senate, Washington, D.C. 20510.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce, for the information of the Senate and the public, the scheduling of a public hearing before the Committee on Energy and Natural Resources to consider the nominations of Pedro San Juan, of the District of Columbia, to be an Assistant Secretary of the Interior for Territorial and International Affairs; and Vernon R. Wiggins, of Alaska, to be Federal Cochairman of the Alaska Land Use Council. The hearing will be held on Thursday, November 19, beginning at 10 a.m. in room 3110 of the Dirksen Senate Office Building.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Committee on Energy and Natural Resources, room 3104 Dirksen Senate Office Building, Washington, D.C. 20510.

For further information regarding this hearing, you may wish to contact Mr. Gary Ellsworth of the committee staff at 224–7146.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, November 12, to hold a business meeting on pending calendar business.

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

SUBCOMMITTEE ON THE CONSTITUTION

Mr. TOWER. Mr. President, I ask unanimous consent that the Subcommittee on the Constitution, of the Judiciary Committee, be authorized to hold a hearing at 2 p.m. today, Thursday, November 12, to discuss freedom of information.

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

ADDITIONAL STATEMENTS

NATIONAL DISABLED VETERANS WEEK

● Mr. HAYAKAWA. Mr. President, I am pleased that Senator PRYOR and Senator HEINZ have requested to be added as cosponsors of my resolution which requests the President to proclaim the week of November 7 through November 13, 1981, as "National Disabled Veterans Week."

Both Senator PRYOR and Senator HEINZ requested to be added as cosponsors last Tuesday, November 10, the day I introduced this resolution. I thank them for their endorsement and look forward to working with them and all 33 of my cosponsors in planning many beneficial and supportive programs to commemorate this week.

I believe together we can make this week a very valuable and worthwhile experience. Disabled veterans deserve to be shown that this resolution can generate immediate and widespread support. The momentum is with us and I anxiously await final passage by both House of Congress and eventual signing by the President.●

PANAMA CANAL

● Mr. TOWER. Mr. President, I wish to express concern over a situation which many in the Congress of the United States were assured in 1979 during the Panama Canal implementation debates would be resolved by now. I refer specifically to outstanding claims of U.S. citizens against the Republic of Panama for seizure of assets owned by U.S. citizens and for which no compensation has been made by the Government of Panama. One of these, a claim by the Boston-Panama Co., dates back to 1970 and the other, a claim by an American-controlled citrus fruit company, dates back to 1974.

These two companies have, since the time of the seizure of their assets, tried without success to have the Republic of Panama make prompt and adequate compensation. The subject of these two outstanding claims was discussed on the floor of the U.S. Senate in February 1978 at the time of the Senate consideration of ratification of the Panama Canal treaty. At that time, concern was expressed that if the Senate consented to the treaty prior to these companies being paid for their seized assets, then the hope of any recovery, according to Senator Curtis of Nebraska, would be "very, very dim." Senator Curtis' fear has been realized.

This same matter was also the subject of extensive floor debates in the House of Representatives in June 1979 at the time the Congress was considering the Panama Canal Implementation Act (H.R. 111). At that time, the Congress was assured by officials of the Carter administration that the Republic of Panama would very soon resolve these outstanding claims and discharge their responsibility under law by making payment to the U.S. citizen owners.

Mr. President, I am sorry to say that not only has that not happened, but it is my understanding that there is at the present time very little prospect of that evenuality in the foreseeable future.

The subject of the United States paying moneys to the Republic of Panama with appropriated public funds while that government simultaneously benefits from production of assets seized from U.S. citizens and for which payment is denied these U.S. citizens is a matter which, if not resolved in the near term, may require congressional action.●

STOP LINES OF CREDIT FOR CORPORATE MERGERS

● Mr. KENNEDY. Mr. President, earlier this week, the Senate adopted a bipartisan amendment I sponsored urging the President and the Federal Reserve Board to discourage the use of credit for large-scale corporate takeovers.

In order to insure that firms interested in such takeovers do not succeed in obtaining new lines of credit before the amendment takes effect, I have written today to Chairman Volcker of the Federal Reserve Board to urge him to exercise his current authority to block any such anticipatory abuses of credit. I ask that the text of my letter to Chairman Volcker may be printed in the RECORD.

The letter follows:

U.S. SENATE,
Washington, D.C., November 12, 1981.

Hon. PAUL A. VOLCKER,
Chairman, Board of Governors, Federal Reserve System, Washington, D.C.

DEAR CHAIRMAN VOLCKER: Last Tuesday, during debate on S. 1112, the Export Administration Authorization Act, the Senate adopted by a vote of 77–12 an amendment I sponsored directing the President, in conjunction with the Board of Governors of the Federal Reserve System, to take appropriate actions to restrain the extension of credit for unproductive large scale corporate takeovers.

There was strong bipartisan support in the Senate for the amendment. The adoption of the amendment is a clear signal of the concern in Congress over high interest rates and over the fact that large amounts of credit are being diverted to oil company and other mergers from vital credit-starved sectors of the economy such as the housing and automobile industries, small business, and small farms.

I hope that the Senate-House conferees on the Export Act will approve the amendment and that it will soon be enacted into law. Pending final legislative action, however, corporations with mergers on their minds should not be permitted to beat the date for action taken pursuant to this legislation. For example, my office has already received several inquiries this morning from representatives of large energy corporations about the amendment.

I believe that the Federal Reserve Board has authority to act on its own to discourage the extension of credit for unproductive purposes. At a time when credit is urgently needed by productive sectors of our economy, it would be unconscionable to permit large corporations to open new lines of credit or to expand existing lines of credit in order to carry out their merger battles.

I urge you, therefore, in light of the action of the Senate, to take immediate steps to discourage banking and other financial institutions from extending credit for such purposes.

Sincerely,

EDWARD M. KENNEDY.●

TAPS BEING PLAYED AT VIETNAM VETERANS MEMORIAL

● Mr. HAYAKAWA. Mr. President, I wish to express my support of Senate Joint Resolution 124 introduced by Senator DANFORTH on November 10, 1981, and originally cosponsored by myself. This resolution seeks to enhance the honor and dignity of the soon to be constructed Vietnam Veterans Memorial. This resolution requests taps be played at the memorial every evening at sunset. America as a whole has finally seen fit to honor the sacrifices of veterans of the Vietnam war. While feelings and emotions regarding this war are mixed, I believe everyone agrees that the brave who died felt they were serving their country and defending its policies. These are the feelings of loyalty to which this memorial pays tribute.

Besides giving honor to the dead, it gives Vietnam-era veterans a feeling of acceptance. Readjustment has been difficult for many of them. When they returned home after serving their country, they were not greeted by cheers and warm words of welcome like veterans from other wars in which America was involved. There was little recognition of bravery and patriotism. Often they were ignored and sometimes even ridiculed. We cannot let Vietnam veterans continue to feel unappreciated. It is tremendously important to let these veterans know that America will not forget their loyalty and courage. This memorial can be a beginning.●

IT IS TIME TO END HANDGUN VIOLENCE

● Mr. KENNEDY. Mr. President, we read daily of the mounting toll of handgun violence across the country and the tragic consequences which these assaults have on the lives of the victims and their families.

One of the most shocking incidents this year was the attack on President Reagan and the wounding of the President, his Press Secretary, James Brady, and two others. Thankfully, none of them was killed—yet they all bear the scars of handgun violence.

The brave struggle of James Brady is particularly in our minds, after his visit to the White House Press Room last Monday. His courage and perseverance are an eloquent tribute to the power of the human spirit, and all of us wish him well in his continuing recuperation.

An eloquent column by Richard Cohen in today's Washington Post gives well-deserved praise to Mr. Brady, and reminds us yet again of the urgent need for responsible action on handgun control to end these senseless tragedies.

Mr. President, I ask that Mr. Cohen's column may be printed in the RECORD.

The column follows:

[From the Washington Post, Nov. 12, 1981]

"GUNS"

(By Richard Cohen)

Among my colleagues, James Brady is a much-loved man. He was President Reagan's press secretary for just a short time before he was shot, but his humor and his warmth and his honesty quickly made him many friends. His story is a poignant one. One wishes him only the best. And one wishes that only the best will come from what has happened to him.

But that does not seem to be the case. The tragedy of Jim Brady is treated in some sort of vacuum. From time to time stories appear about his medical condition, his occasional trips home and his recent appearance in the White House press room where he bantered with the press, the president and Nancy Reagan. Always, though, his injury is discussed without context. You would be forgiven for thinking that he had been struck by some disease and not a bullet.

But it was a bullet that struck James Brady. It was a bullet that entered his skull and smashed his brain. This is what paralyzed him on one side, that has kept him in the hospital since March that has required four operations, and that, for a time, left him emotionally infantile—likely to cry if he stumbled. This was not an act of God, it was an act of man.

And man could do something about it. It was a man, after all, who shot Brady. John Hinckley, the man accused of the shooting, bought a gun with incredible ease. No one asked him why he wanted the gun, whether, say, he wanted to kill someone—and when he was caught with a gun trying to get on an airplane, none of these same questions were asked then, either.

It is more difficult to bring fruit into America from a foreign country than to buy a gun. It is also harder to drive a car—certainly harder to buy a car than a gun. It takes some time to get married and a lot more time to get divorced, but it takes no time to buy a gun. This is possible because of an archaic interpretation of the Second Amendment which deals with the right of the people to bear arms. That refers to the right of the people to raise a militia, not the right of some deranged young man to buy a gun.

The obvious lesson to come out of all this is that the nation needs a gun control law. It needs a national law, because to have a law in one state and not to have one in the next state is pure folly. These laws accomplish nothing except to allow those who are opposed to gun control to say that legislation never works. It could be that even a national gun control law will not work, but we will never know until we try it. It is not too much to imagine that a Hinckley—no hardened killer he—would have quit his task if he found it hard to get a gun.

However obvious these lessons are they are lost on Ronald Reagan. He can stare down at a Jim Brady in his wheelchair and see no connection between Brady's condition and the gun that caused it. He, like so many Americans, seems to have accepted the event as a natural tragedy—like polio. He can see Brady as the regrettable price you sometimes have to pay for yet another American freedom.

Gun control advocates ought to understand this argument. It is not much different from what others say when it comes to civil liberties. For instance, no murder committed by someone out on bail is going to convince bail advocates that bail is not a good idea. And the occasional case where the guilty walks free because, say, the evidence was tainted, does not deter civil libertarians from believing in strict laws of evidence.

But that is because these laws serve a greater good. They are designed to protect the rights of us all. The gun, though, is a different matter. It protects only those who have it—and then only in theory. In fact, it works best for whoever takes the initiative—usually the criminal. This is what happened with James Brady. He and the president were surrounded by armed men—trained, armed men—yet a single man with a gun and an obsession for an actress shot them both.

The president recovered, but Brady still ails. His recovery has been miraculous. His bravery is undisputed. What is disputed, though, is his status. The president, it seems, would prefer to see him as a victim. It does not do him justice. He is, instead, a lesson.●

RETIREMENT OF JUDGE JAMES A. RAVELLA

● Mr. METZENBAUM. I take great pleasure in rising today to honor a man who has performed outstanding judicial service for citizens in my own State of Ohio. Judge James A. Ravella will be retiring after 31 years as judge of the Warren Municipal Court. Over those years Judge Ravella has compiled a most impressive judicial record. Appointed to the bench in 1955, Judge Ravella has been elected to five successive terms.

His list of honors as municipal court judge are too numerous to mention in full. For every year between 1955 and 1971 Judge Ravella has received an American Bar Association National Award for Outstanding Progress in the improvement of traffic court practice and procedures. On six separate occasions Judge Ravella has been honored by the Supreme Court of Ohio for his outstanding judicial service. He received the American Bar Association continued outstanding performance in traffic court practices and procedures award of excellence for 1971–72. He received a certificate of recognition from the State of Ohio's Department of Highway Safety in 1957 and 1965. And in 1969 he was selected as one of four judges to receive the American Bar Association's 1969 Traffic Court Judges Award.

Judge Ravella's contributions to his community have been equally impressive. He is a member of the chamber of commerce, the Elks, the Fraternal Order of Eagles, the American Legion, the Knights of Columbus, and the Ohio Grange. He is a trustee of the Warren YMCA, a member of the advisory board of the Oblate Sisters of the Sacred Heart of Jesus, a trustee of the Trumbull County Humane Society, and former chairman of employ the physically handicapped to name just a few.

I am sure Judge Ravella will be sorely missed by his colleagues. He is to be commended for his enormous contributions to the bench, to the citizens of his community and to the administration of justice. I want to wish him well in his retirement and to thank him for his years of stellar public service on and off the bench.

Mr. President, I ask that some information on Judge Ravella be printed in the RECORD.

The material follows:

BIOGRAPHICAL BACKGROUND OF JUDGE JAMES A. RAVELLA

Born, Niles, Ohio, April 16, 1906.

Graduate, Ohio Northern University College of Law, 1928.

Admitted to Bar, 1928.

Married, one daughter.

Member, The Church of The Blessed Sacrament.

Served in United States Navy as Gunnery Officer, rank of Lieutenant.

Agent United States Treasury Department.

Special counsel to the Attorney General of the State of Ohio.

Police prosecutor.

Appointed Judge of the Warren Municipal Court by Governor Frank J. Lausche, June, 1950.

Elected five times to office subsequently.

Member Chamber of Commerce, Elks, Fraternal Order of Eagles, American Legion, Knights of Columbus, Ohio Grange.

Ohio Traffic Court League.

Ohio Municipal Judges Association.

Trustee of the Warren Y.M.C.A.

Sustaining member of the Boy Scouts of America.

Member of the Executive Committee of the Governor's Traffic Safety Committee.

Former state chairman of the Courts Committee of the Governor's Traffic Safety Committee.

Member of the State Bar Association Traffic Committee.

Member of the Mayor's Traffic Committee.

Member, Trumbull County Bar Association.

Member, Ohio State Bar Association.

Member, American Bar Association.

Member of the Advisory Board of the Oblate Sisters of the Sacred Heart of Jesus.

Former Chairman, Employ the Physically Handicapped.

Trustee, Trumbull County Humane Society.

AWARDS

Warren Municipal Court, recipient first first place national award for outstanding progress in the improvement of traffic court practice and procedures by the American Bar Association, 1955–1956.

Warren Municipal Court, recipient special citation national award for same by the American Bar Association, 1956–1957.

Warren Municipal Court, recipient first place national award for same by the American Bar Association, 1957–1958.

Warren Municipal Court, recipient national honorable mention for same by the American Bar Association, 1958–1959.

Warren Municipal Court, recipient special citation national award for same by the American Bar Association, 1959–1960.

Warren Municipal Court, recipient first place national award by the American Bar Association, 1960–1961.

Warren Municipal Court, recipient second place national award for same by the American Bar Association, 1961–1962.

Warren Municipal Court, recipient national special commendation for same by the American Bar Association, 1962–1963.

Warren Municipal Court, recipient second place national award for same by the American Bar Association, 1963–1964.

Warren Municipal Court, recipient second place national award for same by the American Bar Association, 1964–1965.

Warren Municipal Court, recipient first place national award for same by the American Bar Association, 1965–1966.

Warren Municipal Court, recipient first place national award for same by the American Bar Association, 1966–1967.

Warren Municipal Court, recipient national special commendation for same by the American Bar Association, 1967–1968.

Warren Municipal Court, recipient national special commendation for same by the American Bar Association, 1968–1969.

Warren Municipal Court, recipient national special commendation for same by the American Bar Association, 1969–1970.

Warren Municipal Court, recipient first place national award for same by the American Bar Association, 1970–1971.

Certificate of Recognition, Department of Highway Safety, State of Ohio, 1957.

Certificate of Recognition, Department of of Highway Safety, State of Ohio, 1965.

1961 Judge James A. Ravella received the Fraternal Order of Eagles Award of Merit.

Judge James A. Ravella was selected as one of four judges to receive the American Bar Association's 1969 Traffic Court Judges Award.

Award presented to Judge James A. Ravella by the Supreme Court of Ohio for Outstanding Judicial Service, 1975.

Award presented to Judge James A. Ravella by the Supreme Court of Ohio for Excellent Judicial Service, 1975.

Award presented to Judge James A. Ravella by the Supreme Court of Ohio for Excellent Judicial Service, 1976.

Award presented to Judge James A. Ravella by the Supreme Court of Ohio for Excellent Judicial Service, 1977.

Award presented to Judge James A. Ravella by the Supreme Court to Ohio for Excellent Judicial Service, 1978.

Award presented to Judge James A. Ravella by the Supreme Court of Ohio for Excellent Judicial Service, 1979.

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Award presented to Judge James A. Ravella by the American Bar Association for continued outstanding performance in Traffic Court Practices and Procedures Award of Excellence, 1971–1972.

Fifty year Certificate presented to Judge James A. Ravella by the Ohio State Bar Association.

Commissioned Kentucky Colonel, 1978.●

NOTICE OF DETERMINATIONS BY THE SELECT COMMITTEE ON ETHICS

● Mr. WALLOP. Mr. President, it is required by paragraph 4 of rule 35 that I

place in the CONGRESSIONAL RECORD this notice of a Senate employee who proposes to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The Select Committee on Ethics has received a request for a determination under rule 35 which would permit Mr. Timothy P. O'Neill, a legislative assistant to Senator DAN QUAYLE, to participate in a program sponsored by a foreign educational organization, Tamkang University, in the Republic of China from November 22 to December 2, 1981.

The committee has determined that participation by Mr. O'Neill in the program in the Republic of China, at the expense of Tamkang University, to discuss foreign policy and international relations, is in the interests of the Senate and the United States.

The Select Committee on Ethics has received a request for a determination under rule 35 which would permit Dr. Constance Hilliard, a staff member of the Republican Policy Committee, to participate in a program sponsored by a foreign educational organization, Tamkang University, in the Republic of China from November 22 to November 29, 1981.

The committee has determined that participation by Dr. Hilliard in the program in the Republic of China, at the expense of Tamkang University, to discuss foreign policy and international relations, is in the interests of the Senate and the United States.●

AMERICA'S SPACE PROGRAM

● Mrs. HAWKINS. Mr. President, today, October 12, 1981, marked a historical point in America's space program. This morning at 10:10 a.m., *Columbia* soared into glistening Florida skies in the second dramatic launch of the U.S. Space Shuttle program. With the orbiting of astronauts Joe Henry Engle and Richard H. Truly, Americans have pioneered and crossed the threshold of a new era in space technology. A space vehicle has orbited and returned to Earth and has now been launched again.

This achievement has many lasting benefits for the United States. In the future, it will be possible for us to send satellites into Earth's orbit for one-half to one-fourth the cost of throw-away launch vehicles and will save millions of dollars in communications costs alone. This new and unique sophistication in our space efforts will enable us to retrieve and repair worn out and malfunctioning satellites, thus saving many millions of dollars of investments which otherwise would be lost. Furthermore, this great technological development will be of immeasurable importance to our national security.

The promise of reduced costs of traveling to the celestial realm thousands of miles above us is now a reality, and we can expect to see in this century new American industrial initiatives that will spur all sectors of our economy. I am especially pleased that our Florida spaceport stands as the entrance to this new world which we will continue to explore. What today is a $10 billion investment in research and development will tomorrow yield untold rewards and knowledge.

My pride and faith, along with that of all other Americans, was lifted today as I and millions of others witnessed the second flight of *Columbia*. American inventiveness, enterprise and determination prevail once more. I congratulate the courageous crew and the thousands of National Aeronautics and Space Administration staff members and other individuals whose great efforts made this exciting and monumental journey into outerspace possible.●

KANSAS COL. JOE ENGLE, U.S.S. "COLUMBIA"

● Mr. DOLE. Mr. President, this morning, two outstanding Americans were lifted from Earth aboard the U.S.S. *Columbia*. Air Force Col. Joe Engle and Navy Capt. Richard Truly are the crew for America's second Space Shuttle voyage.

For Kansas, this event holds a special interest because Captain Engle is the hometown pride of Chapman, Kans., a University of Kansas alumnus, and a former employee of Cessna Aircraft Corp. of Wichita. He married Mary Lawrence, of Mission, Kans., in 1955.

Mr. President, Joe Engle's career has been one of direction, dedication, and accomplishment. In 1956, the Air Force called Joe into active duty, and 7 years later he was assigned to a prestigious squadron of X–15 pilots. Colonel Engle served in the Apollo program, and he and Captain Truly were the backup crew for *Columbia*'s first flight last April.

It is, however, Joe Engle's friendship that the citizens of Chapman hold so dear. In 1965, his hometown honored him with a Labor Day gala. He was America's youngest astronaut and his return to Chapman was a memorable celebration. Now, Chapman is planning its 1982 Labor Day celebration, with its returning hometown hero in mind once again.

Mr. President, the Senator from Kansas would like to congratulate Colonel Engle, Captain Truly, and everyone at NASA on yet another historic achievement.●

● Mrs. KASSEBAUM. Mr. President, I want to join Senator DOLE in his praise for the successful beginning of the second mission of the *Columbia* Space Shuttle. All Americans share the pride we feel in our continuing achievements in space.

On this particular day, Kansans feel a special pride because Col. Joe Henry Engle, the commander of the second flight, is a native of Chapman, Kans. The residents of Chapman have waited anxiously for this day ever since Colonel Engle became the youngest astronaut in 1965. As a former student in Chapman, a graduate of the University of Kansas, and a past employee of Cessna Aircraft, Joe Engle has a lot of friends in Kansas who share the joy he must feel today. If anyone questions his allegiance to Chapman, the presence of a Chapman High School flag, a congratulatory letter signed by the school's 424 students, an athletic letter "C," similar to the one he earned as a student-athlete, and a shamrock on this mission should remove all doubt. Conversely, the pride felt by Chapman's residents is evident in their plans to honor him on Labor Day 1982.

Joe's career has been extraordinary since he joined the Air Force in 1956. Senator DOLE has already mentioned some of his more notable achievements and they underscore the long, hard training demanded of him. I congratulate him for his success and join the people of Chapman in extending my best wishes for continued good fortune.●

SALE OF TAX CREDITS

● Mr. BOREN. Mr. President, last Friday, I spoke here on the floor about my concerns over a number of proposals that had been put forward concerning the economy and the goal of balancing the Federal budget by 1984.

During the course of those remarks, I said that if additional revenues were going to be needed, that one of the areas which should be examined is the leasing provision in the recent tax bill. This provision allows one firm to sell tax credits to another. It has created a loophole totally unintended by myself and other members of the Finance Committee—a loophole that is estimated to cost the Treasury $80 to $90 billion in revenue over the next 10 years.

I cited a story which had appeared in the press that very morning of a $200 million sale of tax breaks from one corporation to another.

Today, a similar story appears in the Washington Post which says that Occidental Petroleum Corp. has sold tax breaks on $94.8 million worth of equipment to Marsh & McLennan Co., a New York insurance and investment company. Under no definition could Occidental be termed a needy company.

Mr. President, if we are looking for revenue enhancement proposals, I say again that this is exactly the kind of thing we ought to be reexamining.

Mr. President, I ask that the article be printed in the RECORD.

The article follows:

PROFITABLE FIRM CAPITALIZES ON TAX LAW

(By Thomas B. Edsall)

Occidental Petroleum Corp., one of the fastest growing oil companies with earnings of nearly three quarters of a billion dollars last year, capitalized yesterday on a controversial section of the 1981 tax bill designed to help ailing companies like Chrysler or International Harvester.

The Los Angeles-based firm with major oil holdings in the North Sea, Peru and Libya "sold" tax breaks on $94.8 million worth of equipment to Marsh and McLennan Co., a New York insurance and investment company.

The oil company qualified for the tax break despite its high earnings because it makes almost all its profits from foreign sources. Over the past three years, Occidental has paid no federal tax in the United States.

The deal is based on a section of the tax bill that allows corporations with little or no profits to sell off tax credits and depreciation to profitable firms that can then use the shelters to protect earnings from federal tax liability.

These deals—which amount to the buying and selling of corporate tax breaks—are consummated under paper transactions called leases.

The leasing provision was added to the Reagan administration tax bill to give marginal companies a share of sharp reductions in corporate tax liabilities so that the ailing companies could better compete.

Yesterday, in fact the Treasury Department issued revised regulations governing leases that lawyers involved in private deals said were designed to allow Chrysler and other firms facing the possibility of bankruptcy to sell off their tax credits and depreciations.

What makes the Occidental transaction unusual is the fact that the oil firm, while reporting profits last year of $710.8 million, has almost no domestic earnings against which to write off tax credits and depreciation.

"We are a very profitable company," George Reese, an Occidental spokesman said. "The champion growth company of the Fortune 500."

Reese noted that despite the profits, which through the third quarter of this year have reached $456 million, Occidental is "not making enough [domestic] earnings to take advantage of our tax credits."

Instead, the firm will get a cash payment of somewhere between $20 million and $30 million from Marsh and McLennan in return for selling the tax breaks on the $94.8 million in investments Occidental has made in chemical plant and coal mining equipment.

In its 1980 annual report, Occidental said it paid no U.S. federal taxes in 1980, 1979 or 1978, although it paid foreign taxes of $1.95 billion in '80, $1.36 billion in '79 and $827 million in '78.

During those three years Occidental showed losses in the United States while reporting a profit of $5.7 billion overseas.

The firm was able to achieve this distribution of taxation while reporting that $7 billion of the $12.7 billion in total revenues in 1980 were from locations in the United States, and $3.9 billion of $6.2 billion in identifiable assets were in the United States last year.

Of the oil production, which is the major source of revenue, only 5,000 barrels a day were produced in the United States, while 573,000 barrels a day came from Libya, Peru, the United Kingdom, Bolivia and Canada.

For the insurance and investment firm of Marsh and McLennan, the tax breaks will mean, according to William Duggan, vice president for accounting and taxation, increased earnings per share of 3 cents to 5 cents this year and a total of about 50 cents over the 15-year life of the leases.

While both firms refused to discuss precise terms of the lease arrangement, the basic pattern of most such transactions under the new law goes as follows:

A company that has invested in equipment but has low or no profits against which to write off the tax breaks can "sell" the equipment to a profitable firm. The purchase price is based on a negotiated percentage of the value of the tax breaks to the profitable company.

The profitable company then "leases" the equipment back to the firm that originally bought it for a rent equivalent to the cost of paying off the purchase price. At the end of the lease, the transaction normally calls for the equipment to be sold back to the original purchaser at a nominal price.●

VETERANS DAY

● Mr. QUAYLE. Mr. President, yesterday we paid tribute to the men and women who have honorably served our Nation in time of war. Veterans Day is set aside to recognize the personal sacrifice our war veterans have made in defense of America's most cherished asset—freedom. Over 1 million Americans have died defending that freedom since 1776. We now honor over 25 million Americans.

The origin of Veterans Day traces back to World War I. At the 11th hour, of the 11th day, of the 11th month in 1918, a cease-fire was announced to end the fighting in "The War to End All Wars"—World War I. It has been customary to honor American veterans on November 11, formerly known as Armistice Day. Hopes of undisturbed peace were shattered when World War II broke out in Europe. In 1954, Armistice Day became Veterans Day by an act of Congress. Veterans Day is now observed by civic and religious ceremonies in virtually every locality in the United States. I took part in Veterans Day ceremonies in Indianapolis to honor those Hoosiers who have served their country. There are presently over 729,000 veterans in Indiana who we recognize as outstanding individuals. However, my thoughts would be incomplete if I did not remember those Hoosiers who gave their lives for our country. Approximately 975 Hoosiers died on the battlefields in World War I, 7,534 in World War II, 892 in Korea, and 1,593 during the Vietnam era. My prayers are with those men and women who lost their lives or who suffered wounds and with their families.

It has been said that the uninitiated can never understand the trauma of combat. Perhaps not, but every American ought to remember in his or her own individual way, the great sacrifice veterans have made in defense of American society. One group of veterans that I would like to especially remember this Veterans Day are the men and women who served their country in the most difficult of times—the Vietnam era.

Vietnam was different from any foreign war in which the United States has fought. There were no battle fronts. The enemy may have been a friend during the day but carried an AK–47 at night. As one writer put it, "reality tended to melt into layers of unknowability."

The Americans in Vietnam were fighting in a war that became unpopular back home.

A Vietnam veteran and author, James Webb, has best explained the viewpoint of many Americans during this period in his novel Fields of Fire.

You know what we've lost . . . ? We've lost a sense of responsibility, at least on the individual level. We have too many people . . . who believe that the government owes them total undisciplined freedom. If everyone felt that way, there would be no society. We're so big, so strong now, that people seem to have forgotten that a part of our strength comes from each person surrendering a portion of his individual urges to the common good.

Each man and woman who served in Vietnam recognized this individual responsibility. Now it is time for America to truly deserve. Vietnam should no longer be treated as a nasty secret, nor should the special needs of the Vietnam vet.

Another group which are to be especially remembered are the Disabled American veterans. I am pleased to be a cosponsor of legislation designating this week as "National Disabled Veterans Week."

The pride and continuing strength of the disabled veteran are true examples of perseverance under the most difficult of circumstances. As the DAV National Chaplain, Rev. Thomas J. Meersman wrote:

Disabled vets are experts in pain, shock, stress, weakness, which might be physical, mental or spiritual. This is our offering to our beloved land, proudly made because of our complete commitment to what America professes . . . The dignity of man, and the God-given right to life, liberty and the pursuit of happiness.

As the greatest nation on Earth, America remains a beacon of hope for all those who struggle against tyranny. We must never take freedom for granted. The presence of the veteran among us is a continuing reminder of the sacrifice which freedom demands. As we count our blessings, then, let us count the veterans among the greatest of those blessings and honor them as they deserve to be honored.●

SAUDI CRITICISM OF OMAN

● Mr. BOREN. Mr. President, I am disturbed by an article which appeared in yesterday's Washington Post in which writer David Ottaway reported that the Saudi Arabian Foreign Minister had criticized the country of Oman for participating in U.S. military exercises in the Middle East.

The article reported that the Saudis had made it clear that Oman's participation in operation "Bright Star" was contrary to the principle of nonalinement, to which the Gulf Cooperation Council adhered.

Mr. President, in casting my vote on the sale of AWACS aircraft to Saudi Arabia, one of my main points was that this country would have 4 years in which to observe Saudi actions in regard to a closer friendship with the United States. At that time I said:

If we find that Saudi Arabia does not turn out to be the friend we believe her to be, we will have adequate time to reverse our decision.

Mr. President, I meant exactly what I said, and I am very disappointed at this report. I can only hope that the article does not accurately reflect the attitude of the Saudi kingdom.

I am one Senator who will continue to watch the actions of Saudi Arabia very closely.

Mr. President, I ask that the article be printed in the RECORD.

The article follows:

[From the Washington Post, Nov. 11, 1981]

SAUDIS DECRY OMAN'S U.S. TIES AT GULF SUMMIT

(By David B. Ottaway)

RIYADH, SAUDI ARABIA, Nov. 10.—The Saudi foreign minister, Prince Saud, criticized Oman today for its participation in the U.S. military exercises under way in the Middle East and also said the kingdom had not used American surveillance aircraft to detect the Israeli warplanes that violated Saudi airspace Monday.

At a press conference opening the second summit of the six-nation Gulf Cooperation Council, the prince said that the four Amer-

ican AWACS planes presently stationed here had played "no role" in the incident because, he said, "they are not operating in that region."

A Saudi military communique issued last night said a number of Israeli planes violated Saudi airspace by flying over the northwestern area of the kingdom but were met by Saudi jets and forced to turn back.

Prince Saud said such Israeli violations had "of course" occurred before and reflected the "nature of Israel" in its attitude toward the Arab world.

The Saudis have not usually publicized these violations in the past, and it appears they are giving this one special attention because of the conference taking place here and their desire to impress upon the five other Persian Gulf states the need for a collective security system.

Saud also made it clear that Oman's participation in the current Bright Star military exercises of the U.S. Rapid Deployment Force was contrary to the principle of nonalignment to which the council adhered, and he said the summit planned to take up the issue formally.

"These principles [of nonalignment] were accepted by all member countries of the Gulf Cooperation Council, and the role of this conference is to review the practical steps in applying these principles," he said.

"As to the effect of that on the military exercises, this will have to be assessed and evaluated in the summit conference," he added.

His comments highlighted the difficult position Oman has been placed in even with its conservative Arab neighbors by its participation, albeit a minor one, in the month-long "military maneuvers."

The council of the six kings, sheiks and sultans of Arabia, the heartland of the Arab world, is also scheduled to discuss the Saudi plan for a comprehensive Middle East peace settlement and approve a project for a gulf security pact and a common economic agreement.

The council, which was organized in February, has become increasingly preoccupied with the issue of security because of the 14-month-old Iranian-Iraqi war and Israeli strikes this summer into Lebanon and on the Iraqi nuclear reactor outside Baghdad.

Despite vast differences of size, wealth and relations with the superpowers, the six Persian Gulf Arab states have similar political systems and have been driven together by events to agree on the need for some kind of joint security arrangement to protect themselves from outside interference.

The six—Saudi Arabia, Kuwait, the United Arab Emirates, Qatar, Bahrain and Oman—are of crucial importance to the West because they are located in the center of the Arab world. Together they provide roughly half the daily production of the Organization of Petroleum Exporting Countries (OPEC) and with a combined annual income of around $150 billion, they have become the center of the financial world outside the industrialized countries.

Their continued stability and the possibility of Soviet or other outside interference to overthrow their ruling monarchies has been the subject of growing concern and debate in U.S. policy-making circles.

The Reagan administration recently confirmed a Washington Post report that it has been discussing with Saudi officials an "integrated defense" system to protect the conservative Arab states in the Persian Gulf. An agreement here this summer on closer security among the six would seem crucial to implementation of such a strategy.

However, the six council members are not necessarily in agreement with Washington on what constitutes the most serious threat to their security. Nor do they concur among themselves about how openly or closely they should be linked to the West generally and the United States in particular.

"These people are on a different wave length. Apart from Oman they don't see any imminency to a Soviet threat," remarked John Duke Anthony, a gulf specialist from Johns Hopkins Foreign Policy Institute in Washington, who is here attending the summit as an observer. "They are far more interested with regional, intraregional and internal security issues."

Their most immediate common concern, according to Anthony, is the spillover of the Iranian-Iraqi war into their territories and the call by Iran's Shiite leader, Ayatollah Ruhollah Khomeini, to the Shiite minorities in their societies to rise up to overthrow their governments.

Neither Iran nor, more significantly Iraq, a fellow Arab gulf state, has been invited to join the council. The official reason is that the members do not want to get involved in the war between the two more militarily powerful nations.

But it is no secret that many of the council's members regard both Iran's Islamic revolution and Iraq's socialist Baath government as major sources of their security concerns. In addition, Iraq has a longstanding border dispute with Kuwait, which was part of Iraq during the 19th century Ottoman rule.

Even Kuwait, which earlier this year downplayed the need for a joint defense policy, seems to have changed its mind after several Iranian attacks on its territory, the last one in late September when Iranian warplanes hit one of its oil fields.

Iran in particular seems to have served as a catalyst in convincing all six states to take more seriously the security issue, which Oman, at the other end of the gulf, has been pressing the council from its beginning to make a priority.

Oman has submitted a working paper calling for the creation of a joint naval force and military maneuvers, the unification of air defense systems to cover the entire gulf, an integrated early warning system and the building of a north-south pipeline linking all the oil fields to an Indian Ocean terminal bypassing the highly vulnerable Hormuz Strait.

The Sultanate of Oman has been the one gulf state preoccupied by Soviet moves in the region because it fought a long war against Soviet- and Cuban-supported guerrillas based in neighboring South Yemen.

Oman is also the only one of the six that has signed a formal written agreement allowing the United States to make limited use of its naval and air facilities. It is the sole gulf Arab state participating in this month's Bright Star exercise.

Several council members, particularly Kuwait, have been trying to wean Oman away from its formal military ties with the United States and to convince South Yemen to end Soviet access to Yemeni facilities.

Kuwait is the only one of the six that now has diplomatic ties with Moscow. Only Oman and Kuwait have relations with Peking.

In the council debate over its members' links to the superpowers, Saudi Arabia seems to stand in the middle. The kingdom's leaders repeatedly have come out against any formal agreements for bases or facilities with any of the superpowers, arguing that they only serve as "lightning rods" attracting greater Soviet-American involvement in the region.

On the other hand, it has apparently agreed to discuss American use of Saudi facilities on an informal basis much as Egypt now permits. Its special military and political relationship with Washington is expected to become even closer following the Senate's approval of the sale of five Airborne Warning and Control System (AWACS) planes to the kingdom as part of an $8.5 billion arms package.

These surveillance planes would appear to be the key link to any joint early warning and defense system set-up in the future under the Gulf Cooperation Council.

The additional urgency the council is attaching to the security question is underlined by the presence here for the summit of the chiefs of staff of the six members. They already held a separate preparatory four-day meeting here in September, the first ever, an event Anthony called "a major breakthrough" in intraregional military cooperation.

In addition to approving a plan for military cooperation, the council's summit is also expected to endorse the eight-point plan of Saudi Crown Prince Fahd for a comprehensive Middle East peace settlement serving as an alternative to the American-sponsored Camp David approach.

The Saudi plan calls for Israeli withdrawal from all Arab lands captured in the 1967 Arab-Israeli War, including East Jerusalem, and the establishment of an independent Palestinian state in return for Arab recognition of Israel and its right to live in peace.

The third main point on the council's agenda is discussion of a draft economic agreement, the first of its kind serving to harmonize their often competing industrial projects and development plans.

SENATOR HEINZ ADDRESSES THE NATIONAL FOREIGN TRADE COUNCIL

● Mr. GARN. Mr. President, international trade is becoming increasingly important to the U.S. economy. Recent studies have suggested that the current recession is at least in part related to the decline in our export competitiveness. Unfortunately, America faces a whole variety of disincentives, both foreign and domestic, to our exports. We face unfair competition from trading partners whose governments heavily subsidize credits for the purchase of their exports.

While maintaining the world's largest and most open economy, we find other countries placing severe, and often disguised, barriers to exports from the United States. To this we add our own problems, such as inappropriate levels of taxation of Americans living and working abroad. The Foreign Corrupt Practices Act is notorious for the chilling effect that its ambiguous and sweeping provisions have on U.S. companies that would engage in greater exports but fear finding themselves unintentionally in violation of the law.

Mr. President, the distinguished chairman of the Banking Subcommittee on International Finance and Monetary Policy, Senator HEINZ, has been a tireless advocate of U.S. trade. He has been, and currently is, involved in various measures that would improve the American export posture. I could cite his involvement in legislation such as the Export Trading Company Act, improvements to the Export Administration Act, the Competitive Export Financing Act, revision of the Foreign Corrupt Practices Act, and his work on barriers to our trade in goods and services.

Recently, Senator HEINZ had the opportunity to address the National Foreign Trade Council, where he outlined many of the important trade issues facing this country, along with some thought provoking ideas as to how the growing tide of world protectionism can

be turned back. I recommend the Senator's remarks to my colleagues, and I ask that they be printed in the RECORD.

The remarks follow:

REMARKS OF SENATOR JOHN HEINZ

Mr. Anderson, Mr. Roberts, Friends:

It is indeed an honor and privilege to be asked here today to speak to such a distinguished audience.

The National Foreign Trade Council membership is known nationally and internationally for its active and aggressive involvement in trade. Your policies and positions are the products of hands-on experience, of classic American entrepreneurial skill.

And I am here today to urge you to test that skill again. The world in which Americans trade is fast changing, and we have to run to catch up. I am concerned that the basic principles of an open world trading system are being deeply and dangerously undermined. America commendably still respects the principles of free market access and reciprocity.

Other partners in world trade are increasingly ignoring these principles.

While this poses obvious threats to American economic interests, what I fear most is the increasingly heavy blows to the free market principle that we know and believe the best.

That's why I believe our trade policy is at a crossroads.

The Multilateral Trade Negotiations and the Trade Agreements Act that grew out of the MTN really represent a watershed for American trade policy. They signal the end of the postwar era of Western European and American domination of the international economic system.

Today, we face a new economic world with new economic realities and new challenges for the United States.

Economic growth is no longer a luxury of the Western Industrial nations. As the world economic pie grows, others are taking larger and larger slices.

Economic power is no longer located just in the industrial west. We now live in a multipolar world in which new economic centers are becoming more and more powerful.

No longer are non-Western nations silent. The level of rhetorical confrontation is rising. The new international economic order is not the idle dreaming of Third World bureaucrats anxious to justify their nations' own selfish policies. It is a case of the "have nots" realizing how much more the "haves" have. And there is frustration at the lack of institutional means of changing that.

As Third World economic power and control of resources inevitably grow, impatience will grow with it—and the LDCs' capacity to do something about it. While the U.S. and Western Europe are still leading economic forces in the world, we can no longer control events through a simple exercise of will.

As a great power, the United States has a responsibility to face this new world and its challenges four-square.

As I see it, we must do two things for the economic well-being of ourselves and of the whole world. First, as a world leader we must consistently promote the twin principles of the free market and reciprocity. And second, we must build more effective economic institutions that promote these principles.

This morning I want to share with you, first, some thoughts on how the Reagan administration is managing trade policy given the new realities . . . and then, second, some thoughts on how the U.S. can take the lead in establishing a freer and fairer world trading system.

But before I do so, I want to point out the number one problem facing world trade, and that problem is growing—soaring—world protectionism.

Ironically, one reads in the press that our number one trade problem is growing American protectionism. In fact, our number one problem is the protectionist extremism practiced by others—both by our developed and less developed trading partners in the form of non-tariff measures, subsidies, performance requirements and other such trade distorting practices. These activities are growing, and they allow nations to avoid facing their real economic problems.

A good example is the Japanese practice of severely restricting our market access until their industries are big enough to threaten us. To many Americans, it may sound trivial that NTT, which recently bought 100 Motorola pagers, will not allow the purchase of any more until they complete a year of so-called testing. But when this is multiplied by autos, computers, and other semiconducters, the result is massive protectionism. And it certainly is neither free market economics nor reciprocity, and it's time for people to wake up about this.

The Reagan Administration is beginning its attack on protectionism by breaking down our own self-imposed barriers to exports and trade. Every President since John F. Kennedy has commissioned studies on how to increase exports. And the equivalent of the P.E.C. of each of the last four Presidents has made the same recommendations, over and over again, because so few of them have been implemented. Now, under the leadership of the Reagan Administration, we are finally acting.

Export trading company legislation has passed the Senate, and I am optimistic it will pass the House and be signed into law in this Congress. It will create new exporters and help small ones expand by giving them access to bank capital. It will also protect exporters from uncertain antitrust enforcement.

Amendments to the Foreign Corrupt Practices Act (S. 708) have been reported by the Senate Banking Committee and should shortly be on the Senate Floor. I personally urged Congressman Tim Wirth on the House side, about the need for action, and I am hopeful we will soon proceed to a bill.

On another front, we have enacted reforms in the tax treatment of Americans working abroad, Sections 911 and 913, that will solve the problems created by the 1976 Tax Reform Act.

I submit we have made a good start—the best start in the last 20 years. If we succeed in enacting this body of legislation into law, we will allow American companies to become far more aggressive—in short, to compete again in the world market.

Adlai Stevenson, my predecessor as Subcommittee Chairman, used to say we always shot ourselves in the foot. I have always been amazed at our ability to quickly reload and repeat the process.

The question still remains whether our aim is even going to improve.

While I have nothing but admiration for the Administration's policy of allowing our own companies to compete more freely abroad, I am less enthusiastic about its face-to-face dealings with other countries.

We have an Administration, as evidenced by statements to the World Bank, the International Monetary Fund, and the Cancun Summit, that has correctly and forthrightly advocated the private sector, private investment and free-market principles as in the best interest of LDC development.

Ironically, at the negotiating table, this Administration, like others before it, has too often forgotten its own free-market prescription. It has, as in the subsidy case involving toy balloons from Mexico, succumbed to the tendency to subordinate law—and principle—to political expediency.

At other times, as in its decision on LDC subsidies to grant India the injury test in the wake of the Carter Administration's similar move on Pakistan, the Administration has taken the path of least resistance—in this case in cleaning up problems created by the previous Administration.

In still other areas, like the debate over DISC, it has fallen into the old trap of maintaining smooth relations with our trading partners at the expense of our legitimate rights. Why should we give up DISC while other countries rebate the VAT? Diplomats from other countries usually criticize American negotiators for being both too impatient and too intent on reaching agreement. The former causes us to concede too much too soon. The latter causes us to measure success in terms of the number of signed agreements we bring back—rather than in terms of their contents.

It is still unclear what will happen to DISC. But I do know that regardless of GATT action, Congress will not repeal it without enacting a substitute that is at least equivalent to it.

Finally, wih respect to the Export-Import Bank, I believe we have failed to seize the initiative at the OECD. The European community has offered one-quarter of the loaf, and we have declared victory and come home.

Raising the interest rate floor from 7.75 percent to 10 percent when our prime rate is 18 percent or better, however, is no victory. And I fear the Administration still does not understand how to use assets like the Eximbank as leverage to bring other nations' practices in line with ours.

It is also ironic that the Administration, which has so skillfully moved our domestic economy toward a freer market, is making so many of the same old mistakes internationally. A freer world trading economy will take more than rhetoric. We have to be willing to use our clout to get the results we want.

I believe we need broad new legislation to deal with the growing problem of world protectionism. Important as the 1979 Trade Agreements Act was, I think we may already need a new trade bill.

Such legislation could, and to my mind should, include a better means of dealing with unfair trade practices by nonmarket economies, a program of trade incentives for the developing countries that does not discriminate against the poorest, a domestic adjustment program that is comprehensive and effective once injury has been found, a better governmental structure to give trade the emphasis it deserves in government policy making, and broad new authority to act against performance requirements and other limitations on the free market.

Needed though these changes are, I have to admit that a trade bill is nonetheless a unilateral initiative that can't do the entire job. We have a multilateral effort as well.

Frankly, the fabric of international trade rules is too badly torn at this point for modest repairs to suffice. The forthcoming GATT ministerial won't do the job. Another Tokyo round won't do the job. And our existing world trade institutions generally are not up to this task. In part they have failed to build consensus. UNCTAD suffers from LDC domination and is perceived in the west as the revenge of the have-nots against the haves.

Conversely, the GATT is too legalistic, too representative of the past, and too much a creature of the developed world establishment to have broad credibility.

Clear solutions, however, don't spring full blown from the minds of Senators—or anyone else. They develop through discussion and debate. It is time, therefore, for us to lead the way toward those discussions.

To do so, I think we should return spiritually and perhaps physically to Bretton Woods. The Bretton Woods Conference of 1944 produced an era of both consensus and remarkable prosperity.

This new Bretton Woods Conference I am proposing should be different from its predecessor in two ways. First, it should be broader.

Representatives of all nations that want to participate will be welcome.

Second, it should be unofficial. Open exchange of views and narrowing of differences is the objective, not the development of a sterile communique in the official language of the bureaucracy. This means others besides government officials will be welcome. Scholars, jurists, economists, political scientists, can all contribute to the creative process.

What we should look for at a new Bretton Woods is the development of a new set of economic rules and a new institution to deal with them. The rules should embody the principles of the free market access and reciprocity that most countries already say they believe in. The institution, if it is to be successful, will have to be different from what we have now in two respects. It must operate on a non-consensual basis, and it must have the authority and resources to enforce its decision.

Insistence on consensus—unanimity—in decision making is making policy—I am talking about enforcement policy—through the least common denominator and surrendering the initiative to the least responsible power. The right to make judgments that will make one or more parties unhappy is critical to success. Obviously trade rules must be based on a broad consensus. An institution, however, enforces those rules, and it can only succeed if it has enough authority to make decisions and make them stick.

Free market access and reciprocity—these are the two principles upon which any trade policy and our institution to implement it must be based.

The world is rapidly changing. Maintaining world trading principles is harder with each passing month. But succeeding at that is as important to our long-term survival as our national security policy and defense capability. You—with your long experience in the international marketplace—know better than anyone what we are up against. Our choice is to adopt a bold strategy, or to economically wither and succumb.

I ask you to join with me to launch this process. I urge you to rededicate yourselves to fighting world protectionism—so that we can preserve not just our own economic strength, but the free market system that we know from experience will better all the peoples of the world.●

ROBEY WENTWORTH HARNED LABORATORY

● Mr. COCHRAN. Mr. President, I appreciate the prompt consideration by the Senate on S. 1322, naming the U.S. Department of Agriculture Boll Weevil Research Laboratory near Mississippi State University for Dr. Robey Wentworth Harned.

This legislation means a great deal to the university and to the agricultural community as a whole in my State, who have looked for a meaningful way to honor Dr. Harned.

The action is particularly appropriate because he is considered a pioneer entomologist and is known for his many accomplishments in the field. Dr. Harned is one of those responsible for the establishment of the State plant board in Mississippi. He served for years as head of the department of zoology and entomology at Mississippi A. & M. College, now Mississippi State University, and as entomologist at the Mississippi Agricultural Experiment Station. In 1931, he began 20 years of service as head of cotton insect research in the U.S. Bureau of Entomology and Plant Quarantine here in Washington.

Dr. Harned is highly respected among entomologists because of the enthusiasm and professional interest he generated for his chosen field. The construction of this Boll Weevil Research Laboratory is proof of his inspiration and dedication and is the fulfillment of one of his lifetime goals.

The Mississippi Entomological Association had requested enactment of this legislation, expressing the importance of recognizing his outstanding service. I want to commend the Senate for approving the naming of the U.S. Department of Agriculture Boll Weevil Research Laboratory at Mississippi State University for Dr. Robey Wentworth Harned.●

PUBLIC SCHOOLS: NAVIGATING ROUGH SEAS

● Mr. STAFFORD. Mr. President, it is my privilege today to request that a recent speech on our public schools, delivered by my good friend and colleague, Senator MATHIAS, be printed in the RECORD for all my colleagues to review. I find myself in complete agreement with Senator MATHIAS' observations regarding the state of public education today and the proper Federal response and role in public elementary and secondary education.

This year, the Congress has enacted sweeping changes to Federal elementary and secondary education legislation in order to eliminate many of the constraints of Federal law which school board members, superintendents, principals, and teachers had complained about for many years. This was done while continuing to maintain the proper Federal role of promoting equality and access in all education programs, but particularly through programs such as title I of the Elementary and Secondary Education Act, and Public Law 94–142, the Education for All Handicapped Children Act. Senator MATHIAS' observations on these important laws as well as his insights into further developments in education are extremely interesting, and I commend his remarks to all Members of the Senate.

The speech follows:

PUBLIC SCHOOLS: NAVIGATING ROUGH SEAS

(By Senator CHARLES MCC. MATHIAS, JR.)

I am delighted to have this opportunity to address the Northeast Regional Meeting of the National School Boards Association and to welcome you to one of the most beautiful places in the beautiful State of Maryland—the Eastern Shore.

American education is perhaps the most ambitious social undertaking in the history of any civilization. There has never been a society that has said, as ours now says, "Let us educate all our citizens, regardless of race or handicap or background. Let us build a diverse system that respects the individuality of every student and taps the gifts of each one".

The accomplishments of our system of education—and your contributions to it—are and should be a source of national pride. But this system is not without problems.

You, as leaders of state school board associations from all the northeastern states (as well as the Virgin Islands), face about as daunting an array of challenges as any local officials in this nation.

The litany of problems is familiar: thousands of functionally illiterate high school graduates; a decade of declining scholastic achievement test scores; violence in the schools; changing enrollment patterns; labor strife and teacher layoffs; major budget problems; and more.

Things seem to be topsy-turvy in our schools. This year, for example, the dropouts outnumbered the graduates from Baltimore high schools. The wrong things are going down: test scores and revenues. And the wrong things are going up: costs, the number of tasks schools are asked to perform and the number of legislative mandates or regulatory restrictions they are asked to follow.

Meanwhile, a skeptical public is quite sure that schools are neither running efficiently nor doing a top quality job. And the puzzling controversy over test scores hasn't done much to allay public concern. On the one hand, schools say that test scores cannot be used to rate teachers or to compare one school with another. On the other hand, how well or how poorly students perform on national tests clearly does play a significant part in what academic doors are open or closed to them.

As a result, the taxpayer's willingness to support public schools is often closely related to test scores. So you have a Proposition 13 in California, a Proposition 2½ in Massachusetts and a TRIM resolution in Maryland; bond issues are voted down; and school budgets are reduced.

But no one seems to be asking the logical question: If test scores are going down and if this accurately reflects a decline in teaching quality, then shouldn't revenues go up in order to compensate for the deficiencies?

To complicate the problem, school costs continue to rise. Teachers' salaries are setting the pace but utilities, heat, books, paper, maintenance, transportation and support staff salaries are close behind.

In addition, judges and legislators have been compelling schools not only to take on more and more responsibilities, but also to offer costly, accelerated special-aid programs for some students.

For example, the school board which did little to achieve racial balance by building its schools to accommodate housing patterns must now spend thousands of extra dollars on transportation.

Or the school board which has not been hiring or training teachers who know how to cope with the learning problems of disadvantaged children must now add thousands of dollars to the budget to make up for lost time.

The school board which for years shunted handicapped children aside and ignored their special needs must now offer an appropriate education at enormously increased costs.

In the three areas I have just described—equal access, compensatory education and education of the handicapped—I think you can continue to count on some extra help from the federal government. In these areas, the President's long-term education goal—to return almost all power over federal education dollars to state and local governments—met with only limited success in Congress this year.

With the start of the 1982–83 school year, the Omnibus Budget Reconciliation Act consolidates into one block grant program 20 education appropriations and repeals legislative authorizations for over 40 federal education programs. Most of the money will be distributed by the states among local schools districts to use largely as they see fit.

All of you recognize that enactment of the Reconciliation measure signals a dramatic change of the federal role in elementary and secondary education. More decisions about educational priorities and needs will be shifted to states and local school systems.

Congress excluded from the block grant and left as separate programs the centerpieces of federal school aid—the Title I pro-

gram for the educationally disadvantaged and Public Law 94–142 program for handicapped children. Also continuing as separate programs—at least for now—are vocational education, bilingual education, adult education and the very small women's educational equity program.

You will be glad to know that the Act modifies the Title I program for the educationally disadvantaged to reduce regulation and paperwork and to permit greater state and local discretion.

I believe that Congress acted wisely in assuring that such traditional national priorities as education of the handicapped continue to receive federal attention.

In 1974 an amendment of mine to P.L. 93–380, the precursor to P.L. 94–142, established the principle that the federal government should help shoulder the extra costs for funding education of handicapped children. It also established the formula for this funding.

At the beginning of P.L. 94–142, the federal government promised to be a responsible financial partner with state and local agencies in providing the services mandated by the Act. And for the first two years under the law, the federal government honored that commitment. But then things began to slide.

I still bear battle scars from later fights in the Appropriations Committee to get the federal government to live up to its pledges. But, as you well know, the actual funds annually requested by the President and finally appropriated by Congress are considerably less than the full funding levels authorized.

Now, I am deeply concerned about the future funding of the program. The Reconciliation Act authorizes a 10 percent increase for next year. But, in light of President Reagan's latest budget cutting proposals, it is doubtful that this increase can hold up through the entire Congressional appropriations process. Its future will depend in part on the public response.

I know that many of you think the federal government should become involved in funding the operational cost of your regular or basic educational programs. Your interest in non-restricted federal aid for elementary and secondary education may become greater if pressures continue for easing local property tax burdens and if support grows—as it has in Maryland—for interests equalization in educational funding. The broad-based revenue generating power of the federal government may be an irresistible attraction for those who seek to maintain or increase the level of funding for public education.

Others of you, I know, take the opposite view. You think that federal aid programs for education should be cut back more deeply or even terminated. In fact, some feel that going without federal funds is vastly preferable to having to submit to the complex and extensive administrative, planning and paperwork burdens associated with federal funds.

Whichever view you take about the role of federal funds, I know that every day, as school board members, you see the empirical evidence of the picture I have sketched.

Public education is in a period when the public wants to pay less, not more; a period when the number of pupils is going down, thus calling for school closings and staff cuts; and a period when pupils with few academic skills are being tested along with the brightest, hence lowering the average.

These problems are not going to disappear. So the question that confronts us is: Are we going to let them fester or are we going to try to do something about them?

Admittedly, there are no easy, obvious solutions. But I think there are some approaches that might prove helpful. I'd like to suggest a few.

Treat enrollment drops as a positive development. Look for efficiencies both in management and in classroom delivery of basic skills, use more aides and fewer administrators. Call on community volunteers, use students to teach other students, welcome part-time qualified teachers into classrooms and learning centers.

Review state legislation; eliminate or change laws which are too costly, too restrictive, too negative or inappropriate.

Push for new state legislation which will bring state revenues in to cover extraordinary costs including special education, transportation, vocational training, inservice teaching; and tie local revenues to basic and appropriate school needs.

Ask private industry to help with accounting, distribution, transportation, food, maintenance and energy saving.

Consider giving national tests more selectively. Give most students local tests instead. Ask concerned community and business people to help you devise appropriate tests for those who will end their formal education in your schools.

Tailor school tests to reveal what you need to know about your students. Make some of them diagnostic tests and use them to alter both teaching methods and levels of material. Use diagnostic tests to evaluate individual teachers.

Finally, let me remind you that responsible public officials know you did not create the problems in public education. They know you are putting forth your best efforts to overcome some pretty formidable obstacles. They know it is a big job and that you need—and our children deserve—all the help we can give you.

But some in Congress have doubts. So, before Congress pares education down any farther, you had better remind your legislators that, without a doubt, education has proven to be the greatest engine we have for economic opportunity and social justice. When you invest a dollar in education in America, you are investing in America's future. You are buying this nation something it sorely needs. An investment in education improves our economy; it strengthens our democracy; it enhances our true national security; and it enriches our lives.

Everyone, whether he has a child in school or not, has a stake in education. Well-educated citizens—not new oil or mineral discoveries—are our society's primary natural resource as we seek to compete in an increasingly technological world.

More than a century ago, British Prime Minister Benjamin Disraeli told the House of Commons that:

"Upon the education of the people of this country the fate of this country depends."

Those words were never more true than they are today. Young people today make up two-fifths of our population but all of our future. Each young adult deserves the chance to prepare for a worthwhile career and the opportunity to enjoy the satisfaction that comes with making a productive contribution to society. That is our moral imperative.

Our practical imperative is that no modern nation can survive, much less prosper, without an educated citizenry capable of mastering the complexities of high technology.

Those two imperatives—moral and practical—underline the importance of maintaining the necessary national investment in our schools. I believe we can do this without abandoning our fiscal responsibilities.

I can think of no group of people better prepared or better qualified than school board members to stand up and account for our public investment in education. I urge you to work with your Association and to do all you can to insure that education retains its priority in the federal budget.

Our future depends on it, for as H. G. Wells observed:

"The salvaging of civilization is a race between education and catastrophe." ●

UNDERSTANDING THE NATURE OF FREEDOM

● Mr. GRASSLEY. Mr. President, over the years I have received monthly copies of a publication titled "The Freeman," published by The Foundation for Economic Education, Inc., of Irvington-on-Hudson, N.Y. This publication is concerned with advancing the cause of economic and political freedom; I have found the articles to be well written, thoughtful, and generally in line with my own beliefs.

This month's mail brought a copy of the foundation's monthly newsletter, Notes from FEE, which I would like to share with my colleagues. The writer makes the point that those of us concerned with freedom and individual liberty must not limit our efforts to the political sphere; we also have an obligation to improve our own understanding of the nature of freedom and then communicate the knowledge we gain to others.

Mr. President, I ask that the article be printed in the RECORD.

The article follows:

THE FIRST ORDER OF BUSINESS

In noting the condition of the economy a generation ago, it seemed to us then that the first order of business was to upgrade our thinking. Recent changes in political leadership call for review of the current condition and today's priorities.

For some time in the USA, Ye Olde Federal Mill has been turning out socialistic grist. Many of us have no stomach for this product, and we agitate for a variety of remedies.

Some persons of our persuasion, who are politically oriented, insist that the first order of business is to see that "the right men" are put into office. Others give top priority to a repair of the governmental structure. The Constitution and Bill of Rights have been warped into shapes which the builders would never recognize as their handiwork. The tax apparatus is cluttered with inequities. Government is burning up the people's income at an accelerating rate. To keep itself running in its overextended role, it is inflating and thus eroding the medium of exchange. Its socialistic grist bears ever-increasing price tags; and the people are compelled to take the grist whether or not they want it. Confronted with "a long train of abuses and usurpations," these well-meaning mechanics see repairing the machinery as the first order of business: constitutional amendments, repeal of outrageous statutes, new laws to nullify bad ones, and so on.

Among those of us who dislike socialism, however, are some who seek to combat it through education rather than political reform. We respect those in positions of leadership and wish them well in their new programs. But as we see it, grist mills grind what is put into them, be it No. 1 hard red winter wheat or weed seed. Sure, we prefer a mill with competent operators. And, just as surely, an efficient mill is preferable to one with a misshapen millstone and a wobbly waterwheel. But the fact remains that no mill can yield grist of higher quality than the raw material put into it.

What is being put into the USA's federal mill? All too much of it has been intellectual weed seed! Socialistic thoughts! What is being fed into the mill is representative of what we are and that is all there is for grinding.

Unless we can in some manner contribute to bettering what we are—unless we can, as an absolute minimum, attract individuals away from collectivist thinking as to the function of government—we might as well forget the whole thing.

We cannot even hope for better men in

government than we now have, assuming no better thinking than we now have, and assuming free elections.

Let us imagine a complete reconstruction of the federal machinery along sound legal and organizational lines. It would make no significant difference. The new mill would continue to grind only what is put into it.

More is wrong with the political emphasis, however, than its futility. If this approach were simply futile—without any accomplishment at all—we could let the matter pass. But it inflicts a positive damage to whatever extent it diverts attention from the educational emphasis. The political approach, plausible and popular as it is—particularly among businessmen—robs the all-important educational approach of the most competent talents in the land by focusing these talents on efforts to cure what are at best mere effects.

Perhaps this whole question would be better resolved in our minds were we to realize that it was not the Declaration of Independence, the Constitution, and the Bill of Rights which made America what it was. These remarkable documents were but formalizations of remarkable thinking. It was the remarkable thinking of a few men of superlative stature, and the following they gained, which accounted for the America that was. Later, when the thinking became inferior, these formalizations correspondingly lost their meaning.

There is in America today no lack of potential leadership for improved thinking. In instance after instance over the past fifty years, I have observed men and women of uncommon intellectual and spiritual stature expending their energies in fruitless attempts to change the political reflections of socialistic thinking. They were largely lost to the cause of freedom by their error in emphasis.

On the other hand, over the same period, I have observed ever so many individuals of seemingly lesser potentialities actually attract others into a reversal of their socialistic thinking. They have done this simply by concentrating on the development of their own powers to understand and to explain. They have become sources or wellsprings of the freedom philosophy, for others do, in fact, seek their counsel. Now, let the potentially great emulate these methods of the near great, let them concentrate on the educational approach, let them put first things first, let them focus their attentions on self-realization, and we shall witness a reversal of present trends. The solution, in my view, is that simple and, of course, that difficult. For, what is more alluring and less sensible than the project of reforming another adult? And what is less alluring and more sensible than the project of perfecting self?

A feeling of hopelessness is the straw that could break the back of the freedom movement—for freedom will never be achieved without faith. In any event, this feeling of futility more seriously threatens the continance of FEE's work than does any other discernible influence. People do not continue to work at a problem after its solution appears hopeless to them.

Too many opponents of socialism—once convinced that there is no simple remedy at hand, and aware that the problem at issue is nothing less than altering the mores of a vast society—tend to give up the ghost. Unnerved by the dimensions of the job, they say, "Oh, what's the use!"

The tale of two frogs, dumped into a can of milk, comes to mind. One frog, quick to concede the hopelessness of his situation, gave up and promptly drowned. The other frog was of sterner stuff:

"So he kicked and splashed and he slammed and thrashed,
And he kept on top through all;
And he churned that milk in first-class shape
In a great big butter ball"*

*Holman F. Day. Story of a Kicker.

Experience leads one to believe that the forces which have to do with shaping human destiny are of no help to those of little faith. Indeed, they appear to have no truck with people who lack confidence in what determined effort can accomplish.

On the other hand, these forces—call them by your own name—tend to cooperate with those who believe they can accomplish the seemingly impossible and never call it quits until the game is over. There are men, be it observed, who do, in fact, move mountains. *But they are not the men who doubt that mountains can be moved.*

Take note, for instance, of golfers on putting greens. There are those who doubt they can sink any but the simplest putts. And there are those who have confidence that they can sink every putt—they actually believe this! The former are miserable peformers. Among the latter are to be found the skilled and all the miracle putters.

Miracles are all about us—a common loaf of bread is packed with wonders. Those who have no sense of the miraculous, who have no faith in achieving anything beyond what the unaided individual can accomplish, will be of little help in ridding our society of socialism. The problem seems too hopelessly impossible to them and they quit. But the undaunted, those who know the magic of believing, will make progress, for the forces which are available to those who believe will lend a hand to multiply their efforts. Too bad there aren't more such efforts for them to multiply!

One need have no concern about the quality of men in public office or the condition of the federal mechanism and its statutes once the thinking is right. Public figures and governmental machinery are but effects, reflections, echoes of leadership thinking, whatever that thinking happens to be. Improve the thinking and these hoped-for effects will follow as naturally and as spontaneously as light comes from the rising sun. Therefore, an eye to one's own thinking, to one's own understanding and exposition of freedom, is what should be emphasized.

Enclosed with this issue of Notes from FEE is the latest "Literature of Freedom" catalogue and order form—the best source we know of better ideas on liberty.●

ORDERS FOR FRIDAY

ORDER FOR RECESS UNTIL 9:30 A.M.

Mr. BAKER. Mr. President, is there an order for the convening of the Senate tomorrow?

The PRESIDING OFFICER. There is not.

Mr. BAKER. I ask unanimous consent that, when the Senate completes its business this evening, it stand in recess until the hour of 9:30 a.m. tomorrow.

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

ORDER FOR RECOGNITION OF SENATOR COCHRAN TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that after the recognition of the two leaders under the standing order, the distinguished Senator from Mississippi (Mr. COCHRAN) be recognized on special order for not to exceed 15 minutes.

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

ORDER FOR RESUMPTION OF CONSIDERATION OF H.R. 4169

Mr. BAKER. Mr. President, I ask unanimous consent that, after the time allocated to the Senator from Mississippi on special order has expired or been yielded back tomorrow, the Senate resume consideration of the Commerce-State-Justice appropriations bill.

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

RECESS UNTIL TOMORROW AT 9:30 A.M.

Mr. BAKER. Mr. President, I know of no further business to come before the Senate. I move, in accordance with the order previously entered, that the Senate stand in recess until 9:30 a.m. tomorrow.

The motion was agreed to and, at 9:29 p.m., the Senate recessed until Friday, November 13, 1981, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate November 12, 1981:

IN THE NAVY

The following-named commanders of the Reserve of the U.S. Navy for permanent promotion to the grade of captain in the line, as indicated, pursuant to the provisions of title 10, United States Code, section 5912:

Abrahams, Paul F.
Abrell, Gary A.
Aisthorpe, John E.
Alafetich, Jack M.
Allen, Martyn A.
Ambrose, Robert C.
Andre, William A.
Antonio, Robert J.
Ardleigh, Paul D.
Armstrong, Melvin R.
Arseneault, Walter A.
Ashbaugh, Charles I.
Avery, Francis A.
Bailey, James G.
Baker, Arthur Jr., III
Baker, Robert P.
Baker, William E.
Baldes, Joseph J.
Bauer, Douglas C.
Beam, Henry H.
Beavins, Robert C.
Beck, Luther B., Jr.
Bendel, James D.
Bergquist, John C.
Bertoneau, George A.
Bidwell, John B.
Biggers, James C.
Biss, Joseph E.
Bittle, Lehner K.
Blalock, Leonard K.
Block, John A.
Bloore, John L.
Blunt, William G.
Boaz, David M.
Bowers, Henry K. W.
Bowman, John L.
Braswell, Joel H.
Brown, Edward A.
Brown, James H.
Buford, Manville T., III
Burns, Robert N.
Burrud, Richard J.
Byrne, Robert A.
Campbell, George R.
Carter, James E.
Centodocati, Anthony A.
Chapman, Craig B.
Clendenon, Claude E.
Coburn, George H.
Coolican, Donald J.
Coughlan, George R., III
Cox, Larry G.
Crownover, James E., Jr.
Davidson, Barrett K.
Davis, Charles S., III
Dawson, Herbert C.
Deloach, Robert D.
Delprincipe, Ronald F.
Deveau, Roger L.
Dighton, Anthony E., Jr.
Dismuke, Newton B., Jr.
Donnelly, William J., Jr.
Drake, Robert L.
Driesen, Jeffrey M.
Drummond, Richard C.
Duffey, Charles J.
Eastham, Clarence S., Jr.
Edwards, James D., III
Ellis, Donald D.
Embree, Frank G.
Englehardt, Dan T.
Essary, Wilburn D.
Everman, Jerry D.
Falco, James F.
Fasano, Vincent P.
Favrot, Richmond G.
Fawthrop, Roland P., Jr.
Feld, Gerald A.
Ferrera, John J.
Flagg, Wilson F.
Flynn, Martin R.
Forrest, "L" A.
Foster, John C., Jr.
Frye, David B.
Gardner, Chester R.
Gause, Gasden S.
Geaney, John R.
Gick, Robert P.
Gill, Henry A., Jr.
Glenn, Robert C.
Gnaedinger, Wallace R.
Godshall, Douglas R.
Good, Edwin M.
Goorjian, Paul M.
Gore, Diane D.
Gorena, Rolando R.
Gosda, Gary L.
Gott, Carl F.
Grimson, James A.
Guthrie, Wallace N., Jr.
Hahn, Carl G.
Hahn, Peter W.
Hall, Arthur H.
Hanke, Harold W.
Harryman, Carrel R.
Hart, Harold J., Jr.
Heavey, James L.
Heimerdinger, Walter L.
Hellewell, Martin S.
Henry, Thomas E.
Herbein, John G.

Herman, Richard M.
Hilf, Paul T.
Hill, Terrance G.
Hopkins, David H., Jr.
Howlett, Frederick J.
Hughes, Arthur L.
Jamison, Lyle C.
Jarmer, Elwood R.
Jeffery, Samuel D.
Jennings, George R.
Johnson, Clinton B.
Johnson, Donald L.
Jory, Jerrold G.
Keller, Donald G.
Kerr, William B.
King, George S.
Kizer, Clyde R.
Klocek, Matthew W.
Knowles, Charles E.
Knutsen, Edward W.
Koonce, William G.
Kroner, Frank R., Jr.
Lammers, Charles M.
Land, Walter R.
Langan, John J., Jr.
Larson, Frederick R.
Larson, Richard H.
Lawler. Albert M.
Lazzaretti, Anthony F.
Leahy, John H.
Leathem, Douglas B.
Lekebusch, Adolf O.
Lennon, John E.
Leonardy, Donald B.
Levenson, Saul
Liddle, Donald J.
Litchfield, Rodger A.
Lockland, Walter G.
Locklin, Ralph H.
Lukinbeal, Donald L.
Lyman, Charles W., III
Magers, Francis D., Jr.
Malmberg, Norman R.
Martin, Roman G., Jr.
Matthews, Robert S.
McBride, Donald J.
McCarthy, Matthew A.
McCloskey, Henry F.
McCravy, Frank E., Jr.
McEnery, Thomas A.
McMahon, John P.
McSharry, Dennis M.
McWilliams, Samuel E.
Meagher, Maurice F., Jr.
Meeks, Harman T.
Miller, Robert L.
Milotich, Alexander A.
Minzner, Allan L.
Moir, Edwin L.
Moore, Andrew J., Jr.
Moore, Dudley B., III
Morrison, Todd H.
Mullenhoff, Paul F.
Murray, Alen C.
Nannini, Albert A.
Newman, Jack G.
Nix, Carleton D.
Nutt, Andrew T.
O'Brien, Ward J.
Odonnell, William P., Jr.
Oneil, William D., Jr.
Osucha, Harold D.
Pace, William F.
Pacheco, Leonard J.
Pate, Allen S.
Patterson, William H.
Paty, Charles R.
Payne, Harvey M.
Pencek, Edward A.
Pendergast, Thomas P.
Perrault, Robert A.
Peterson, James E.
Pierce, Huey L.
Poffenberger, Richard L.
Polenski, James J.
Prebola, George J.
Previ, Ronald W.
Raack, James D.
Rasmus, Ronald C.
Raudabaugh, Richard L.
Ravetta, Richard C.
Raymond, David A.
Rhodes, Thomas W.
Richards, Harry K.
Ridgway, Paul M., Jr.
Riley, Thomas F.
Ringelberg, John M.
Ripberger, Raymond J.
Ripsom, George A.
Roberts, James E., Jr.
Roberts, John S., Jr.
Roberts, Lawrence W.
Robeson, Ross K.
Robinson, David G.
Robison, Earl L.
Rosseau, Charles E.
Roy, Robert L.
Rudnik, James D.
Russell, Kenneth M.
Sasser, Lyle B.
Savio, Leo J.
Schnauffer, Patrick M.
Schulz, Roy S.
Schwartz, Ronald L.
Seeley, Jimmie W.
Segrest, Joe E.
Sergio, Frederick A.
Sibold, Robert D.
Sidler, Norman F., Jr.
Sisley, Dale L.
Smith, Fred B., Jr.
Smith, Gerald A.
Smith, Robert E.
Smoot, William T.
Spencer, Edmund B.
Staes, James P.
Stephens, Clinton T., Jr.
Storer, Arthur E.
Stout, Peter C.
Styers, James D.
Sweeney, Jeremiah J.
Terry, John T.
Tharnish, John L.
Thiele, Gary F.
Thompson, David A.
Thweatt, Frank M., Jr.
Titus, James R.
Tobin, Daniel J.
Trout, Ben T.
Tuleya, Raymond R.
Tutt, Billy D.
Tweden, Wallace D.
Twilla, William M., Jr.
Umstead, Robert L.
Unger, Verner B.
Vandermyde, Philip L.
Vatter, Robert B.
Veccia, James E.
Vikdal, Allen C.
Vonfischer, Eduard L., III
Vongarlem, Thomas A.
Wales, William D.
Walsh, James W.
Walsh, Joseph F., Jr.
Warren, John A.
Weaver, David K.
Webb, Robert E.
Webber, Kent S.
Weitgenant, Harold R.
Wetzel, Robert E.
White, Thomas L., Jr.
Whitmore, John B., Jr
Williams, James M.
Williams, Morton D.
Wilpitz, Louis W., Jr.
Wines, Richard L.
Winter, Herbert L.
Witcher, Murray H., Jr.
Withers, Larry K.
Womack, Lowell A.
Woods, David L.
Right, Charles W. J., Jr.
Wyatt, David R.
Young, James F.
Zorn, Robert M., Jr.

The following-named lieutenant commanders of the Reserve of the U.S. Navy for permanent promotion in the grade of commander in the line, as indicated, pursuant to the provisions of title 10, United States Code, section 5912:

Abel, Bruce A.
Ackermann, Roy A.
Adams, Timothy C.
Agresti, Robert D.
Albert, William E.
Albright, John R. C.
Alfortish, Lester A., Jr.
Alfred, Larry R.
Allen, Layton S., Jr.
Allen, Robert B.
Alonge, Michael S.
Anciaux, Louis N.
Anderson, Gerald F.
Anderson, Lane S., II
Anderson, Paul H.
Anderson, Stanley I.
Anderson, William C.
Andren, Vernon W.
Andres, Stephen M.
Annis, Harold E.
Applegate, Allen R.
Arms, David S.
Assenmacher, Thomas J.
Atkins, Scottie L.
Aylmer, John F.
Aynesworth, James L.
Ayres, Steven E.
Bacon, David W.
Bagaglio, Mario J., Jr.
Bagwell, William G.
Bailey, Fred A.
Balestra, Louis J., Jr.
Ballard, Robert C.
Ballowe, Terrence J.
Barausky, Kenneth P.
Barker, Elbert B., Jr.
Barker, Jon W.
Barnard, Philip D.
Barnett, John K.
Barnett, Peter A.
Barr, Richard C., Jr.
Barrett, William S.
Bartlett, William H.
Barton, Gary F.
Bartz, William G., Jr.
Bashista, David D.
Batts, Gerald D.
Bauder, Frederic S., III
Baxter, William A.
Baynes, Jesse C.
Beaver, John K.
Beckwith, Robert W.
Belinske, Frank M.
Belisle, Kenneth C.
Bell, George B.
Bencher, Dennis L.
Bennett, Fredric M.
Bergener, Terry J.
Bernier, Joseph P.
Bingham, Rosina E.
Biniasz, Albert C.
Birkler, John L., III
Bishop, Robert J.
Blackwood, Edward B.
Blair, Thomas J.
Blanchard, George K., Jr.
Bley, Dennis C.
Bley, Robert E.
Blomquist, Gordon A.
Bogle, Aubrey W.
Bone, John R.
Bone, Theron C.
Bonebrake, Ronal K.
Booker, Charles W., Jr.
Boone, Victor F.
Bourne, Robert E.
Bower, Arlo R.
Boyd, Douglas L.
Boyd, Thomas M., Jr.
Bradley, William J.
Brady, George R.
Braisted, Lawrence E.
Brandli, Allan E.
Bray, John K.
Brecka, John J.
Brilliant, Irwin J.
Britt, William J.
Brogden, Elaine L.
Brookman, John E.
Brough, Alexander S., Jr.
Brown, James W.
Broz, Joseph P.
Bruehs, Walter A.
Bruenner, David F.
Brunka, William C.
Brunson, Hoke S.
Bryant, Michael F.
Bryniarski, Frances A.
Bubeck, Robert C.
Bullions, Andrew C., III
Burford, Benjamin W.
Burgess, William C.
Burke, Robert G.
Burkhardt, Michael T.
Burkholder, James B., Jr.
Burnham, James L.
Burr, Lawrence R.
Buswell, David H.
Butler, Oscar P., Jr.
Butler, Robert M.
Caldwell, Joseph W.
Calise, Victor E.
Calkins, Franklin W.
Campbell, Clifton P., Jr.
Carlson, Richard A.
Carlton, Lynn P.
Carter, Edward B.
Carterson, John S.
Cassidy, William J., III
Caveney, Charles W., Jr.
Ceruzzi, Michael L.
Challis, Albert R.
Chapman, James L.
Chardoul, Paul N.
Chehansky, John C.
Chenoweth, John P., III
Chick, John L.
Chipman, Donald D.
Christiansen, David S.
Church, Michael A.
Cibelli, John G.
Cirrincione, Rosario
Clark, Daniel H.
Clark, Robert A.
Clark, Robert W., Jr.
Clausen, Carl O.
Cleveland, Walter G.
Cobb, Nathan A., Jr.
Coffey, Matthew J., Jr.
Cole, James N.
Collins, Richard J.
Collins, Terence J.
Conn, James L.
Connell, William L.
Conroy, Frederick W.
Constans, John N.
Conyers, James B., Jr.
Cook, James H.
Cooley, John S.
Cooper, Barrie L.
Cooper, Bruce P.
Cooper, Donald R.
Corkern, Timothy E.
Conforth, Theodore W.
Cornwall, George M.
Cotton, John B.
Couch, Hugh R.
Coulter, Edward C.
Covert, Warren L., Jr.
Covington, Michael B.
Craig, William H.
Crane, Wendell E.
Crawford, Duncan V.
Creer, Philip D., Jr.
Creighton, Gary E.
Crigler, Henry T., III
Crooks, Russell W.
Curtis, Edgar A., III
Dale, John L.
Davey, Samuel A.
David, Marshall J., Jr.
Davidson, Richard J.
Davidson, Sidney J.
Davis, Douglas W.
Davis, Earl R., Jr.
Davis, John P.
Davis, Michael D.
Davis, Wilbur A., Jr.
Dawson, John H.
Deberardinis, John T.
Debord, Timothy L.
Debyl, Thomas R.
Degraffenreid, Kenneth E.
Delauter, Wayne E.
Delucchi, John H.
Demartini, John J.
Deming, Richard W., Jr.
Denuyl, David L.
Dickson, Ernest F.
Dietz, Richard A.
Diramio, Francis A.
Dirienzo, Louis R.
Dishman, David R.
Donley, Carlton R.
Donovan, Charles H., Jr.
Dore, James R.
Dort, George T.
Dose, Curtis R.
Downing, Edward C., Jr.
Draper, James S.
Drew, Marianne H.
Duchock, Peter S.
Duffy, Laurence S., Jr.
Dufresne, Dean A.
Duggar, Thomas E.
Dukiet, Walter W., Jr.
Dunbrack, David P.
Dunlap, Julius A., III
Dunn, Jon I.
Dunwell, James R.
Duskin, George H.
Eagan, William R., Jr.
Ederer, Daniel J.
Edlund, Eric A.
Edwards, James P.
Egnotovich, Michael M.
Ehlers, Victor J., Jr.
Elder, George R., Jr.
Elder, James L.
Eldred, Richard N.
Ellis, William G.
Ellison, James E.
Elwell, Thomas L.
Enderlein, William P.
Erickson, Ernest O., Jr.
Erickson, John A.
Erikson, John C.
Eslinger, Phillip W.
Evans, Henry J., III
Evans, Robert M.
Fahnestock, Sheridan Z.
Failla, Charles C.
Falt, Keith E.
Faulds, Dennis J.
Fautz, Ronald A.
Feehan, John J., Jr.
Feeney, Harry J., III
Felchlin, James C.
Felcyn, John J.
Felgate, George
Ference, Carl R.
Field, James E., III
Fields, Bobby R.
Fietta, Peter M.
Fink, Dale A.
Finucane, James S.
Flock, Wendell G.
Fischer, Lawrence A.
Fish, Harry S.
Fisher, James D.
Fitch, David A.
Fogerty, William K.
Fontaine, Paul L.
Foster, John L.
Fowle, Dennis R.
Fox, William E.
Francis, Roger A.
Francis, William D.
Franks, Lawrence T., Jr.
Freedman, Michael T.
Freer, Gary H.
Freeswick, Douglas J.
Fridkin, Alan R.
Fritz, Steven L.
Fryer, Michael A.
Gac, Conrad M.
Gallagher, Richard J.
Gannon, John C.
Ganse, Terrence L.
Gantt, Jerry L.
Garrett, William S., Jr.
Gates, John M.
Gatlin, Carl E., Jr.
Gaudio, Joseph A.
Gemma, Lawrence E.
Gildea, Richard F.
Gillaspie, Robert M.
Gillease, Dennis B.
Gizzi, Martin C.
Glasby, Stuart F.
Goforth, Harold W., Jr.
Gold, Rex C.
Goldberg, Ronald M.
Golden, Robert T.
Gombos, Mary E.
Gomes, Franklin P., Jr.
Goode, Ronald A.
Gordon, Elliot B.
Gordon, George M.
Gorla, Thomas W.
Goss, Earl W., III
Goss, Robert D.
Gotcher, James W.
Gouk, Ritchie W.
Grabowski, Richard B.
Graham, Stanley S., Jr.
Granahan, Paul F.
Grant, Brian E.
Grant, Gary T.
Gray, Howard W., Jr.
Gray, Michael E.
Gray, Nolan K. D.
Greco, Michael A.
Green, Walter A.
Greenleaf, Wayne K.
Gregory, William T., III
Griffin, Robert E., Jr.
Griffiths, Ralph E.
Grofcsik, Garry V.
Gross, Warren H.
Grundy, Kermit D.
Grunke, James M.
Guetter, Paul M., Jr.
Guidinger, John H.
Guinn, John A., Jr.
Guinn, John P., III
Gundler, Errol A.
Gunn, James M.
Gustafson, Jack E.
Gustin, John M.
Guthridge, David L.
Hackett, Douglas B.
Haden, John R.
Hagen, Gunter
Haines, John P.
Hall, Charles R.
Hall, David H.
Hallein, Edward E., Jr.
Halleran, Richard C.
Hamilton, Alfred T., Jr.
Hampton, Phillip M.

Hannon, Gerard K.
Hannon, John N.
Hare, Jeffrey S.
Harrington, Frank G.
Hart, Everett T.
Hart, Michael V.
Hart, Thomas E.
Hartshorn, David R.
Hartshorn, Lena M.
Havens, Barbara C.
Hayes, John J.
Hebdon, Frederick J.
Hegi, Ernest A., Jr.
Heinrich, Steven P.
Henderson, Larry G.
Henry, Wayne O.
Hermans, Robert L.
Herrmann, James N.
Herron, William E.
Hershberber, Donald A.
Hertel, Michael M.
Hess, David W.
Higdon, James N.
Higgins, Earl J.
Hill, George T.
Hill, Richard A.
Hill, William M., Jr.
Hiltabidle, John H.
Hilton, Charles E., Jr.
Hinson, Louie C.
Hinson, William H., Jr.
Hirsch, Charles J.
Hobbs, Charles M.
Hodgell, Tolin W.
Hodges, William H., II
Hoenstine, Ronald W.
Hoffer, Charles A.
Hollwarth, Steven B.
Holman, Richard K.
Holmes, James E.
Hone, Lawrence R.
Hopcroft, Harry J., Jr.
Horan, Thomas D.
Houghton, Thomas C.
Houser, Donald F., Jr.
Houston, "W" B.
Howard, Harold H.
Howell, Harold W.
Hubbell, James H.
Huckabee, Charles D.
Hudson, Agnes S.
Hughes, John F.
Humphrey, Barry E.
Hyberg, James D.
Jacobs, Francis T.
Jaggers, James D.
Jarvis, Arthur R. W.
Jerome, Michael S.
Jett, Paul D.
Johnson, Jon C.
Johnson, Joseph E., II
Johnson, William D.
Johnson, William F.
Johnston, Harvey D.
Johnstone, Fonda L.
Jones, Coral S.
Jones, Edward M.
Jones, Thomas R.
Jones, Wayne E.
Jordan, Jerry C.
Jordan, Michael F.
Jorgensen, Richard E., Jr.
Kaczorowski, James P.
Kampa, Frank J.
Karlinger, Richard J.
Karstead, Kenneth R.
Kastl, John J.
Kay, Richard O.
Keating, Margaret F.
Keim, John D., Jr.
Kellstrand, Robert E.
Kelly, Daniel J.
Kelly, John J., Jr.
Kelly, Robert M., Jr.
Kelso, Melvin F.
Kendall, Alger H., Jr.
Kennedy, Michael S., Jr.
Kerr, John E.
Kerr, Lawrence E.
Kienitz, Douglas A.
Kilkenny, Robert T.
Kilonsky, Bernard J.
King, Charles V.
King, Robert C.
King, William B.
Kivinen, Clifford H.
Klauser, James J.
Kleiter, Paul M.
Knutson, Donal L.
Koozer, Ralph E.
Kowalczyk, Eleanor M.
Kozel, Frank J.
Kraatz, William H.
Kreiner, Charles F., Jr.
Kullberg, Wayne R.
Kuntz, Paul R.
Kurth, Robert P.
Labouisse, John P., III
Lally, Dale V., Jr.
Lancaster, Herman L.
Langford, Marvin B.
Laskowski, Edward J.
Laskowski, Leo S.
Lathbury, Vincent T.
Lawrence, Fred P.
Lax, Forrest O.
Laxton, Stephen B.
Lee, Carroll W., Jr.
Leeson, Joel W., Jr.
Lehman, John F., Jr.
Lejeune, Robert L.
Leland, Roderic S., Jr.
Leonard, Raymond D., Jr.
Leonard, William D.
Leroy, David C.
Lightstone, William H.
Lillis, Burton C., III
Lindley, Gary L.
Lindquist, Douglas W.
Lines, Joseph F.
Lipson, Merek E.
Lockwood, Hanford N., Jr.
Lohla, Jerry A.
Lohlein, Edward G.
Long, Steven K.
Loome, James M.
Lopeman, Carl D.
Lopez, John, III
Losquadro, John L.
Louderback, Frederic C.
Love, Peter W.
Loving, John I., Jr.
Lucas, Robert G.
Luckard, Joseph J., Jr.
Luethi, Robert M.
Lyons, Thomas F.
Macaulay, William G.
Magnuson, Ronald R.
Malander, James B.
Mallett, Carl V.
Malmros, Merlin A.
Malone, Michael P.
Maloy, David F.
Maly, Michael K.
Markey, Patrick J.
Markley, Thomas C.
Marsoobian, Danny L.
Martin, David P.
Martin, John C.
Masarachia, Sam C.
Massa, Ernest A., Jr.
Masterson, Robert P., Jr.
Mattingly, John M.
Mattison, John R.
Mattson, Royce R.
Mauck, Sam M.
Mays, William C. S., III
Mazurczak, Michael, II
McArthur, Lawrence B., Jr.
McCarthy, Dana G.
McClellan, Richard J.
McCollister, John T.
McCrary, James E.
McCulloch, Thomas O.
McDonald, Oscar D.
McGee, Webster R.
McGehee, Claude S., Jr.
McGraw, Bennette D.
McKeen, Harold R., III
McKenzie, Robert D.
McKim, Gerry C.
McLain, John M.
McLaughlin, William J.
McNally, Michael A.
McNamara, Robert H.
McNulty, Jack H.
McPherson, Andrew M.
McVeigh, Michael R.
Meacham, Larry R.
Meek, Calvin L.
Meinert, David W.
Meinhold, Arthur J.
Melinosky, Theodore F.
Melville, Thomas F.
Merchant, Ronald
Merhaut, Robert C.
Merrill, Richard W.
Meslang, Curtis A.
Michaelsohn, Austin D.
Michel, Peter B.
Micken, Robert W.
Middendorff, Stephen C.
Milcovich, Peter M.
Milham, Russell O.
Millen, Joseph A.
Mize, James W., Jr.
Moersch, Edward S.
Moltzau, Ralph H. E., Jr.
Monroe, David R.
Monroe, John E.
Monty, William R., Jr.
Moore, George M.
Moran, Douglas R.
Morehead, Robert G.
Moreland, Henry K.
Morgan, Kenneth J.
Morgan, Thomas J.
Morrison, Michael K.
Morrison, Walter L.
Morton, Calvin T.
Moss, George M., Jr.
Mullen, James N.
Munson, Michael J.
Murphy, Robert J.
Murray, Richard J.
Myrick, David G.
Naegeli, Darryl L.
Napior, Dennis A.
Naylor, Harold D.
Neville, William J., Jr.
Newfield, Norman E.
Newton, Samuel L.
Nickson, Douglas C.
Niehaus, Christopher A.
Nisbet, John M., Jr.
Nontelle, Donald R.
Nordland, Gerald L.
Norris, Phillip K.
Norris, William J.
Novak, William S.
Nuss, Samuel W.
Oakes, Abner III
Obst, Charles J., Jr.
Okasinski, Theodore T.
Oksner, Michael L.
Olavessen, Leonard R.
Olson, Stephen R.
Oshea, Michael G.
Ovard, James E.
Page, Loren H.
Palmer, David F.
Palmer, William R., III
Paquette, Dale L.
Parker, Charles
Parker, Donald S., Jr.
Parker, Robert B., Jr.
Parks, Garnet L.
Parry, Howell J., Jr.
Partington, Richard D.
Paull, Peter L., Jr.
Pearson, Gerard D.
Peck, Roger R.
Pedersen, Calvin J.
Pelosi, Richard P.
Pelot, Russell E., Jr.
Penl, Allan G.
Perry, Leroy W.
Pestorius, Thomas D.
Peters, John C.
Petersen, John L.
Peterson, David I.
Peterson, Frank J.
Peterson, John R.
Peterson, Omas L.
Pfeiffer, William G.
Phelps, Michael E.
Platner, Gary L.
Pobuda, Robert G.
Poole, Thomas C.
Porter, Gene L.
Potter, Lincoln D.
Pouncey, Richmond E., III
Prevatt, Bruce C.
Pricco, James S.
Pride, Robert H.
Pruske, James E.
Pyatt, Richard R.
Quinlan, Eugene M.
Quinton, Mark S.
Rabb, Michael T.
Raftery, Thomas J.
Ragonnet, James L.
Raleigh, Richard E.
Ready, Timothy F., Jr.
Reale, Dennis M.
Recker, David C.
Reed, Robert M., Jr.
Reeder, Richard E.
Reid, John C.
Reidhead, Ricky M.
Reinauer, James R.
Reinke, Sharo F.
Renne, Merlin M.
Reynolds, John T.
Ridge, William L., Jr.
Rinne, Larry W.
Ritchie, William D.
Rivers, Gordon A.
Robertson, Alan W.
Robinson, Eliot S.
Rodehaver, Joseph W., III
Roe, Jack W., Jr.
Roesh, Donald R.
Rood, Robert M.
Rose, William N., Jr.
Ross, William C., Jr.
Rossi, Albert J.
Rudd, Edwin I., Jr.
Rudell, Frederick L.
Rump, Richard B., Jr.
Runk, Edward D.
Russell, Douglas S.
Russell, Jerold
Rutledge, William K., Jr.
Ryan, Carl J., Jr.
Ryan, James E.
Rylaasdam, David H.
Salatti, Stephen J.
Anderson, Tom L.
Sandrock, Peter F., Jr.
Sandvig, Dennis L.
Santoro, Alfred P.
Sargent, George K., III
Sarnecky, Joseph M.
Sartin, Tommy R.
Saxey, Edward, II
Scattergood, "J" H.
Schaus, Nicholas J.
Schear, James P.
Schenkel, Roger L.
Schulting, Eugene O.
Schultz, Keith L.
Schwer, Frederick A., Jr.
Scott, Maurice L., II
Search, Beth M.
Searcy, Charles W.
Seligman, Peter F.
Setule, Stuart W., Jr.
Shaner, Terry R.
Shane, James W.
Shannon, Thomas R.
Sharp, James R.
Sheil, Patrick J., Jr.
Sherwood, Robert
Shipman, Richard P.
Shortridge, Kenneth W., Jr.
Shown, Ted G.
Siglar, Gary L.
Silliman, Glennon M.
Silloway, Richard F.
Simmons, Donald K.
Simon, Ronald J.
Simon, William J.
Simonpietri, Andre C., Jr.
Sims, Stephen A.
Skaggs, Charles R.
Skjei, Sidney M., Jr.
Smith, Carl J.
Smith, Cordell C.
Smith, Gary D.
Smith, Gordon H.
Smith, Harrison Y.
Smith, Harry R., Jr.
Smith, John B.
Smith, Norman A.
Smith, Phillip K.
Smith, Ronald A.
Smith, Samuel D., Jr.
Smolak, Michael A.
Soderman, Arne P.
Sorensen, William H.
Sorg, William S.
Spagnole, James F.
Spangenberg, Frank A., III
Spath, James A.
Spencer, Charles R.
Spencer, Michael P.
Spencer, Robert W.
Springham, Paul J.
Staiger, Roger P., Jr.
Stamps, Roy K., III
Stander, Thomas S.
Stanley, Everett M.
Starkey, Robert L.
Stasica, Michael J.
Stedfield, William C.
Steinman, Edwin J., Jr.
Stevens, David E.
Stevens, Terrell E.
Stevenson, John S.
Stewart, Gavlan V.
Stillwell, Mark F.
Stoehs, William F.
Stohr, Richard J.
Stone, Juan G.
Stone, Thomas G.
Strebel, Joseph F.
Sturm, Robert H.
Sullivan, John G.
Sundstrom, Carl W., Jr.
Swanson, James R.
Tank, Arthur N.
Tate, John K., IV
Taylor, James M.
Taylor, Marcus G.
Thomas, Orville G.
Thomforde, James H.
Thompson, Jeffrey L.
Thompson, Stuart R.
Thornton, Peter C.
Thram, Delorman C.
Threlkeld, Clifford H., Jr.
Thurston, Charles W., Jr.
Tigert, John J., VI
Till, John E.
Travis, James O.
Trough, Kenneth S., Jr.
Tschirhart, Paul M.
Vallot, Anthony G.
Vandivort, Walter D.
Vanloy, Alan E.
Vann, Richard D.
Vanstrydonck, Thomas
Vaughan, Michael W.
Verdery, Edward H.
Verespy, Michael E., Jr.
Vetterick, Rolland C.
Vincent, Jack M.
Virtue, James P.
Viskup, Steven A.
Vollaire, Robert L.
Volpe, Michael J.
Vonbaillou, Nikolaus A.
Wagester, Wesley M.
Walker, Charles R.
Walker, Foster M.
Walker, Frederick D.
Wall, James A., Jr.
Wallace, Leon T.
Walsh, David G.
Walsh, John D.
Walsh, Mary F.
Walsh, William J.
Walton, Peter R.
Warren, Joseph D.
Watkins, David J.
Wauben, William M., Jr.
Weckworth, Thomas V.
Welch, Richard J.
Wells, Peter R.
Wells, Richard H.
Westerhof, Henry A.
Wharton, John B.
Wharton, John W.
Whitaker, Thomas W.
White, Robert E.
Whitehurst, Milton V.
Whitlock, Robert H.
Whittington, Joseph H.
Wiehage, James W.
Wilbur, Warren A., Jr.
Wildrick, William S.
Williams, Russell S.
Willis, Barry S.
Wilson, Richard H.
Wilson, Robert G.
Wimmer, Ronald D.
Winn, Dexter L.
Wissing, Frederick M.
Witt, Frederick A.
Wojcicki, Peter J., III
Wolfe, Michael J.
Wolff, Cyril M.
Wood, Melvin J.
Wood, Sheldon H., Jr.
Woodard, James A.
Workman, William A.
Wright, Bruce A.
Wright, Foster E.
Wright, Louis H.
Wurzbach, William E.
Wytsma, Johannes
Yates, David E.
Younce, Jonathan P.
Youngblood, Robert E.
Zahn, Albert M.
Zahner, Richard R.
Zemetra, Michael B.
Ziemer, Paul L., Jr.
Zimmerman, Stephen A.

WITHDRAWAL

Executive nomination withdrawn November 12, 1981:

Richard J. Bishirjian, of New York, to be an Associate Director of the International Communication Agency, vice Alice Stone Ilchman, which was sent to the Senate on September 10, 1981.