HOUSE OF REPRESENTATIVES—*Tuesday, June 15, 1982*

The House met at 12 o'clock noon.

The Reverend Albert Palmer, St. Thomas Episcopal Church, Farmingdale, N.Y., offered the following prayer:

Almighty God, we pledge ourselves to be a nation under thy merciful guidance and protection and offer Thee praise and thanks for all blessings we enjoy. Let Thy presence be felt in this body of the Congress as its Members deliberate and act upon matters affecting national life and international relationships. Fill with wisdom the Members of this House that their decisions determining the course of our Nation may be in accord with Thy holy will to preserve peace and to extend justice. Assist them, O God, as they seek to do what is righteous in Thy sight in pursuit of those goals which increase the quality of life and contribute to understanding between nations. Let Thy blessing, Heavenly Father, be upon them. Amen.

THE JOURNAL

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

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the amendments of the House with an amendment to a bill of the Senate of the following title:

S. 1210. An act amending the Environmental Quality Improvement Act of 1970.

The message also announced that the Senate disagrees to the amendment of the House to the concurrent resolution (S. Con. Res. 92) entitled "concurrent resolution setting forth the recommended congressional budget for the U.S. Government for the fiscal years 1983, 1984, and 1985, and revising the congressional budget for the U.S. Government for the fiscal year 1982," and agrees to the conference requested by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. DOMENICI, Mr. ARMSTRONG, Mrs. KASSEBAUM, Mr. BOSCHWITZ, Mr. HATCH, Mr. TOWER, Mr. HOLLINGS, Mr. CHILES, Mr. JOHNSTON, and Mr. METZENBAUM to be the conferees on the part of the Senate.

FATHER ALBERT PALMER

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

Mr. CARMAN. Mr. Speaker, I am very proud this morning to introduce Father Albert Palmer to my colleagues in the House. Father Palmer has been the rector of St. Thomas' Episcopal Church in Farmingdale, Long Island, for over 16 years and has served the people of his parish, indeed, all the people of the community, with faithfulness, hardwork, intelligence, and, most especially, love.

As a member of St. Thomas' Church, I have had the opportunity to observe, firsthand, the excellent work that Father Palmer has done among his parishioners and the citizens of Farmingdale. His commitment to the community is reflected in the fact that he was recently elected as the next president of the Farmingdale Rotary. And his commitment to the church is seen in his devoted work to all the people of Long Island as the chairman of the board of the standing Committee of the Episcopal Diocese of Long Island.

Mr. Speaker, Father Palmer has shown over the years that he is a man of the people as well as a man of God. I feel personally honored that he was able to convene the House in prayer this morning. We are fortunate to have such a man among us today.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

REMEDIOS R. ALCUDIA, CHRISTOPHER, EZRA, VERMILLION, AND PERISTELLO ALCUDIA

The Clerk called the bill (H.R. 1547), for the relief of Remedios R. Alcudia, Christopher, Ezra, Vermillion, and Peristello Alcudia.

Mr. BLILEY. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

LASZLO REVESZ

The Clerk called the bill (H.R. 1352) for the relief of Laszlo Revesz.

Mr. BLILEY. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

JENNIFER FERRER

The Clerk called the bill (H.R. 1830) for the relief of Jennifer Ferrer.

Mr. BLILEY. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

THEODORE ANTHONY DOMINGUEZ

The Clerk called the bill (H.R. 2340) for the relief of Theodore Anthony Dominguez.

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

H.R. 2340

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Theodore Anthony Dominguez may be classifed as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Mr. and Mrs. Theodore P. Dominguez, United States citizen and permanent resident alien, respectively, pursuant to section 204 of the Act: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

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

DANUTA GWOZDZ

The Clerk called the bill (H.R. 3451) for the relief of Danuta Gwozdz.

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

H.R. 3451

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Danuta Gwozdz may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in her behalf by Michael and Wiktoria Gwozdz, a United States citizen and permanent resident alien, respectively, pursuant to section 204 of the Act: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right,

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privilege, or status under the Immigration and Nationality Act.

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

CHRISTINA BOLTZ SIDDERS

The Clerk called the bill (H.R. 1482) for the relief of Christina Boltz Sidders.

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

H.R. 1482

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Christina Boltz Sidders shall be held and considered to have come to the United States and been physically present therein for a period not less than two years between the ages of fourteen and twenty-eight years for purposes of section 301(b) of the Immigration and Nationality Act as it applied to Christina Boltz Sidders prior to its repeal by the Act of October 10, 1978.

With the following committee amendment:

Strike all after the enacting clause and insert in lieu thereof:

That, for the purpose of the Immigration and Nationality Act, Christina Boltz Sidders shall be held and considered to have been lawfully admitted to the United States for permanent residence on February 5, 1980, upon payment of the required visa fee.

The committee amendment was agreed to.

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

EUN OK HAN

The Clerk called the bill (H.R. 4662) for the relief of Eun Ok Han.

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

H.R. 4662

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Eun Ok Han may be classified as a child within the meaning of section 101(b)(1)(F) of such Act, upon approval of a petition filed in her behalf by Richard E. and Vilma B. Novak, citizens of the United States, pursuant to section 204 of such Act. The natural parents or brothers or sisters of Eun Ok Han shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

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

The SPEAKER. This concludes the call of the Private Calendar.

PROMOTING RECRUITMENT AND RETENTION OF VETERANS' ADMINISTRATION NURSES

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

Mr. MOTTL. Mr. Speaker, the House of Representatives will vote today on H.R. 6350, a bill to improve administrative procedures for VA nursing personnel to promote recruitment and for other purposes.

There are some 800 VA hospital beds that are currently closed in the VA health care system due to the acute shortage of nursing personnel. The principal reason for these closures is the inability of the Veterans' Administration to compete with the private sector in some of the innovative programs that have been provided as incentives to recruit and retain nurses. The best equipped hospitals in the world would not be of much use without skilled health care personnel.

For these reasons, I recommend passage of H.R. 6350.

UNITED STATES HAS MAJOR ROLE TO PLAY IN LEBANON

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

Mr. BINGHAM. Mr. Speaker, the scenes of destruction and devastation in Lebanon today are heart-rending.

But let us remember who brought all this on. It was, primarily, the PLO, and secondarily, the Syrians. The Israelis attacked only after the PLO had launched the heaviest barrage ever against Israeli civilians in northern Galilee.

The United States now has a major role to play, first, in helping to feed the hungry and succor the injured and the homeless, second, in working to recreate an independent and integrated Lebanon, free of all foreign forces, including the PLO. This is what Israel wants. Surely it is what the Lebanese want. It ought to be what we Americans want. The events of the last few days, including the human suffering, provide a great opportunity for achieving a lasting solution to the problem of a riven and tortured Lebanon, an opportunity we must not fail to seize.

In the Extensions of Remarks in the RECORD, I am including two thoughtful articles which offer specific proposals along the same lines.

VETERANS' BURIAL BENEFITS

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

Mr. MONTGOMERY. Mr. Speaker, last year under the Reconciliation Act, the $300 burial allowance for certain deceased veterans was terminated. The change in law did not affect the benefit for veterans who were drawing VA pension or compensation benefits at time of death. No change was made in the $150 plot allowance. That amount continues to be available for any wartime veteran who served with honor and who is not buried in a national cemetery or State veterans' cemetery.

Following the adoption of the Reconciliation Act, we found a few cases where, for unknown reasons, some veterans at time of death were not drawing pension benefits, although had they applied, would have been eligible for such benefits. Because they were not in receipt of these benefits at time of death, the burial allowance could not be paid.

A lot of publicity has been given to these cases by the press, and I am aware that some Members are receiving inquiries from various State offices concerning these cases. Although we have confirmed that they do not exist in large numbers, some action is nonetheless warranted to make certain that no needy wartime veteran is buried in a pauper's grave. I take the time today to let you know that our committee plans to take action to correct this situtation created when we enacted the legislation last year.

I have discussed this matter with my colleagues, the Honorable JOHN PAUL HAMMERSCHMIDT, the ranking minority member of the Committee on Veterans' Affairs, and the Honorable MARVIN LEATH, chairman of our Subcommittee on Housing and Memorial Affairs, and we have agreed that we should enact legislation that would allow the Veterans' Administration to restore the burial allowance for these individuals. I am hopeful legislation can be brought to the floor of the House some time later this month.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. LONG of Louisiana. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight, June 15, 1982, to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. CHENEY. Mr. Speaker, reserving the right to object, could I inquire of the gentleman from Louisiana as to what specific bills he is asking for late filing?

Mr. LONG of Louisiana. There are three specific pieces of legislation under consideration by the Rules Committee on which reports are prepared.

One is the Ways and Means Committee bill, H.R. 6094, which is authoriz-

ing appropriations for the U.S. International Trade Commission, the U.S. Customs Service, and the Office of the U.S. Trade Representative for fiscal year 1983.

The second is H.R. 4326, the Small Business Innovation Research Act, which has been up for some time.

The third is the urgent supplemental appropriations bill, 1982, H.R. 5922, with which I think the gentleman probably is familiar.

Mr. CHENEY. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

WE MUST SUPPORT OUR PRINTING INDUSTRY

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

Mr. VENTO. Mr. Speaker, today we are considering suspension passage of legislation of vital interest to our Nation's printing industry. I hope we will vote positively on this measure.

H.R. 6198 is an important bill. The 4-year extension of the manufacturing requirement of the copyright law will insure the viability of our domestic printing industry—a goal worthy of our support.

Yet, there are those advocates of "free trade" who oppose this essential legislation. Caught in the smoke of their own rhetoric, they fail to see the very real consequences of their policies. Unfortunately, the American people have already felt the full impacts of free but not fair trade. The millions of autoworkers and steelworkers, laid off because of foreign government subsidized imports, know the suffering caused by unfair free trade.

With over 10 million Americans already unemployed, the free trade advocates still refuse to recognize the real impacts of their opposition to H.R. 6198. Last year the Department of Labor issued a report which determined that: First, the expiration of the manufacturing clause would cause a decrease in demand for American printing and publishing; and second, expiration would ultimately result in a loss of 78,000 to 172,000 job opportunities in the printing and publishing industry and a further loss of jobs in other areas. The study states that the total loss of job opportunities in our economy could be as high as 367,000.

Mr. Speaker, everyone favors free trade, when it is fair trade. But our steel and auto industries, our domestic printing industry face foreign hurdles. We cannot turn our backs on those who would be forced out of work by the elimination of the manufacturing clause. I strongly urge my colleagues to vote for H.R. 6198. Our domestic printing industry and over 300,000 American workers depend upon it.

SUPPORT URGED FOR H.R. 6198 EXTENDING MANUFACTURING CLAUSE OF COPYRIGHT LAW

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

Mr. JOHNSTON. Mr. Speaker, today the House will be asked to vote on H.R. 6198, to extend for 4 years the manufacturing clause of the copyright law. This bill is a compromise to H.R. 3940, introduced by the late Representative John Ashbrook and AUGUSTUS HAWKINS, and cosponsored by more than 100 Members.

If this bill fails today, the Department of Labor says that there is a possibility that we can lose up to 178,000 jobs to countries that are not signatories of the Florence ageements. I am referring specifically to Taiwan, Hong Kong, and Korea, which do not recognize the validity of American copyrights.

It is unfair to jeopardize our authors, our printers, our whole publishing industry, by importing books from countries that fail to recognize the validity of American copyrights. This bill is supported by the Printing Industries of America, the National Association of Printers and Lithographers, the Book Manufacturers Institute, the Graphic Arts International Union, and the AFL-CIO. I urge its adoption.

□ 1215

HOCKING TECHNICAL COLLEGE: AN EDUCATIONAL LEADER

(Mr. MILLER of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, permit me to read to my colleagues a quote from J. William Hill, treasurer and former financial aid officer of Hocking Technical College:

> When an announcement of cutbacks (in student financial aid assistance) is made, an institution (of higher learning) can do one of two things: Sit back and live with the mandates or look for alternative ways to generate funds to offset the loss. Our President, Dr. John Light, has always followed the latter philosophy.

While others throughout higher education have agonized over the changes in Federal aid to students, Dr. John Light and the employees of Hocking Technical College in Nelsonville, Ohio, responded to the situation with a revolutionary spirit that deserves recognition and credit from the White House, the Congress and from every individual who values initiative and resourcefulness.

Instead of allowing the grim Federal reaper to threaten this excellent school and deny the young people of southeastern Ohio an education, the employees of Hocking Technical College rallied behind Dr. Light earlier this year and agreed to participate in an innovative payroll deduction plan that would continue to make money available to students who were previously eligible for help from Uncle Sam. The Hocking Technical student loan and scholarship fund—established and operated without any association with the Federal Government whatsoever—is alive and well. The school's 300 employees make voluntary pledges for this program and participation has jumped, Mr. Speaker, from 45 percent of the school's employees to nearly 70 percent as of last week.

No one is going to assume that the employee payroll deduction plan is going to automatically overcome every problem brought on by Federal budget adjustments. But the thing that impresses me, and should impress us all, is the fact that the administration, the faculty and the staff of Hocking Tech saw, if you will, the handwriting on the blackboard and erased it with initiative rather than responding to it with agony and contempt. Unlike others who have labored to find fault and blame for our economic difficulties, Hocking Technical College has invested its energies in developing alternatives and a new outlook on finance. With certain changes in student financial aid, the school did not fold up or send its people to Washington to pound the doors of Congress. Hocking Tech has faced the same reality that its educational sisters have to face, but this southeastern Ohio institution has distinguished itself by coming up with a unique idea that is working well without Washington. For that fact alone, they deserve our collective praise.

The Hocking Tech formula demands serious consideration by every educational institution facing the same circumstances that confronted this school last fall. Listen to what school officials said only recently:

> As long as we can help, no one will be denied the opportunity to enroll at Hocking Tech because of a lack of funds.

That is the spirit.

That is the spirit that makes Hocking Tech a leader.

SUPPORT OF H.R. 6198, COPYRIGHT MANUFACTURING CLAUSE PROTECTION ACT

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

Mr. GOODLING. Mr. Speaker, I rise in support of H.R. 6198, which would extend the domestic manufacturing

clause of the copyright law until July 1, 1986.

I have several large printing companies in my 19th Congressional District of Pennsylvania—including Fairfield Graphics and the Maple Press—which could be adversely affected should this legislation fail to pass. In addition, my district is the home of P. H. Glatfelter Co., a very large paper mill. I have received a large volume of mail from the employees of these companies, all concerned over their job security should the manufacturing clause expire on July 1.

Mr. Speaker, we need to keep people employed, not add to the unemployment rolls, and I do not feel that now is the appropriate time to permit this provision of the copyright law to lapse. We just cannot assume that American authors would continue to have their works printed and bound in the United States, using American paper products and American labor.

Therefore, I would urge that my colleagues join me in passing this bill and protecting jobs related to the printing industry in our country.

RECRUITMENT AND RETENTION OF VETERANS' ADMINISTRATION NURSES

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

Mr. WILLIAM J. COYNE. Mr. Speaker, as we vote today on H.R. 6350, a measure which seeks to make the Veterans' Administration more competitive with the private sector in the employment of nurses, I would remind my colleagues that this House approved a measure last year which had just the opposite result.

When the House approved H.R. 3499 last year, it reversed retroactively the Veterans' Administration practice of allowing part-time nurses full-time retirement benefits. Since this measure became law in November 1981 the morale of VA nurses, especially those who face less-than-expected retirement benefits as a result of the retroactivity clause, has been lowered. It is easy to understand why. Many saw the ability to receive full-time retirement for part-time work as an important incentive to stay on at the VA. Furthermore, the shock of seeing anticipated benefits reduced retroactively by Congress encourages experienced nurses to leave VA employ.

The need to keep these nurses employed by the VA is clear. As the Veterans' Affairs Committee report on H.R. 6350 notes:

The Veterans' Administration Department of Medicine and Surgery continues to experience difficulties in recruiting and retaining sufficient nursing personnel to provide quality hospital care and medical services to eligible veterans. The Chief Medical Director has confirmed that an estimated 800 hospital beds were closed during 1981 in the VA's health care delivery system due to the acute shortage of nursing personnel.

The committee report further states that:

The Veterans' Administration does not have the flexibility to compete with private sector recruiting and retention methods.

Mr. Speaker, I intend to vote for 6350, for it does indeed provide some needed incentives that will make employment at the VA more competitive with the private sector. It is unfortunate that what we may be giving with one hand may well be a less powerful incentive because of what we took away last year.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 5, rule I, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed on Monday, June 14, 1982, in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 6198, by the yeas and nays; and

H.R. 6350, by the yeas and nays.

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

COPYRIGHT MANUFACTURING CLAUSE PROTECTION ACT

The SPEAKER pro tempore. (Mr. ALEXANDER). The unfinished business is the question of suspending the rules and passing the bill, H.R. 6198.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. KASTENMEIER) that the House suspend the rules and pass the bill, H.R. 6198, on which the yeas and nays are ordered.

The vote was taken by electronic device and there were—yeas 339, nays 47, answered "present" 2, not voting 44, as follows:

[Roll No. 143]

YEAS—339

Addabbo	Biaggi	Clausen
Albosta	Bingham	Coelho
Alexander	Blilley	Coleman
Anderson	Boggs	Collins (IL)
Andrews	Boland	Collins (TX)
Annunzio	Boner	Conyers
Anthony	Bonior	Corcoran
Applegate	Bonker	Coughlin
Aspin	Bouquard	Courter
Atkinson	Bowen	Coyne, William
Bafalis	Breaux	Craig
Bailey (PA)	Brinkley	Crane, Daniel
Barnard	Brodhead	Crockett
Barnes	Brooks	Daniel, Dan
Beard	Broyhill	Daniel, R. W.
Bedell	Burton, Phillip	Daschle
Benedict	Butler	Daub
Benjamin	Byron	Davis
Bennett	Carman	de la Garza
Bereuter	Carney	Deckard
Bethune	Chappell	Dellums
Bevill	Chisholm	DeNardis
Dickinson	Jones (OK)	Regula
Dicks	Kastenmeier	Reuss
Dingell	Kazen	Rhodes
Dixon	Kennelly	Richmond
Donnelly	Kildee	Rinaldo
Dorgan	Kindness	Ritter
Dougherty	Kogovsek	Roberts (KS)
Downey	Kramer	Robinson
Duncan	LaFalce	Rodino
Dunn	Latta	Roe
Dwyer	Leach	Rogers
Dymally	Lehman	Rose
Dyson	Leland	Rosenthal
Early	Lent	Rostenkowski
Eckart	Levitas	Roth
Edgar	Lewis	Roukema
Edwards (AL)	Long (LA)	Rousselot
Edwards (CA)	Long (MD)	Roybal
Emerson	Lott	Rudd
Emery	Lowery (CA)	Russo
English	Lowry (WA)	Sabo
Erdahl	Lujan	Sawyer
Ertel	Luken	Schneider
Evans (DE)	Lundine	Schroeder
Evans (GA)	Markey	Schulze
Evans (IA)	Marlenee	Schumer
Fary	Marriott	Seiberling
Fascell	Martin (IL)	Sensenbrenner
Fazio	Martin (NC)	Shamansky
Fenwick	Martin (NY)	Shannon
Ferraro	Matsui	Sharp
Fiedler	Mavroules	Shaw
Fish	Mazzoli	Shelby
Flippo	McClory	Shuster
Florio	McCloskey	Skeen
Foglietta	McCollum	Skelton
Foley	McCurdy	Smith (IA)
Ford (MI)	McDade	Smith (NE)
Ford (TN)	McEwen	Smith (NJ)
Fountain	McGrath	Smith (PA)
Fowler	McHugh	Snowe
Fuqua	McKinney	Snyder
Garcia	Mica	Solarz
Gaydos	Michel	Solomon
Gejdenson	Mikulski	Spence
Gibbons	Miller (CA)	St Germain
Gilman	Miller (OH)	Stangeland
Gingrich	Mineta	Stanton
Gonzalez	Minish	Stark
Goodling	Mitchell (MD)	Staton
Gore	Mitchell (NY)	Stenholm
Gray	Moakley	Stokes
Green	Molinari	Stratton
Gregg	Montgomery	Studds
Grisham	Moorhead	Swift
Guarini	Mottl	Synar
Gunderson	Murphy	Tauzin
Hagedorn	Murtha	Taylor
Hall (OH)	Myers	Traxler
Hall, Ralph	Napier	Udall
Hall, Sam	Natcher	Vento
Hamilton	Neal	Volkmer
Hammerschmidt	Nelligan	Walgren
Hance	Nelson	Walker
Hansen (UT)	Nichols	Washington
Harkin	Nowak	Waxman
Hawkins	O'Brien	Weaver
Heckler	Oakar	Weber (OH)
Hefner	Oberstar	Weiss
Heftel	Obey	White
Hendon	Ottinger	Whitehurst
Hightower	Oxley	Whitley
Hillis	Panetta	Whittaker
Holland	Parris	Whitten
Hollenbeck	Pashayan	Williams (MT)
Holt	Patman	Williams (OH)
Hopkins	Patterson	Wilson
Horton	Pease	Winn
Howard	Pepper	Wirth
Hoyer	Perkins	Wolf
Hubbard	Petri	Wolpe
Huckaby	Peyser	Wortley
Hughes	Pickle	Wright
Hunter	Porter	Wyden
Hutto	Price	Wylie
Hyde	Pritchard	Yates
Ireland	Quillen	Yatron
Jacobs	Rahall	Young (AK)
Jeffords	Railsback	Young (FL)
Jenkins	Rangel	Young (MO)
Jones (NC)	Ratchford	Zeferetti

NAYS—47

Archer	Beilenson	Burgener
Badham	Brown (CO)	Cheney

Clinger	Gradison	McDonald
Coats	Gramm	Moore
Conable	Hansen (ID)	Paul
Crane, Philip	Hartnett	Roberts (SD)
Dannemeyer	Hiler	Roemer
Derwinski	Jeffries	Shumway
Dreier	Kemp	Siljander
Edwards (OK)	Lagomarsino	Smith (OR)
Erlenborn	Leath	Stump
Fields	LeBoutillier	Tauke
Findley	Lee	Thomas
Forsythe	Livingston	Vander Jagt
Frenzel	Loeffler	Weber (MN)
Glickman	Lungren	

ANSWERED "PRESENT"—2

Brown (OH) Johnston

NOT VOTING—44

Akaka	Dornan	Mattox
AuCoin	Dowdy	Moffett
Bailey (MO)	Evans (IN)	Mollohan
Blanchard	Fithian	Morrison
Bolling	Frank	Pursell
Broomfield	Frost	Santini
Brown (CA)	Gephardt	Savage
Burton, John	Ginn	Scheuer
Campbell	Goldwater	Simon
Chappie	Hatcher	Smith (AL)
Clay	Hertel	Trible
Conte	Jones (TN)	Wampler
Coyne, James	Lantos	Watkins
D'Amours	Madigan	Zablocki
Derrick	Marks	

□ 1230

Messrs. BADHAM, VANDER JAGT, EDWARDS of Oklahoma, SILJANDER, HILER, KEMP, and FINDLEY changed their votes from "yea" to "nay."

Messrs. SHUSTER, DINGELL, DANIEL B. CRANE, and COLLINS of Texas changed their votes from "nay" to "yea."

Mr. BROWN of Ohio and Mr. JOHNSTON changed their votes from "yea" to "present."

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

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. JOHNSTON. Mr. Speaker, I would like the RECORD to show that I voted "present" due to a conflict of interest.

The SPEAKER pro tempore. The gentleman's statement will appear in the RECORD.

PROMOTING RECRUITMENT AND RETENTION OF VETERANS' ADMINISTRATION NURSES

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 6350.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. MONTGOMERY) that the House suspend the rules and pass the bill, H.R. 6350, on which the yeas and nays are ordered.

The Chair will remind the Members that this will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 390, nays 0, not voting 42, as follows:

[Roll No. 144]

YEAS—390

Addabbo	Dougherty	Hubbard
Albosta	Dreier	Huckaby
Alexander	Duncan	Hughes
Anderson	Dunn	Hunter
Andrews	Dwyer	Hutto
Annunzio	Dymally	Hyde
Anthony	Dyson	Ireland
Applegate	Early	Jacobs
Archer	Eckart	Jeffords
Aspin	Edgar	Jeffries
Atkinson	Edwards (AL)	Jenkins
Badham	Edwards (OK)	Johnston
Bafalis	Emerson	Jones (NC)
Bailey (PA)	Emery	Jones (OK)
Barnard	English	Kastenmeier
Barnes	Erdahl	Kazen
Beard	Erlenborn	Kemp
Bedell	Ertel	Kennelly
Beilenson	Evans (DE)	Kildee
Benedict	Evans (GA)	Kindness
Benjamin	Evans (IA)	Kogovsek
Bennett	Fary	Kramer
Bereuter	Fascell	LaFalce
Bethune	Fazio	Lagomarsino
Bevill	Fenwick	Latta
Biaggi	Ferraro	Leach
Bingham	Fiedler	Leath
Bliley	Fields	LeBoutillier
Boggs	Findley	Lee
Boner	Fish	Lehman
Bonior	Flippo	Leland
Bonker	Florio	Lent
Bouquard	Foglietta	Levitas
Bowen	Foley	Lewis
Breaux	Ford (MI)	Livingston
Brinkley	Ford (TN)	Loeffler
Brodhead	Forsythe	Long (LA)
Brooks	Fountain	Long (MD)
Brown (CO)	Fowler	Lott
Brown (OH)	Frenzel	Lowery (CA)
Broyhill	Fuqua	Lowry (WA)
Burgener	Garcia	Lujan
Burton, Phillip	Gaydos	Luken
Butler	Gejdenson	Lundine
Byron	Gephardt	Lungren
Campbell	Gibbons	Madigan
Carman	Gilman	Markey
Carney	Gingrich	Marlenee
Chappell	Glickman	Marriott
Cheney	Gonzalez	Martin (IL)
Chisholm	Goodling	Martin (NC)
Clausen	Gore	Martin (NY)
Clinger	Gradison	Matsui
Coats	Gramm	Mavroules
Coelho	Gray	Mazzoli
Coleman	Green	McClory
Collins (IL)	Gregg	McCloskey
Collins (TX)	Grisham	McCollum
Conable	Guarini	McCurdy
Conyers	Gunderson	McDade
Corcoran	Hagedorn	McDonald
Coughlin	Hall (OH)	McEwen
Courter	Hall, Ralph	McGrath
Coyne, William	Hall, Sam	McHugh
Craig	Hamilton	McKinney
Crane, Daniel	Hammerschmidt	Mica
Crane, Philip	Hance	Michel
Crockett	Hansen (ID)	Mikulski
Daniel, Dan	Hansen (UT)	Miller (CA)
Daniel, R. W.	Harkin	Miller (OH)
Dannemeyer	Hartnett	Mineta
Daschle	Hawkins	Minish
Daub	Heckler	Mitchell (MD)
Davis	Hefner	Mitchell (NY)
de la Garza	Heftel	Moakley
Deckard	Hendon	Molinari
Dellums	Hightower	Montgomery
DeNardis	Hiler	Moore
Derwinski	Hillis	Moorhead
Dickinson	Holland	Morrison
Dicks	Hollenbeck	Mottl
Dingell	Holt	Murphy
Dixon	Hopkins	Murtha
Donnelly	Horton	Myers
Dorgan	Howard	Napier
Dornan	Hoyer	Natcher
Neal	Rose	Stratton
Nelligan	Rosenthal	Studds
Nelson	Rostenkowski	Stump
Nichols	Roth	Swift
Nowak	Roukema	Synar
O'Brien	Rousselot	Tauke
Oakar	Roybal	Tauzin
Oberstar	Rudd	Taylor
Obey	Russo	Thomas
Ottinger	Sabo	Traxler
Oxley	Sawyer	Udall
Panetta	Schneider	Vander Jagt
Parris	Schroeder	Vento
Pashayan	Schulze	Volkmer
Patman	Schumer	Walgren
Patterson	Seiberling	Walker
Paul	Sensenbrenner	Washington
Pease	Shamansky	Waxman
Pepper	Shannon	Weaver
Perkins	Sharp	Weber (MN)
Petri	Shaw	Weber (OH)
Peyser	Shelby	Weiss
Pickle	Shumway	White
Porter	Shuster	Whitehurst
Price	Siljander	Whitley
Pritchard	Skeen	Whittaker
Quillen	Skelton	Whitten
Rahall	Smith (IA)	Williams (MT)
Railsback	Smith (NE)	Williams (OH)
Rangel	Smith (NJ)	Wilson
Ratchford	Smith (OR)	Winn
Regula	Smith (PA)	Wirth
Reuss	Snowe	Wolf
Rhodes	Snyder	Wolpe
Richmond	Solarz	Wortley
Rinaldo	Solomon	Wright
Ritter	Spence	Wyden
Roberts (KS)	St Germain	Wylie
Roberts (SD)	Stangeland	Yates
Robinson	Stanton	Yatron
Rodino	Stark	Young (AK)
Roe	Staton	Young (FL)
Roemer	Stenholm	Young (MO)
Rogers	Stokes	Zeferetti

NOT VOTING—42

Akaka	Derrick	Marks
AuCoin	Dowdy	Mattox
Bailey (MO)	Downey	Moffett
Blanchard	Edwards (CA)	Mollohan
Boland	Evans (IN)	Pursell
Bolling	Fithian	Santini
Broomfield	Frank	Savage
Brown (CA)	Frost	Scheuer
Burton, John	Ginn	Simon
Chappie	Goldwater	Smith (AL)
Clay	Hatcher	Trible
Conte	Hertel	Wampler
Coyne, James	Jones (TN)	Watkins
D'Amours	Lantos	Zablocki

□ 1245

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

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE ON MERCHANT MARINE OF COMMITTEE ON MERCHANT MARINE AND FISHERIES TO SIT TOMORROW DURING 5-MINUTE RULE

Mr. BIAGGI. Mr. Speaker, I ask unanimous consent that the Subcommittee on Merchant Marine of the Committee on Merchant Marine and Fisheries be permitted to sit on Wednesday, June 16, 1982, during the 5-minute rule, for the purpose of holding a hearing on H.R. 5020, a bill to strengthen the shipbuilding mobilization base and protect strategic supply sources.

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

Mr. McCLOSKEY. Mr. Speaker, reserving the right to object, we have no objection to the request.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

PROTECTION OF FOREIGN MISSIONS

Mr. ZEFERETTI. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 490 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 490

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6254) to amend title 3, United States Code, to clarify the function of the United States Secret Service Uniformed Division with respect to certain foreign diplomatic missions in the United States, and for other purpose, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works and Transportation, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Public Works and Transportation now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as order on the bill and amendments thereto to final passage without invervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from New York (Mr. ZEFERETTI) is recognized for 1 hour.

Mr. ZEFERETTI. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Missouri (Mr. TAYLOR), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 490 provides for the consideration of H.R. 6254, protection of foreign missions. The Rules Committee has granted an open rule providing 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works and Transportation. The rule makes in order a committee amendment in the nature of a substitute as an original bill for purposes of amendment under the 5-minute rule. At the conclusion of the amendment process, the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. Speaker, since 1975 the Secretary of Treasury has been authorized to reimburse State and local governments for the use of services, personnel, equipment, and facilities incurred because of extraordinary security measures needed to protect diplomats and missions. At present, $3.5 million is available for purposes of reimbursement.

After careful study and several hearings, the Public Works and Transportation Committee determined that the $3.5 million now available is not nearly enough to defray the skyrocketing costs in regard to the protection of foreign missions and personnel.

To meet these rising costs the committee reported H.R. 6254. This measure would amend existing law by increasing the amount from $3.5 to $7 million annually for the reimbursement to State and local governments. In addition, reimbursement provisions would also include services and equipment utilized to provide protection to motorcades and at places associated with a visit qualifying under the present law.

Mr. Speaker, in my city of New York, the diplomatic community numbers well over 32,000. The costs attributed to protecting these people, accompanied with the reduction in the number of police officers due to budgetary restraints, has added an unjust burden to the local law enforcement establishment. By doubling the authorization level from $3.5 to $7 million, New York City can continue to provide the necessary protection to the diplomatic community without sacrificing other areas of law enforcement. Equally as important, they can provide these services at a fraction of the cost of the Executive Protective Service.

In addition to an increase in the reimbursement level, H.R. 6254 will repay the city of New York up to $17.7 million for past claims associated with the protection of foreign missions. This money will pay for services rendered prior to October 1, 1982, and currently outstanding.

Mr. Speaker, New York City is proud of its position as the center of activity for the diplomatic community and stands ready, willing, and able to provide the necessary security to insure the protection of foreign personnel and property. With the small increase of funds contained in this measure, the New York City Police Department and related agencies can continue to provide essential services to the people of New York and at the same time carry out its responsibilities to the world community.

I urge my colleagues to support House Resolution 490, so we may proceed to the consideration of H.R. 6254, protection of foreign missions.

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

Mr. Speaker, House Resolution 490 is an open rule, providing 1 hour of general debate for H.R. 6254, a bill that authorizes increased costs to the U.S. Secret Service for protection of foreign diplomatic missions.

This is a simple rule, containing no waivers. The rule makes in order the amendment in the nature of a substitute recommended by the Committee on Public Works and Transportation now printed in the bill as an original bill for the purpose of amendment under the 5-minute rule. In addition, the rule allows for one motion to recommit with or without instructions.

Mr. Speaker, the bill made in order under this rule provides authorizations totaling $24.7 million in 1983 for the Uniformed Division of the U.S. Secret Service to reimburse State and local governments for their costs of protecting foreign diplomatic missions.

The primary beneficiary of this bill will be the city of New York, which has the largest population of foreign diplomats in the world. Under current law, Federal reimbursements to State and local governments for foreign mission protection is limited to $3.5 million annually, H.R. 6254 would change that to $7 million annually, after September 30, 1982.

In addition, this bill authorizes appropriations of $17.7 million for reimbursable expenses incurred prior to October 1, 1982. Of this $17.7 million authorization, the Congressional Budget Office estimates that some $13 million of it will be certified by the Treasury Department for retroactive payments to New York City.

Mr. Speaker, it is this "potential windfall" of $17.7 million for New York City that the administration is opposed to.

In its statement of policy, the administration points out that New York City already receives some $3.5 million of Federal funds for reimbursement for its costs of protecting diplomatic missions to the United Nations.

In addition, the administration says it is planning to send up a legislative proposal in the near future to deal with the question of additional Federal reimbursement of local governments for protective services.

Under this rule, amendments will be in order to the bill, so there is no controversy about the rule.

Mr. Speaker, I urge the House to adopt the rule.

Mr. ZEFERETTI. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. ADDABBO).

Mr. ADDABBO. I thank the gentleman for yielding.

Mr. Speaker, I take this time to commend the gentleman from New York (Mr. ZEFERETTI) and the Rules Committee for expeditiously moving this legislation to the floor. This legislation is very important to our national security and our international relations.

Mr. Speaker, today we are addressing an issue of major concern all around the world. International terrorist activity has steadily increased in recent years and incidents against diplomatic personnel and missions have reached tragic and ominous proportions.

Protection of the diplomatic community is a reciprocal responsibility among nations. The U.S. Government is obligated to provide security for foreign dignitaries in this country. We in turn, rely on host nations to protect our personnel and facilities abroad. Our commitment to this responsibility must be unequivocable. The channels of communication between governments must be secured so that problems and differences can be understood and resolved through peaceful means without resort to aggressive action.

With the enactment of Public Law 94-196, our Government affirmed that the cost of providing special diplomatic protection is a Federal responsibility. It is that responsibility that H.R. 6254 now addresses.

As a Representative from New York, the home of the United Nations, I am particularly concerned with this issue. The diplomatic community of New York numbers over 32,000 and is the largest in the world. Protection is primarily provided by our own New York City police because this is the most cost effective and security effective way to carry out this responsibility. As U.N. Ambassador Kirkpatrick has testified: "The need for protection of diplomats attached to the United Nations community has gone up rather dramatically in recent years and is likely to continue to go up." As the Ambassador then stated: "The most cost-effective means of providing protection is through the New York City police." The U.N. Secretary General wrote to Mayor Koch in March of this year commending the city police and expressing the hope that the city will be able to maintain the current level of police protection despite fiscal restraints.

Earlier this year New York City estimated that the total loss of Federal revenues to the city and its citizens—those imposed last year and those proposed in the February budget—would amount to nearly $1.8 billion in fiscal year 1983. The impact of more recent Federal budget restrictions will certainly escalate that burden. Clearly, the city cannot and should not be required to continue subsidizing the Federal Government for the cost of diplomatic protection.

The $3.5 million level of authorized Federal reimbursements does not come close to covering the cost of providing security. This is clearly evidenced by the specific authorization of $17.7 million in H.R. 6254 to catch up on the accumulated backlog of approved claims. Reimbursement is approved only for very specific costs authorized by Public Law 94-196 and governed by existing Treasury regulations. Claims are closely reviewed by the Treasury Department.

Our Treasury Appropriations Subcommittee held hearings just a couple of weeks ago on this issue. I asked whether the same level of protection could be provided at less cost by Treasury personnel or other Federal resources in place of local police. The answer is "No." As stated on page 4 of the report accompanying H.R. 6254, the cost to the Federal Government would be $20 million for the first year and over $14 million annually thereafter. In comparison, the bill now before us authorizes $7 million in annual reimbursements.

I asked whether the Treasury or State Departments had come forward with any program that could provide better protection at the United Nations than the city provides. Again, the answer is "No." The local police know the turf and they provide many protective services which are not even eligible for Federal reimbursement. As I already stated, utilization of city police is the most cost-effective and security-effective method we have for protection of the U.N. community.

Another item in this bill is the provision for protection of motorcades and at other specified places. This provision has already been approved three times by the House in the fiscal years 1980, 1981, and 1982 Treasury appropriations bills.

As the Disarmament Conference gets underway, it is fitting for our Government to clearly reaffirm its commitment to the protection of visiting dignitaries and missions we are privileged to host.

I urge the unanimous support of the House for H.R. 6254.

□ 1300

Mr. ZEFERETTI. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. WEISS).

Mr. WEISS. Mr. Speaker, I simply want to echo the sentiments of my colleague, the gentleman from New York (Mr. ADDABBO) in expressing appreciation to the Rules Committee for moving quickly with this piece of legislation. I think that the major television networks yesterday displayed to the world both the tremendous demands that are put on the police and security forces of the city of New York because of the presence of the large diplomatic community and also the tremendous professionalism of the security and police forces in the city of New York.

The Nation has cause to be proud of their work, the reimbursement provisions of this legislation will make it possible for it to be continued in the same manner.

Mr. ZEFERETTI. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Speaker, I rise in support of the rule and bill and take this opportunity to commend my colleague, the gentleman from New York (Mr. ZEFERETTI), for his leadership in gaining the expeditious consideration of the bill.

I rise in complete support of H.R. 6254, the Protection of Foreign Missions Act of 1982. This legislation in my judgment, represents one of the most important bills for the city of New York since the passage of the 1978 Loan Guarantee Act.

H.R. 6254 seeks to rectify a long-standing inequity posing severe fiscal problems for the city—namely the enormous annual costs of providing protective services for diplomatic missions most especially the United Nations.

This legislation would first and foremost double the annual authorization provided for reimbursement for the providing of police protection to diplomatic missions. The current level of $3.5 million was put into effect almost 7 years ago and the increase to $7 million is wholly justified in light of increased costs and ongoing activities which warrant police protection. This legislation also acknowledges the fact that the city has been shortchanged by the old authorization amount and as a result it provides a $17.7 million authorization to reimburse New York for past protective services.

The consideration of this legislation could not come at a better time. Since Saturday, the city of New York has had to assume some extraordinary responsibilities and costs because of the ongoing United Nations General Assembly special session on disarmament. In addition to the needs associated with protecting the hundreds of delegates from some 40 nations—the city has already had to cope with two major demonstrations called as a result of those assemblages. On Saturday a crowd estimated at between 500,000 and 700,000 gathered in Central Park for a peaceful rally but the city of New York was forced to deploy thousands of extra police to insure the

event remained peaceful. On Monday, another demonstration resulted in the arrests of some 1,600 persons in various places around the city of New York. Here again the city was forced to enlist the help of hundreds of extra police officers as well as officials to process those arrested.

Also on Monday, West German Chancellor Schmidt addressed the U.N. conference and again the city had to be called upon to guarantee his protection. In subsequent days, President Reagan as well as British Prime Minister Thatcher will address the assembly again with New York City bearing the costs associated with guaranteeing their protection.

If one considers this one event—it is easy to see how over the course of 1 year—a paltry sum of $3.5 million will not go too far. At the very least the authorization should be doubled and there should be sufficient flexibility built into the law to permit increases if the need arises.

I am a proud former member of the New York City police force and I say without hesitation, that New York City has a record second to none in terms of the protection it affords to foreign leaders and diplomats living and or visiting New York City on United Nations business. H.R. 6254 does recognize this and provides an important step in the all important area of insuring that New York City is adequately reimbursed for the costs associated with providing this protection. In the spirit of equity—I call upon my colleagues to pass this bill today.

Mr. ZEFERETTI. Mr. Speaker, I have no further requests for time and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. FARY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6254) to amend title 3, United States Code, to clarify the function of the U.S. Secret Service Uniformed Division with respect to certain foreign diplomatic missions in the United States, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. FARY).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 6254, with Mr. WEISS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Illinois (Mr. FARY) will be recognized for 30 minutes, and the gentleman from Minnesota (Mr. STANGELAND) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois (Mr. FARY).

Mr. FARY. Mr. Chairman, I yield myself such time as I may consume.

Public Law 94-196 (approved December 31, 1975) required the Executive Protective Service to protect foreign diplomatic missions outside the District of Columbia metropolitan area in localities where there are located 20 or more such missions headed by full time officers, except that such protection shall be provided only: First, on the basis of extraordinary protective need; second, upon request of the affected metropolitan area; and third, when the extraordinary protective need arises in association with a visit to, or occurs at, a permanent mission to an international organization of which the United States is a member or an observer mission invited to participate in the work of such organization, provided that such protection may be extended at places of temporary domicile in connection with such a visit.

The Secretary of the Treasury was authorized to utilize, on a reimbursable basis, and with the consent of local authorities, the services, personnel, equipment, and facilities of State and local governments. Treasury was authorized to reimburse such State and local governments for the utilization of such services, personnel, equipment, and facilities. There was authorized to be appropriated not more than $3.5 million on an annual basis for the purposes of reimbursement to State and local governments.

H.R. 6254 would amend existing law to increase the amount authorized to $7 million annually. The reimbursement provisions would also include services and equipment utilized to provide protection to motorcades and at places associated with a visit qualifying under present law. The latter language merely authorizes expenditures required in Public Law 96-74, the 1980 Treasury Appropriations Act and carried on through succeeding continuing resolutions.

In addition, the bill authorizes the appropriation of $17.7 million for reimbursable obligations entered into prior to October 1, 1982, and currently outstanding.

The Subcommittee on Public Buildings and Grounds held 2 days of hearings on H.R. 6254: One here on May 4, and another in New York City on May 7. We heard testimony from Mayor Ed Koch of New York, Ambassador Jeane Kirkpatrick, and representatives of the Secret Service Uniformed Division, the New York police and the Federal Protective Service. They all agreed that the New York City Police Department does an excellent job protecting foreign missions, a much better job for a better price than any Federal agency could do. The uniformed Secret Service testified that if they had to protect the U.N. missions in New York, they would have to assign more than 400 people to New York. It would cost $20 million the first year and $14½ million every year after that.

I would like to point out to the House that the reimbursements made under present law are for "extraordinary" protective needs associated with a visit to a permanent mission to an international organization such as the United Nations. The city of New York provides protection, on its own, for consulates or missions and other places such as the offices of Aeroflot, the Russian airline. It also polices the many demonstrations and deals with increased security needs that stem from international events, rather than from special visits. These are all "normal" expenses which the city of New York bears in return for the benefits of having the U.N. in New York. H.R. 6254 would not change any of this. New York would still have to pay for normal police protection. H.R. 6254 is only meant to give the Treasury a high enough authorization to pay for expenses that the Congress has already decided should be reimbursed.

Mr. Chairman, I urge enactment of H.R. 6254.

Mr. STANGELAND. Mr. Chairman, I yield myself such time as I may consume.

As the ranking Republican of the Public Buildings and Grounds Subcommittee, I concur with my distinguished colleagues as to the importance of this bipartisan piece of legislation. After an extensive set of hearings, the committee has determined that the current ceiling figure for authorizations for reimbursable expenses for the protection of foreign diplomats and diplomatic missions located in New York City is too low. In response to the need, the Public Works and Transportation Committee has reported our H.R. 6254, legislation to raise the ceiling for reimbursable expenses from $3.5 million annually to $7 million annually. Also provided is an authorized figure of $17.7 million to meet pending claims by the city against the Federal Government.

The legislation we are now considering is desperately needed to respond to larger security bills facing New York City in recent years as a result of its status as headquarters for the United Nations, its large number of foreign diplomats, and our international responsibilities. Whether or not you support the United Nations and its ef-

forts, it is this country's responsibility to protect foreign missions and diplomats, just as we expect similar treatment for our foreign representatives.

The Iranian hostage taking is an excellent example of what I am talking about. Initially, had the Iranian Government provided adequate surveillance and security for our Embassy, the U.S. Embassy takeover could have been avoided. As a nation, we expressed our outrage toward Iran's lack of security.

We cannot allow this to happen here. Under the provisions of H.R. 6254, extraordinary security expenditures incurred by New York would qualify for reimbursement up to a ceiling figure of $7 million. This figure would still be subject to verification by the Treasury Department.

Recent demonstrations in New York reaffirm that city's unique situation in the international arena. For example, last Saturday over one-half million people demonstrated in New York, requiring 6,000 police officers to maintain order. On Monday, protests at five embassies, including the U.S. mission to the United Nations, required additional police efforts. These actions are not cost-free and do require significant costs by the city that should be reimbursed.

I feel that we have made an extensive record justifying the need for this legislation and I would urge full support by my colleagues.

Mr. FARY. Mr. Chairman, I yield such time as she may consume to my colleague, the gentlewoman from New York (Ms. FERRARO).

Ms. FERRARO. Mr. Chairman, I rise in support of H.R. 6254. I would like to thank the many members of the Public Works Committee who have helped to produce a thorough, well-thought-out bill that addresses the important issue of protection of the foreign diplomats who work and live in the United States.

Chairman HOWARD and the ranking minority member, the gentleman from California (Mr. CLAUSEN) have provided firm leadership and worked in a spirit of bipartisan cooperation on this bill.

The chairman of the Public Buildings Subcommittee, the gentleman from Illinois (Mr. FARY), and its ranking minority member, the gentleman from Minnesota (Mr. STANGELAND), along with the gentleman from Georgia (Mr. LEVITAS) and the gentleman from New York (Mr. SOLOMON), have worked to build a complete public record.

They have participated in the extensive hearings on this bill, both here and in New York, and have provided keen insight in strengthening and improving this legislation.

H.R. 6254 simply allows the Federal Government to meet an important responsibility. It has always been recognized that the national host government is primarily responsible for the safety of foreign diplomats. Our Ambassador to the U.N., Jeane Kirkpatrick, testified before the House Subcommittee on Public Works that in cities whose diplomatic communities are comparable to New York's, the National Government provides a high level of diplomatic security.

In the United States, the burden of providing this protection has fallen mainly on the backs of local communities.

In 1974, Congress recognized the need to assume this burden and passed legislation which directed the Secret Service Uniformed Division to provide protection in areas with 20 or more missions to an international organization. Congress also recognized that local authorities might be able to provide protection more thoroughly and at less cost than an outside force such as the Secret Service.

Ambassador Kirkpatrick, in testimony before the subcommittee, emphasized the importance of using local police. In her own words:

> The advantage of primary reliance on local police for extraordinary services are obvious. Most obvious is that they know the territory, they know the system. They can utilize available personnel more flexibly and more quickly . . . the most cost-effective means of providing protection is through the New York City Police.

In order to utilize the capabilities of local police, and, at the same time, alleviate some of the localities' burdens, Congress permitted the Treasury to reimburse local authorities for efforts to provide extraordinary protection.

□ 1315

Examples of visits by foreign diplomats that have required extraordinary protection include the 1975 visit by the late President of Egypt, Anwar Sadat, and the 1979 visit of Cuba's Fidel Castro.

In addition to visits by controversial diplomats, extraordinary protective efforts are also needed at U.N. missions due to random escalations in terrorist activity, such as fighting between nationalist Serb and Croation factions, or in reaction to international events. The Soviet invasion of Afghanistan and civil wars in Central America have led to terrorist threats or actions which required the posting of guards 24 hours a day at certain U.N. missions until the high potential for violence had subsided.

There can be no doubt that in all of the examples I have touched upon the extraordinary security efforts that were required were legitimate Federal responsibilities. After all, if a mob or a terrorist group in the Soviet Union threatened the U.S. mission in Moscow, we would hardly expect the Soviet Government to defer action on the grounds that it was the responsibility of the Moscow city police. Just as we expect other nations to protect our ambassadors, so must we be willing to provide their diplomats with freedom from terrorist acts.

New York City provides protection for the 32,000 members of the city's diplomatic community. This is the largest diplomatic community in the world, including Washington, D.C. The frequent and often impestuous demonstrations in front of the United Nations Building are kept within the bounds of peaceful and legitimate demonstrations by the efforts of New York City police, who provide protection outside of the U.S. mission to the U.N. and at the many embassies that are in the city.

As my distinguished colleague, the gentleman from Minnesota pointed out, last Saturday we had over half a million demonstrators in New York, demonstrators against nuclear warfare. Yesterday we had approximately 2,000 more and there were 2,000 arrests. Yesterday there were acts of civil disobedience which were staged in front of several missions. Those acts of disobedience alone in manpower expenses has a dollar figure of $670,000 just for yesterday, and that is most conservative. It does not include bus costs, court costs, or any other costs connected with those arrests.

New York City has continued to provide this protection despite a one-third reduction in its police force which has caused a reduction in police protection for the people of New York. In the face of this sacrifice, it is only just that the Federal Government honor its commitment and obligation either to provide extraordinary protection when it is necessary or to reimburse the city to provide the protection.

By the end of this year, it is estimated that the Treasury will have approved nearly $20 million in reimbursements for New York City that it cannot pay out due to a lack of funds. I think that is an important point. These funds are principally unavailable because there is an excessively low authorization level of $3.5 million/year. H.R. 6254 would authorize $17.7 million to pay off the Government's debt which it already acknowledges that it owes to New York City and prevent future debts for escalating by raising the annual authorization limit from $3.5 to $7 million.

In additions to the equity arguments this bill is cost effective. The Federal Government, not the city of New York, is under obligation to provide extraordinary protection. If the Federal Government does not reimburse the city, New York will be forced to turn over protection to Federal agents. The Treasury Department recently estimated that the cost of using Secret Service uniformed division agents instead of New York City Police would be at least $20 million the first year

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and $14 million in each subsequent year, far above the cost of this bill. Robert McBrien, the Treasury's special assistant in charge of reviewing reimbursements to New York, stated that, "If there were a choice between reimbursing the city and sending Federal forces, our choice is reimburse the city." Mr. McBrien went on to say that even if 400 Federal agents were permanently deployed in New York City, the Federal Government would still have to reimburse the city for use of city police in any large-scale operation such as the protection of a head of state, security along the route of a motorcade carrying controversial diplomats, and at 24-hour guard posts around threatened missions.

The fundamental issue addressed in this bill is that the Federal Government has recognized its obligation to provide protection to foreign diplomats and has delegated that responsibility to the city of New York without providing sufficient funding to cover the city's necessary efforts. H.R. 6254 merely removes the inconsistency of Congress recognizing a legitimate and necessary Federal expense but not paying for it. It also has the very pleasant side effect of saving the Federal Government money. I urge my fellow Members to support H.R. 6254.

Mr. STANGELAND. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. MOLINARI).

Mr. MOLINARI. Mr. Chairman, I rise in support of the bill and would like to make a few brief comments on the scope and purpose of the legislation.

I think it is important that it is made clear that this bill does nothing to change the basic principles of local responsibility for the protection of foreign missions and diplomatic personnel which have been a part of U.S. law for the past 6½ years. Routine or ordinary diplomatic protection functions are currently and will continue to be provided for by local governments, including New York City. "Existing" law—and I emphasize existing—now provides that the Federal Government can reimburse State and local governments for services provided in connection with an extraordinary protective need that arises in association with a visit to or occurs at a permanent mission to an international organization of which the United States is a member. The law specifies that only extraordinary protective services are eligible for reimbursement and the Treasury Department reviews each request thoroughly.

Present law, therefore, recognizes that the presence of the United Nations headquarters in New York and the resulting diplomatic traffic to and from the headquarters places additional security burdens on the police department of the city of New York beyond that required of other U.S. cities and provides for the Federal Government to share some of that burden.

I stress that the city of New York is reimbursed only for extraordinary protective measures and is required like any other major city to provide ordinary protective services to the diplomatic community.

What this legislation does is recognize the reality of increase security threats to foreign diplomats and missions by providing for the necessary resources to meet the increased need. Since December 1979, there have been 23 terrorist bombings in New York City associated with diplomatic property. In five cases, the bombs were removed prior to detonation. During 1981, the police department maintained fixed-post coverage at 54 diplomatic locations. In the same year, there were 16 visits to New York by 13 foreign dignitaries that required special security measures.

Let me briefly mention the diplomatic protection arrangement here in the District of Columbia, since this is the only other American city that has a security situation resembling that of New York.

At present, the District assumes part of the responsibility for diplomatic protection. The Federal Government assumes a large part because of the presence of the uniformed division of the Secret Service in the District. The division works in tandem with the District police on diplomatic protection and the financial burden is shared.

It has been determined that putting a contingent of uniformed Secret Service agents in New York would be more costly than having the New York Police Department provide protective services and be reimbursed by the Federal Government.

Many Members might have heard of a forthcoming State Department proposal that will deal with diplomatic protection. Some have suggested that we should delay consideration of this bill until the proposal is released. In fact, I am told by the State Department that the proposal as it now stands would enable the Secretary of State to provide reimbursements to State and local governments in addition to New York for extraordinary diplomatic protection services. Therefore, the proposal endorses the principles behind the current law and can only be seen as recognizing the need for the Federal Government to play a role in diplomatic protection efforts.

In conclusion, Mr. Chairman, we cannot ignore the increasing threats to foreign diplomats on American soil and the additional extraordinary protective services required to protect them as a part of our national obligation. I urge my colleagues to recognize this as a national responsibility and vote in favor of this bill.

Mr. MOLINARI. Mr. Chairman, I thank the gentleman from Minnesota.

Mr. Chairman, I would like to ask the gentleman from Minnesota a couple questions.

Mr. STANGELAND. I would be happy to answer.

Mr. MOLINARI. Would the gentleman from Minnesota explain, if he would—there seems to have been some confusion about an alternate bill, that the Secretary of State was going to submit a separate bill providing for protection of foreign missions. Could the gentleman clear that question up for us?

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. STANGELAND. Mr. Chairman, I yield the gentleman 2 additonal minutes.

Well, to answer the gentleman, first of all, there is no alternative bill to H.R. 6254. The State Department has submitted to OMB and OMB has cleared and is sending to the Speaker legislation that would permit the Secretary to reimburse State and local authorities only for extraordinary security functions and only with respect to certain security functions. It would be limited to those functions that would be agreed to in advance. It would apply to consular offices. H.R. 6254 does not apply to consular offices, but it applies to missions, missions that are associated with the United Nations.

Similarly, this proposed legislation that the State Department has submitted does not cover U.N. missions, and so I, too, want to clear that up, that there is no alternative legislation at this time to H.R. 6254.

Mr. MOLINARI. I thank the gentleman. I have one further question.

We have heard mentioned on the floor today that the administration opposes this legislation. Does the gentleman know whether that is so?

Mr. STANGELAND. Well, I am under the impression or the belief that the administration does oppose the legislation; but let me say that the subcommittee and the committee took this under advisement at great length and in the hearings that were held in New York on May 7th and the subsequent hearings here. It was the consensus, bipartisan support, that if we owe an obligation or a debt to New York City or a bill to New York City, that bill ought to be paid.

As I said in my opening remarks, the Secretary of the Treasury has verified $13 million in legitimate expenses that are reimbursable, that have not been reimbursed.

It is the contention of the subcommittee and the contention of the full committee that these debts ought to be paid and they ought to be paid now.

Mr. MOLINARI. Would the gentleman know what the approximate cost was to the New York City Police Department?

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. STANGELAND. Mr. Chairman, I yield the gentleman an additional 30 seconds.

Mr. MOLINARI. Would the gentleman know what the cost to New York City was when Pope John Paul visited New York City in 1979?

Mr. STANGELAND. I do not have that exact figure, I am sorry. It was an extensive cost.

Mr. MOLINARI. Well, would the chairman of the committee yield? Would the chairman know what the cost of that visit was?

Well, let me just conclude by saying this, if I may. According to the figures I have, Mr. Chairman, it was $4.8 million, just one visit alone; so I think it is clear that the current funding levels are inappropriate and inadequate.

I urge support of the legislation.

Mr. STANGELAND. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. SOLOMON).

Mr. SOLOMON. Mr. Chairman, I thank the gentleman for having been gracious enough to give me 5 minutes.

Mr. Chairman, let me just say at the outset that it may come as some surprise that a person like myself, who has had considerable views on the value of the U.N., would rise to support this legislation.

I do rise in very strong support of the legislation, primarily because the gentleman on my right, the gentleman from Staten Island (Mr. MOLINARI) has spent a great deal of time with me up in New York convincing me of the value of the legislation.

I have opposed the U.N. for many years, because I really feel that since its establishment in 1945, its only major accomplishment has been to provide a forum for anti-American rhetoric from the Communist bloc and to provide a vast spy network of adversaries of the United States, as far as being located in this country under diplomatic immunity, which I think is outrageous; but let me just take a minute, in case anyone thinks that is just my view, of reading an editorial which appeared yesterday in the Hearst newspaper, the Albany Times Union. It starts out by saying: "A billion for the U.N."

It says:

Our influence at the United Nations is trivial, despite the fact that we contribute one billion dollars a year.

That was the United States Ambassador to the U.N. talking. Jean Kirkpatrick's mention of the relationship between money and influence should remind Americans and their congressional leaders that we ought to keep a sharp eye on what this nation contributes to keep the world body alive.

From its inception in 1945 until 1973, the American share of U.N. costs was 31.5 percent. Congress then decided this proportion was askew, which it surely was, and cut back to 25 percent at that time.

Throughout this period, the Soviet Union and two of its republics had three votes in the General Assembly to one for the United States. The three Soviet members kick in 13 percent of the U.N. funds, a hair more than half of the American contribution.

A lack of influence in relation to dollars is not the only thing we should think about. Where those dollars go is something we should examine carefully. For instance, nearly 30 United Nations officials get salaries of more than $100,000 a year. And that fleet of limousines on the East River is not the cheapest mode of travel.

America's $1 billion supports dozens of global organizations. Many must be worth—

They say in this editorial, and I disagree—

but before Congress grants a State Department request for a 12 percent increase in this area, it ought to take a close look at those agencies, including an animal disease program called the International Office of—

And I have trouble reading this; it looks like—

Epizootics. Then there is the United Nations Educational, Scientific and Cultural Organization. It has been promoting a "New World Information Order" or a program of news management while the United States supports it with an annual contribution of $33.5 million.

Yes, a billion may seem like a paltry sum in a land where the national budget is heading toward the trillion mark, but as the American taxpayer knows, every billion counts when April 15 rolls around.

A cost-conscious Congress should review its U.N. commitment and make sure it knows where every dollar goes.

□ 1330

Mr. Chairman, concerning the unfair allocation of costs to support the U.N., I had considered offering an amendment in the subcommittee that I serve on which would have required the U.N. to reimburse New York City, or whatever municipality, for costs incurred to provide police protection. I did not offer that amendment because we found out that we would be in direct conflict with many international agreements and consequently would bog down this legislation and there would be no chance of passing it today.

I also had another amendment which dealt with supplying a Marine Corps detachment at the U.N. Mission, the U.N. Embassy at the United Nations. It is the only U.S. Embassy in the world that does not have a Marine detachment there. I discussed this with Ambassador Kirkpatrick, with the State Department, and the White House and other Members, and I will be offering this amendment later, not to establish the Embassy, but to provide for the Secretary of the Navy and the Secretary of State to get together to see about the feasibility of doing it.

As the gentleman sitting in the chair mentioned, and the gentlewoman from Queens, and many others this morning, there certainly is a need for a U.S. Marine Corps detachment to protect our U.S. Embassy people at the U.N.

Therefore, I would say to all of my conservative colleagues who may be prone to oppose this legislation to vote for it because Members are not voting to supply moneys for the U.N.; you are voting to reimburse New York City for those expenditures incurred for police protection.

I think it is vitally needed. I would say if the legislation does pass, I will use whatever influence I have with the White House to see that they sign this legislation into law.

Mr. FARY. Mr. Chairman, I yield such time as he may consume to the gentleman from Georgia (Mr. LEVITAS).

Mr. LEVITAS. First of all, Mr. Chairman, I would like to commend the chairman of the subcommittee, Mr. FARY, the ranking minority member of the subcommittee, Mr. STANGELAND, and all the members of the subcommittee who have worked so diligently in bringing this legislation to the floor.

I can testify that this has been very carefully considered in a series of hearings, both here in Washington and in New York. I have received extensive testimony from numerous witnesses and are confident that this legislation is appropriate.

The question of a host nation providing protection for diplomatic missions is beyond dispute. There is no question about that. This is part of the code of conduct among civilized nations.

So the question before us, then, is why should this legislation provide a reimbursement for New York City? Why is this legislation before us?

The answer to that is very simple: Because either this obligation has to be discharged by the Federal Government on its own, or it can utilize the services of the police department which is on the scene, with the expertise to do the job. It is not a question of whether the work will be performed or not; it is a question of how can it be done most efficiently and how can it be done most effectively?

It is the position of this legislation that it can be done most efficiently and most cost effectively by permitting the police forces of New York City to assume these extraordinary protective responsibilities and provide reimbursement for those services. To do otherwise and to provide this type of protection for diplomatic missions directly by the U.S. Secret Service Uniformed Division would be infinitely more costly to the American taxpayers. Also, there is some question whether it could be done as well by the U.S. Secret Service Uniformed Division, given the necessary expertise that the city of New York Police De-

partment has developed over the last number of years.

Now, there is one other question that has been raised: Why should the authorization be for the amount stated in this legislation? The reason is that, as the gentleman from New York (Mr. SOLOMON) has pointed out—the gentleman from Minnesota (Mr. STANGELAND), the gentleman from New York (Mr. MOLINARI), and the gentlewoman from New York (Ms. FERRARO) have all pointed out—these are actual costs that have been submitted to the Treasury Department and scrutinized. Some were accepted and others were rejected. Further, the subcommittee of the gentleman from Illinois went over these applications for reimbursement to ascertain what criteria were being applied by the Treasury Department in making these determinations.

The figure of $17.7 million for the payment of reimbursement obligations entered into before October 1, 1982, is consistent with testimony received by the subcommittee from officials from the Treasury Department and reflect the heavy protective burdens which the city is likely to encounter during the upcoming United Nations Disarmament Conference, when visitors might include the Pope and numerous foreign ministers and heads of state. I might point out that claims pending as of January 15, 1982, amounted to an estimated $13 million, which Treasury officials have reviewed and feel are more than likely valid for reimbursement. Claims for fiscal year 1982 expenses are anticipated to amount to $6.5 million. Of this total figure, there is $1.8 million in outstanding appropriations for fiscal year 1982, which leaves the total of $17.7 million of reimbursable claims eligible for Federal repayment. These figures are extraordinary expenses specifically incurred by New York. The question is: Are we going to, as a national government, pay our debts? The question is not what Uncle Sam should do, but instead: Is Uncle Sam going to pay his debts or become "Uncle Deadbeat"?

I think that is what the question is. It is not some pie in the sky; it is not a revenue-sharing program; it is not a bailout for New York City; it is simply paying our bill as a national government for responsibilities which we, as a national government, would otherwise have.

While we have eloquent and understandable explanations for support of this legislation by Members of the New York State delegation. I think it is also interesting to recognize that the gentleman from Minnesota, the gentleman from Illinois, and this gentleman from Georgia have no constituency interest in this particular piece of legislation; but, rather, we support it because it is a responsibility of a national government to provide this type of protection for visiting diplomatic delegations.

The relations between these diplomatic delegations and their presence in this country as part of the United Nations is an undertaking in a treaty that is entered between our Government and the United Nations international organization in this case.

So it is our responsibility.

There is one other thing that is most appropriate that this legislation should be before us today. Mr. Chairman, over the last several days I believe all Americans who have viewed the demonstrations and activities of protesters in New York, they have got to have a great amount of pride in the way in which the New York police have handled this matter. They handled it without provocation. They handled it in an orderly manner. They handled it in a way that other nations around the world, also watching, could watch and take lessons from.

When we had before us on several occasions officials of New York City, including the police commissioner, I think we were all impressed with the expert way in which they went about preparing for the events of the last few days. The preparatory intelligence that was done, the planning was done, and its execution, maintained this to be an orderly demonstration. When there were violations of law and disruption of the public peace and interruption in the traffic of pedestrians and vehicles in New York City yesterday, then appropriate action was taken, and taken in a timely and proper manner.

So I think that we not only have this obligation—and this legislation is the most cost-effective way of dealing with it—I think we have seen that the New York City Police force and the officials of New York City have measured up to their obligations. I believe all of us on both sides of the aisle should support this legislation and we should pass it without further delay.

The CHAIRMAN. The gentleman from Georgia (Mr. LEVITAS) has consumed 7 minutes.

Mr. FARY. Mr. Chairman, I yield back the balance of my time.

Mr. STANGELAND. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. GREEN).

Mr. GREEN. Mr. Chairman, H.R. 6254 would increase the authorized level of reimbursements to localities for the costs of extraordinary diplomatic protection.

This is a matter of great concern to the diplomatic community, and I want to commend the Public Works Subcommittee on Public Buildings and Grounds and the distinguished chairman and ranking minority member for their excellent work on this bill, and my distinguished colleagues from New York, Ms. FERRARO, Mr. MOLINARI, and Mr. SOLOMON for their efforts in support of this important piece of legislation.

H.R. 6254 was drawn up to address the following problems: The diplomatic community is increasingly plagued by terrorism and violence; because of lack of an adequate authorization the city of New York currently bears far more than its fair share of the costs of protecting the diplomatic community in its midst, the largest such community in the world; the protection of missions to an international organization is a Federal, not a local, obligation; if we are to expect foreign governments to protect our missions abroad from violence, we must provide the same to missions here; and, the New York City Police Department currently protects the diplomatic community at a cost approximately half that of establishing permanent Secret Service protection in New York City. My colleague Ms. FERRARO and others have gone over these arguments in favor of the bill at length and I will not dwell on them here. Let me simply say that the U.N. itself and the overwhelming majority of the foreign missions in New York City lie within the district I am privileged to represent, so I know at first hand the police effort that goes into protecting them.

H.R. 6254 raises from $3.5 to $7 million the annual authorized level of Federal reimbursements to New York City for the costs of diplomatic protection, and authorizes appropriations up to $17.7 million for debts accrued prior to the end of this fiscal year. An authorization for debts owed New York City is necessary because the current authorization has been so inadequate that the Federal Government now owes New York City about $17.7 million.

The cost of extraordinary protection has outstripped the 1975 authorization because of inflation, an increase in the incidence of terrorism, and the fact that Treasury revised its interpretation of Public Law 94-96's extraordinary protection. This bill will make the authorization level for reimbursements consistent with the range of protection for which New York City can be reimbursed under the Treasury Department's revised regulations. I would add that an increase in the authorization level in no way exempts New York City from having to justify its claims to the Treasury Department, or exempts this program from the scrutiny of the appropriations process.

Because of inadequate reimbursements to New York City for the extraordinary protection its police department provides, New York City has shouldered far more than its share of the joint burden of protecting the diplomatic community. New York City Police Department has been cut by about one-third since 1975. Providing

protection of diplomatic missions without reimbursement has had a devastating impact on the city's already-strapped local police. This effect is compounded by the facts that the range of diplomatic protection the city must provide has expanded and that there has been an increase in the incidence of terrorism aimed at the diplomatic community.

Between December 1979 and December 1980, a member of the Cuban mission was shot to death on New York's streets, and 18 terrorist bombings occurred. The diplomatic community has undertaken a broad range of self-help measures for its protection, and the New York City Police Department has had its personnel hold classes for diplomats in bomb threat protection. As Treasury Department officials themselves have pointed out, New York City provides this service at bargain rates, and with a measure of expertise that Federal officials could never match. Nevertheless, New York may not be able to fulfill these duties if it is not adequately reimbursed.

The diplomatic community's fears for its safety obviously adversely affect the U.S. ability to conduct business at the United Nations, and make it difficult for us to expect, on the principle of reciprocity, that our missions abroad will be well-protected by host countries. The way to allay the diplomatic community's fears is through adequate protection. Passage of H.R. 6254 will accomplish that vital function.

Passage of H.R. 6254 will also redress the current unfair situation of the Federal Government recognizing a Federal commitment, but failing to pay for it in full. The bill will enable the Federal Government to repay the money to which New York City is entitled, remove an unfair burden from New York City residents, and provide better protection for U.N. diplomats.

Mr. Chairman, I hope the House will bear in mind the magnitude of the burden currently shouldered by New York City, the need for diplomatic protection in a world increasingly plagued by terrorism and violence, and the professionalism and cost-effectiveness with which the New York City Police Department now carries out its duties in this area and that it will pass H.R. 6254

Thank you.

Mr. STANGELAND. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. KINDNESS).

Mr. KINDNESS. I thank the gentleman for yielding this time to me.

Mr. Chairman, I think it is often the case that committee reports divulge interesting information about legislation coming before the house. Sometimes they are not really paid much attention to. But despite the best of intentions, honesty sometimes crops up.

In the committee's report, on page 4, it is noted that pending claims submitted on January 15, 1982, amounted to an estimated $13 million. What we have here is a piece of legislation—and one can imagine the background of it, just how it developed: The city of New York says, "We have some problems, we have a backlog of costs that have not been reimbursed," and the Treasury Department says, "Well, let us see what they are and give them to us in a clump and we will look them over and we will get some legislation through the Congress to reimburse for these past amounts.

I do not think we can question the validity of the views expressed here by anyone in support of this legislation, but you see what the process is: "Give us your claims, and we will put a bull—bill through." Yes, a bull bill; great.

And that is what we have here today. I do not think the American taxpayers all over the country would necessarily feel very comfortable about this. It is pointed out by the committee that the precise amount which New York City would receive would be subject to the approval by the Treasury Department of valid claims for reimbursement and would also be subject to appropriation.

□ 1345

That seems to tell me that these claims have not been determined to be valid finally. I guess it is really dependent upon whether this legislation passes or not. This is a 100-percent increase in the authorization from now on under this portion of existing law, plus a temporary increase of 500 percent to catch up for the past, for $17,700,000 authorization.

I oppose the bill.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. STANGELAND. Mr. Chairman, I will yield the gentleman 1 additional minute if he will yield to the gentleman from New York.

Mr. KINDNESS. I would be happy to yield to the gentleman from New York.

Mr. MOLINARI. Mr. Chairman, I thank the gentleman for yielding. I would suggest to the gentleman from Ohio that indeed there are reports in the committee's possession that indicate the amount of the claim that was submitted to the Treasury Department, the amount that was disallowed, and the total amount that was allowed; so that I think the gentleman is incorrect in his statement that they had not been looked over and approved. There have been substantial reviews.

Mr. KINDNESS. I did not write this committee report. It is right here for anyone to read.

Mr. MOLINARI. We have the breakdown simply showing each item and what was allowed and what was disallowed, so the amount that is owed to the city of New York is not in dispute by Treasury.

Mr. KINDNESS. Is the gentleman refuting what the committee report states on page 4?

Mr. MOLINARI. No, I am just saying that it does not address the question the gentleman raised.

Mr. KINDNESS. The gentleman ought to read his own committee's report, I guess.

Mr. STANGELAND. Mr. Chairman, I yield 1 minute to the gentleman from Illinois (Mr. HYDE).

Mr. HYDE. Mr. Chairman, I thank the gentleman for yielding such a generous amount of time.

Mr. Chairman, I just want the committee to know that I am going to support this bill, but I have an answer to the problems of the city of New York. That would be that I think it would be very appropriate for the United Nations to take a lesson from Ringling Brothers, Barnum & Bailey, and take their show on the road from year to year, visiting the various capitals of the world from Afghanistan to Zimbabwe. I think then that the hint that the United States dominates deliberations of the United Nations could be allayed.

I think it would be educational for these professional diplomats to see how the rest of the globe lives, and visit the Third World countries and relieve New York City of its obvious cost-ineffective burden.

Mr. STANGELAND. Mr. Chairman, I just would like to close this debate by assuring the gentleman from Ohio, the members of the committee and the Members of the House that this subcommittee studied and questioned very carefully these claims, and in this study we found that the Department of the Treasury had disallowed $8 million in claims claimed by the city of New York. These claims addressed in H.R. 6254 have been verified as expenditures by the city of New York that are legitimate and that are reimbursable.

This member, the ranking Republican on the subcommittee, would not have brought this legislation to the floor and would not be here defending it, if he were not sure in his own mind that these are legitimate, verifiable expenditures, expended by the city of New York on behalf of the U.S. Government for the protection of foreign missions, dealing with foreign missions.

Mr. SOLOMON. Mr. Chairman, will the gentleman yield?

Mr. STANGELAND. I would be happy to yield.

Mr. SOLOMON. I would just like to say to the gentleman from Ohio (Mr. KINDNESS) that the gentleman and I both come from the same philosophical persuasion. We are both known to

be very tight with a buck. As a matter of fact, even though I come from New York State, I have been severely criticized over the years for voting against New York State and New York City when I did not think it was justified.

Let me just assure the gentleman from Ohio that I have looked at all of these claims, and if I did not think every single nickel was justified, the gentleman can be sure that with my views of the United Nations, I would be up here fighting this bill with every tool. I support the bill because it is justified, and would certainly appreciate the gentleman's support of it.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. STANGELAND. I yield to the gentleman from Georgia.

Mr. LEVITAS. Mr. Chairman, if I could get the attention of the gentleman from Ohio, I would like to commend him for reading the committee report and picking up what appears to be a different interpretation from what the gentleman has heard during the course of this debate. Perhaps it was unhappily expressed in the report language.

The fact of the matter is that at the time in question there were approximately $19,776,000 of submitted claims. Of that amount, only $13 million, approximately, were accepted by the Treasury Department. As the gentleman from New York (Mr. SOLOMON) has said, the subcommittee actually went through the list of these claims to see which were accepted, which were rejected, and what the criteria were.

There is no question that after 1975, when Congress said that there should be reimbursement for appropriate extraordinary expenses, these sums which are now included in this past due bill are the sums which were actually evaluated, reviewed by the Treasury Department, and subsequently reviewed by the subcommittee. So, it is not just a sort of revenue-sharing grant program in any sense. It is an obligation which the U.S. Government itself would have had to undertake at a much greater cost if it were not handled in this manner.

● Mr. HOWARD. Mr. Chairman, I rise in support of H.R. 6254, legislation which would permit increased Federal reimbursement to State and local governments for the costs of protecting foreign diplomatic missions and visiting foreign dignitaries.

Mr. Chairman, at this time I would like to commend the gentleman from Illinois (Mr. FARY), chairman of the Subcommittee on Public Buildings and Grounds, for his leadership in presenting this legislation to the House today. I also want to commend the gentleman from California (Mr. CLAUSEN), the ranking minority member on the full committee, and the gentleman from Minnesota (Mr. STANGELAND), the ranking minority member on the Subcommittee on Public Buildings and Grounds, for their support and hard work on this legislation.

Mr. Chairman, the United States, as a host government, has an obligation to assure a secure environment for the diplomatic missions in our country. It is of utmost importance that the areas where embassies and chanceries are located be as safe as possible. In order to be a gracious host to our diplomatic guests, the United States must reciprocate for the security and protection afforded American missions in other countries.

I think we should be especially sensitive to the role the United States plays as the headquarters for many international organizations. We must insure that foreign diplomatic missions are provided as much security as necessary to enable them to safely carry out their responsibilities.

Passage of H.R. 6254, will make it easier for the agency charged with this responsibility, namely, the Secret Service Uniformed Division, to achieve this goal. By raising the amount authorized to be appropriated for reimbursement to State and local governments for protection services from $3.5 to $7 million annually, and by providing for the liquidation of $17.7 million in outstanding claims, this legislation provides for the continued security of the foreign diplomatic missions and guarantees that the financial burden will not fall unfairly on the shoulders of local government.

This is not a new program, Mr. Chairman. Congress decided that these expenses should be reimbursed in 1975. Inflation and a more complex international environment have made the $3.5 million annual authorization obsolete. I strongly support this legislation and hope my colleagues in the House will do likewise.●

● Mr. DERWINSKI. Mr. Chairman, I believe H.R. 6254 is the wrong vehicle and is based on the wrong reasons for solving the problem of protecting foreign diplomats in the United States.

It certainly is our responsibility to provide security for diplomats from other countries serving in the United States. We have a special responsibility with the rise in terrorism which threatens diplomats throughout the world. We must accept this responsibility just as we expect other countries to accept the responsibility of protecting American diplomats on their soil.

While commending that purpose, I do not support the inclusion in this bill of a money grab by New York City. It is out of order. The United Nation's presence in New York is an economic asset to that city. There are thousands of New Yorkers who are employed directly or indirectly as a result of the presence of the U.N.

To impose this financial burden on the Federal Government, as provided for in this legislation, is uncalled for. Therefore, I rise in opposition to H.R. 6254.●

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

The CHAIRMAN. The gentleman from Minnesota (Mr. STANGELAND) yields back the balance of his time. The gentleman from Illinois (Mr. FARY) has yielded back his time. All time for general debate has expired.

Pursuant to the rule, the Clerk will now read the committee amendment in the nature of a substitute recommended by the Committee on Public Works and Transportation now printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

H.R. 6254

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 202(7)(C) of title 3, United States Code, is amended by inserting "may be provided for motorcades and at other places associated with such a visit and" after "protection".

(b) Section 208(b) of title 3, United States Code, is amended to read as follows:

"(b) There is authorized to be appropriated, in addition to such sums as have been heretofore appropriated under this section—

"(1) $7,000,000 for each fiscal year beginning after September 30, 1982, for the payment of reimbursement obligations entered into under subsection (a) after such date; and

"(2) $17,700,000 for the payment of reimbursement obligations entered into under subsection (a) before October 1, 1982.

Amounts appropriated under this subsection shall remain available until expended.".

SEC. 2. The amendments made by the first section of this Act shall take effect on the date of enactment of this Act, except that no amount authorized to be appropriated by the amendment made by subsection (b) of the first section of this Act may be made available for use or obligation prior to October 1, 1982.

Mr. FARY (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection on the request of the gentleman from Illinois?

There was no objection.

AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SOLOMON: At the end of the Committee Print, add the following new section:

SEC. 3. In order to assure effective security at the United States mission to the United Nations, and to promote efficient use of Federal security resources, the Secretary of the Treasury and the Secretary of State shall consult with the Secretary of the Navy with regard to placement of Marine security

guard services within such mission and shall report thereon to the Congress not later than sixty days after the date of enactment of this Act.

Mr. SOLOMON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SOLOMON. Mr. Chairman, the purpose of my amendment is to determine the usefulness of stationing Marine guards at the U.S. mission to the United Nations. Ambassador Kirkpatrick and I discussed this proposal and we were both amazed that Marine guards were used to guard our Embassies abroad but, for some reason, not to guard the U.S. mission at the U.N. in New York City.

What my amendment would do is require the Secretaries of Treasury and State to consult with the Secretary of the Navy as to the placement of Marine security guards at the U.S. mission. This would be done within 60 days of enactment and a report would be made to Congress as to the feasibility of this proposal.

It seems to me to be only reasonable for us to ascertain the usefulness of Marine guards at our mission in New York. Certainly, their presence would deter potential aggressors and enhance the security of the mission.

For the record, let me state that I do not want this construed as an indication of support for the United Nations. I feel that the only accomplishment of the United Nations since its inception is to provide a vast spy network for adversaries of the United States. Nevertheless, since we must meet our international obligations in providing adequate security, I support H.R. 6254. Furthermore, to protect our mission, I feel strongly that U.S. Marines could make a positive contribution to the security of the mission and that this avenue should be investigated.

I urge my colleagues to support my amendment and pass H.R. 6254, as amended.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Georgia.

Mr. LEVITAS. Mr. Chairman, I would like to commend the gentleman on offering this amendment. Every other U.S. mission throughout the world has the services and protection of a U.S. Marine detachment. They do outstanding work. There is absolutely no reason in the world why a similar process should not apply at the U.S. mission to the United Nations.

It is our Nation's Embassy there, and it is entitled to the same type of protection that embassies elsewhere throughout the world have. I think that bringing this amendment to the attention of the committee has served a worthwhile purpose, and I would hope that the end result of this process will be the establishment and stationing of a Marine detachment at the U.S. mission to the United Nations.

Mr. SOLOMON. I thank the gentleman for his strong support.

Mr. STANGELAND. Mr. Chairman, would the gentleman yield?

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

Mr. STANGELAND. Mr. Chairman, I too want to join with my colleague from Georgia in commending the gentleman from New York on his amendment. I think it is an excellent one, and should be supported.

Mr. FARY. Mr. Chairman, I rise in support of the amendment. Effective security at the U.S. mission to the United Nations is essential since they are the host mission. Currently, security at the U.S. mission is provided by the Executive Protective Service which is administered by the General Services Administration. Recently, the General Services Administration has stated they plan to start contracting out for guard service. Thus, this amendment is quite in order due to the fact that the Marine Corps protects our U.S. missions all over the world and, in fact, a study to determine if they should also protect the U.S. mission in New York is appropriate.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. SOLOMON).

The amendment was agreed to.

Mr. KINDNESS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, continuing the expression of my concern that I started a little while ago under very limited time restraints, I would just like to point out that we all realize that the city of New York benefits from immense economic activity associated with the presence in the city of the United Nations and the foreign nation missions that reside there or are placed there. That is in part accounted for in our policy with respect to this matter by only reimbursing the city of New York for extraordinary protection afforded to diplomatic missions. I understand that, and I understand that it is the obligation of our Nation to provide good and adequate protection for foreign missions and the personnel of those missions.

What I do think we must take into account as a concern in dealing with any legislation like this, however, is that it is a put up job. This collection of claims goes back not just some 6 months, but several years. If there should have been a policy change, it should have been made sooner, perhaps. Maybe we are saying that there has been a lack. It has not been done, at any rate.

These claims, aggregating $13 million-plus that were at least initially not allowed, are claims that have been put together for the purpose of supporting the thrust of this legislation. Maybe it is right for it to be increasing the amount of the authorization to $7 million each year. Perhaps that is a good figure, and I have no argument with that part of the bill, but $17,700,000 in response to what I have visualized as being an invitation to "bring in your claims, boys, and see how much is needed."

I do not think that the American taxpayer likes this kind of spending, this kind of authorization to spend for something in the past. We ordinarily, in the Congress, deal with claims of this sort under special legislation. Some such claims come through the Judiciary Committee. It happens to be my experience to deal with a good many of such claims where there is no legal recourse for an individual or corporation or, in some cases, a municipality; but instead we bring this through another door here on this floor. Nobody is paying much attention today. It has even been suggested that it would be something well beyond the realm of reasonability to ask for a recorded vote on this. I am somewhat inclined to ask for a record vote on this, and I have not decided that fully, but for the very reason that we ought to be paying some attention to the fact that we go back and spend money for past purposes.

I am not satisfied. I do not think a lot of people would be satisfied if they had noticed the committee report. These claims were submitted January 15, 1982. The bill was dropped in the hopper at what time? Well, this is a revised bill, a clean bill, but at any rate it all fits together this year. It is not that there has been this attempt, apparently, to go back over the past and correct the problem until just now.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

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

Mr. GREEN. Mr. Chairman, I thank the gentleman for yielding, and I am sorry he did have trouble with a limitation of time earlier in the debate. But, I want to assure the gentleman that this problem is not a case of retroactive claims or something where somebody got the bright idea, "Why don't we hit up the Federal Government for $17 million in 1982?"

□ 1400

The fact of the matter is that this legislation authorizing the reimbursment of these extraordinary claims passed in the mid-1970's, and that has been on the books since that time.

New York City has been pressing those claims with the Treasury Department, and it took some time after

the original legislation was passed to hammer out just what class of claims the Treasury would consider or what class of service the Treasury would consider as extraordinary and what class it would consider as routine protection for which no reimbursement is available. Many of us here in the Congress, including this gentleman, were pressing for legislation so that this matter could be resolved and payment could be made on these claims which were piling up under this authorization and for which the original dollar authorization had long since been run through.

So, Mr. Chairman, this is not a matter that sprang from someone's brow earlier this year.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. KINDNESS) has expired.

(On request of Mr. GREEN, and by unanimous consent, Mr. KINDNESS was allowed to proceed for 3 additional minutes.)

Mr. GREEN. Mr. Chairman, as I say, this is not something that someone thought up this year; it is something the city and the Treasury had been negotiating on over the years in order to define what was extraordinary and what was routine, and it was something the Members here had been pressing for an authorization as that gradually became defined under Treasury regulations which were only really set in place in 1980.

So I think the subcommittee, following that definition by the Treasury, then started the process of analyzing these claims and decided that the Treasury was in fact making the right decision as to which claims were extraordinary and which were not and then produced this bill. So I think it has been in process since the original authorizing legislation in the mid-1970's, and that process reaches its culmination today, as it should, with all the due deliberate speed with which this House acts.

We are not seeking anything which was not authorized for us several years ago, and I would hope that the gentleman could see that this is not some raid on the Treasury but simply making good on the part of the Federal Government an obligation that it assumed in the mid-1970's and which has now been worked out and audited and is now ripe for payment.

Mr. KINDNESS. Mr. Chairman, I thank the gentleman from New York (Mr. GREEN) for that very reasonable explanation.

Ms. FERRARO. Mr. Chairman, will the gentleman yield?

Mr. KINDNESS. I yield to the gentlewoman from New York.

Ms. FERRARO. Mr. Chairman, I thank the gentleman for yielding.

I would just like to point out in addition that there was legislation which would provide for reimbursement. It was just not a sufficient amount of money to cover the actual cost of extraordinary expenses that were experienced by the city of New York.

In addition to that, I do not think the gentleman was here during the course of my comments in support of the bill during general debate, but we had had extensive testimony from Treasury with reference to the fact that if New York City did not provide this extraordinary protection it would still have to be provided in some way. And to be honest, we have 7½ million New Yorkers who are a little uptight over the fact that these police are taken off their ordinary beat duty and made to protect missions; they would just as soon have those cops protecting them.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. KINDNESS) has again expired.

(On request of Ms. FERRARO, and by unanimous consent, Mr. KINDNESS was allowed to proceed for 2 additional minutes.)

Ms. FERRARO. Mr. Chairman, will the gentleman yield further?

Mr. KINDNESS. I yield to the gentlewoman from New York.

Ms. FERRARO. Mr. Chairman, I thank the gentleman for yielding.

If the New York City police were taken off the extraordinary protection and Treasury were required to provide the protective services for diplomats as they are required by treaties to do, it would cost the Federal Government $20 million in the first year and $14 million for each additional year thereafter, and in addition to that, they still would not be providing all the extraordinary protection the New York City police have been providing.

Mr. KINDNESS. Mr. Chairman, I heard that, and I read the report. But is the gentlewoman telling me that these claims amounting to $13 million were not submitted on January 15, 1982, as the report says?

Ms. FERRARO. Mr. Chairman, if the gentleman will yield, they had been submitted over the years, and what has happened is that the amount of the balance that has not been paid by the Federal Government was not paid because there was not the authority to pay out the money or they did not have the money to pay it.

Mr. KINDNESS. So they said, "Come on back, boys"?

Ms. FERRARO. Well, it was a debt that has been accumulating over the last several years, and New York City has been pressing each year to get that money, but without the money coming through this Congress through appropriations for the particular purpose, it has not been there.

The gentleman said that the American taxpayer does not like paying or getting stuck for bills over the years. The American taxpayer is fair about paying bills that are due, and this is a bill that is due. So it is only fair that it be paid to the city.

Mr. RUDD. Mr. Chairman, will the gentleman yield?

Mr. KINDNESS. I yield to the gentleman from Arizona.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. KINDNESS) has expired.

(On request of Mr. RUDD, and by unanimous consent, Mr. KINDNESS was allowed to proceed for 3 additional minutes.)

Mr. RUDD. Mr. Chairman, I thank the gentleman for yielding.

I am inclined to agree with the gentleman from Ohio (Mr. KINDNESS) on his statement with regard to the expenses and how they should be shared and how they should be allotted.

The city of New York does benefit from the presence of the U.N. through its diplomatic establishment and through tourism as a result of that presence. But this is a direct payment to the city of New York, and I think it should rather be made through the extraordinary expenses of the State Department. I feel that they should deal with the State Department rather than other branches of the Federal Government of the United States for these benefits. I hope the gentleman does get a recorded vote on this.

Mr. Chairman, I oppose this bill which will double the cost of protective services for foreign diplomatic missions in the United States under the secret service fund. I see no way that, in a year when we are examining every Federal program to trim expenses and cut down the growth of Federal outlays, that this body can justify increasing funding for this expense by 100 percent. The city of New York benefits from the presence of the United Nations through the revenues which are brought in through tourism and general servicing of the diplomatic community. I do not believe that the Federal Government should foot any more of the bill for protective services in New York than we have already.

Furthermore, it is the duty of the State Department to meet extraordinary expenses which are incurred by State and local governments in the protection of foreign delegations. Proposals are being considered right now which would transfer this responsibility to State Department officials who are more familiar with the needs of these delegations and should take responsibility for this function of diplomatic relations. I urge the House to reject the measure we are considering today and expedite the passage of legislation which would properly deal with this situation.

Mr. SOLOMON. Mr. Chairman, will the gentleman yield?

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

Mr. SOLOMON. Mr. Chairman, I just want to say again to the gentleman from Ohio (Mr. KINDNESS) that I have a great deal of respect for the gentleman.

Mr. KINDNESS. Oh, oh, here it comes.

Mr. SOLOMON. He is an outstanding member of the Committee on the Judiciary. But I have heard him stand on the floor in support of the Legal Services Corporation because as a matter of law we had a bill due, and that is exactly what the gentleman from Georgia has been saying.

And let me tell the Members this: I do not think that the U.N. provides any benefit to the United States of America or to New York City or to New York State, and I think we ought to move it out of this country. I think the way to resolve the Falkland Islands dispute is to put it over there.

Mr. KINDNESS. I might agree with the gentleman on that.

Mr. SOLOMON. I would thank the gentleman for that.

But the fact of the matter is that we cannot violate international treaties under which we are required to provide police protection, and I do think this is a unique situation.

I argued this in the subcommittee when I said that I think that the U.N. ought to pay all of these extra costs because it is so unique. It is not just a foreign embassy on U.S. shores; it is the U.N., so consequently it is a much bigger issue. So I say to the gentleman, let us get it out of here, but in the meantime, let us live up to our obligations.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. KINDNESS. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I thank the gentleman for yielding.

I just want to say that the idea of moving the U.N. to the Falkland Islands has some charm, but I would rather have it like the Olympic games, moved from capital to capital to capital, and then it would have the instruction that some of our overseas trips provide. We would visit Bangladesh and visit Sri Lanka, and we would have those diplomats double-parked down there.

Now, if we were really thinking, we would think of an innovative way to amend the treaties in a way that would permit New York to collect on parking tickets. This is not just an embassy; this is 110 countries with their staffs and their auxiliaries, and their vehicles, and New York is very much put upon. They ought to make an exception and at least let them collect on parking tickets, and this would self-liquidate.

Mr. KINDNESS. Mr. Chairman, I thank the gentleman from Illinois (Mr. HYDE) for his valuable contribution.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. KINDNESS. I yield to the gentleman from Georgia.

Mr. LEVITAS. First of all, Mr. Chairman, I would like to comment, if I may, on the suggestion of the gentleman from Illinois (Mr. HYDE) about spreading the benefit of the U.N. around the world. I think it is an excellent suggestion. I think not only would the United Nations benefit from that experience, but I think some of the nations and capital cities in which that experience would unfold would also have a much better insight as to how that organization operates. I think it is a good suggestion.

On the point that the gentleman from Ohio (Mr. KINDNESS) raised, I really feel that he has raised a sincere and genuine point about his concern.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. KINDNESS) has again expired.

(On request of Mr. LEVITAS, and by unanimous consent, Mr. KINDNESS was allowed to proceed for 2 additional minutes.)

Mr. LEVITAS. Mr. Chairman, if the gentleman will yield further, it is our understanding—and I believe all of us on the committee are of this view—that these actual amounts were incorporated in claims and applications for payment that had been submitted over a period of years, and the committee report language to which the gentleman referred, instead of saying they were submitted on that date, should have said they were in fact pending on that date rather than having been just lumped together and put in at one time.

Mr. KINDNESS. I would prefer that the report say that, but it does not.

Mr. LEVITAS. Yes. And it is for that reason that I think several of us have pointed out that this is not a question of what ought to be done as far as a policy, but it is whether or not Uncle Sam is going to pay its debts which it has already acknowledged it would be obligated to pay for extraordinary protective services for missions for the United Nations and for missions to the United Nations.

Mr. KINDNESS. Mr. Chairman, I thank the gentleman from Georgia (Mr. LEVITAS) particularly for his explanation that the Committee report should have read on page 4, "Submitted claims pending on January 15, 1982 amounted to $13 million," rather than saying as it does, "Pending claims, submitted of January 15, 1982 * * *".

I found this one of the more interesting committee reports that I have read for some time, and I appreciate the help that it has provided in consideration of this legislation.

Mr. LEVITAS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time to deal with another matter which is not covered specifically in this legislation but which I think is extremely important, and I hope that the State Department will follow through on this at the earliest possible date.

The U.S. Mission to the U.N. has responsibility at this time as the host country to the U.N. Missions of other countries. In that capacity our Ambassador and our Mission to the U.N. are really middlemen dealing with security matters and protection of missions, and that really should not be their responsibility. It is the telephones at the U.S. Mission that ring constantly off the hook when U.N. accredited diplomats are looking for assistance.

That should not be the responsibility of our Ambassador to the United Nations who has diplomatic responsibilities. It ought to be the responsibility of the State Department itself so that our Ambassador is not placed into the dual position of having to represent U.S. interests at the United Nations and at the same time deal with the problems and the complaints of the other persons accredited to the United Nations.

Therefore, based on testimony which our subcommittee received during consideration of this legislation, it seemed to most of us on the subcommittee, if not all of us, that the State Department ought to take another look at how this administrative responsibility is being shared. Perhaps the State Department itself, through its administrative offices, should take over this responsibility. We should let our Ambassador to the United Nations deal with the diplomatic problems at the United Nations and not try to serve as a provider of security protection and answering complaints which other missions might have due to their presence in New York as accredited to the United Nations.

The CHAIRMAN. If there are no further amendments, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. WRIGHT), having assumed the chair, Mr. WEISS, Chairman of the Committee on the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6254) to amend title 3, United States Code, to clarify the function of the U.S. Secret Service Uniformed Division with respect to certain foreign diplomatic missions in the United States, and for other pur-

poses, pursuant to House Resolution 490, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

□ 1415

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

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

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

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 218, nays 177, not voting 37, as follows:

[Roll No. 145]

YEAS—218

Addabbo	Dicks	Green
Akaka	Dingell	Guarini
Albosta	Dixon	Hagedorn
Alexander	Donnelly	Hall (OH)
Annunzio	Dorgan	Harkin
Aspin	Dornan	Heckler
Atkinson	Dougherty	Hefner
Bailey (PA)	Downey	Heftel
Barnes	Dunn	Hightower
Bedell	Dwyer	Holland
Beilenson	Dymally	Hollenbeck
Bennett	Early	Horton
Bevill	Eckart	Howard
Biaggi	Edgar	Hoyer
Bingham	Edwards (AL)	Huckaby
Boggs	Edwards (CA)	Hughes
Boland	Erdahl	Hunter
Bonior	Ertel	Hyde
Bonker	Evans (DE)	Jeffords
Bowen	Fary	Jones (NC)
Brinkley	Fascell	Kastenmeier
Brodhead	Fazio	Kemp
Brooks	Ferraro	Kennelly
Burton, Phillip	Fiedler	Kildee
Carman	Fish	Kogovsek
Carney	Flippo	Kramer
Chisholm	Florio	LaFalce
Clausen	Foglietta	Leach
Clinger	Foley	LeBoutillier
Coleman	Ford (MI)	Lehman
Collins (IL)	Ford (TN)	Leland
Conable	Forsythe	Lent
Conyers	Fountain	Levitas
Coyne, William	Fowler	Lewis
Crockett	Frank	Livingston
Daschle	Frost	Long (LA)
de la Garza	Garcia	Long (MD)
Deckard	Gejdenson	Lowry (WA)
Dellums	Gibbons	Luken
DeNardis	Gilman	Lundine
Derrick	Gore	Markey
Dickinson	Gray	Martin (NY)
Matsui	Perkins	Solarz
Mazzoli	Peyser	Solomon
McCloskey	Porter	St Germain
McDade	Price	Stangeland
McGrath	Pritchard	Stanton
McHugh	Rahall	Stark
McKinney	Railsback	Stokes
Mica	Rangel	Stratton
Mikulski	Ratchford	Studds
Miller (CA)	Reuss	Swift
Mineta	Rhodes	Synar
Minish	Rinaldo	Thomas
Mitchell (MD)	Rodino	Traxler
Mitchell (NY)	Roe	Udall
Moakley	Rose	Vento
Molinari	Rosenthal	Walgren
Mollohan	Rostenkowski	Washington
Murtha	Roukema	Waxman
Napier	Roybal	Weiss
Natcher	Sabo	White
Neal	Sawyer	Whitley
Nichols	Schneider	Williams (OH)
Nowak	Schumer	Wirth
O'Brien	Seiberling	Wolpe
Oakar	Shamansky	Wortley
Oberstar	Shannon	Wright
Ottinger	Shaw	Yates
Panetta	Shuster	Yatron
Patterson	Smith (NJ)	Young (MO)
Pease	Smith (PA)	Zeferetti
Pepper	Snowe	

NAYS—177

Anderson	Gonzalez	Obey
Anthony	Goodling	Oxley
Applegate	Gradison	Parris
Archer	Gramm	Pashayan
Badham	Gregg	Patman
Bafalis	Grisham	Paul
Barnard	Gunderson	Petri
Beard	Hall, Ralph	Pickle
Benedict	Hall, Sam	Quillen
Benjamin	Hamilton	Regula
Bereuter	Hammerschmidt	Ritter
Bethune	Hance	Roberts (KS)
Bliley	Hansen (ID)	Roberts (SD)
Boner	Hansen (UT)	Robinson
Bouquard	Hartnett	Roemer
Breaux	Hendon	Rogers
Brown (CO)	Hiler	Roth
Broyhill	Hillis	Rousselot
Burgener	Hopkins	Rudd
Butler	Hubbard	Russo
Byron	Hutto	Schroeder
Campbell	Ireland	Schulze
Chappell	Jacobs	Sensenbrenner
Chappie	Jeffries	Sharp
Cheney	Jenkins	Shelby
Coats	Johnston	Shumway
Coelho	Jones (OK)	Siljander
Collins (TX)	Kazen	Skeen
Corcoran	Kindness	Skelton
Coughlin	Lagomarsino	Smith (IA)
Courter	Latta	Smith (NE)
Craig	Leath	Smith (OR)
Crane, Daniel	Lee	Snyder
Crane, Philip	Loeffler	Spence
Daniel, Dan	Lott	Staton
Daniel, R. W.	Lowery (CA)	Stenholm
Dannemeyer	Lujan	Stump
Daub	Lungren	Tauke
Davis	Madigan	Tauzin
Derwinski	Marlenee	Taylor
Dreier	Marriott	Trible
Duncan	Martin (IL)	Vander Jagt
Dyson	Martin (NC)	Volkmer
Edwards (OK)	McClory	Walker
Emerson	McCollum	Wampler
Emery	McCurdy	Watkins
English	McDonald	Weaver
Erlenborn	McEwen	Weber (MN)
Evans (GA)	Michel	Weber (OH)
Evans (IA)	Miller (OH)	Whitehurst
Fenwick	Montgomery	Whittaker
Fields	Moore	Whitten
Findley	Moorhead	Williams (MT)
Frenzel	Morrison	Winn
Fuqua	Mottl	Wolf
Gaydos	Murphy	Wyden
Gephardt	Myers	Wylie
Gingrich	Nelligan	Young (AK)
Glickman	Nelson	Young (FL)

NOT VOTING—37

Andrews	AuCoin	Bailey (MO)
Blanchard	Fithian	Moffett
Bolling	Ginn	Pursell
Broomfield	Goldwater	Richmond
Brown (CA)	Hatcher	Santini
Brown (OH)	Hawkins	Savage
Burton, John	Hertel	Scheuer
Clay	Holt	Simon
Conte	Jones (TN)	Smith (AL)
Coyne, James	Lantos	Wilson
D'Amours	Marks	Zablocki
Dowdy	Mattox	
Evans (IN)	Mavroules	

□ 1430

Messrs. CORCORAN, HANCE, LOTT, MARRIOTT, and SMITH of Iowa changed their votes from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FARY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore (Mr. RATCHFORD). Is there objection to the request of the gentleman from Illinois?

There was no objection.

RE-REFERRAL OF EXECUTIVE COMMUNICATION NO. 3985, FINAL REGULATIONS FOR COLLEGE HOUSING PROGRAM

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that Executive Communications No. 3985, final regulations for the college housing program, which was referred to the Committee on Education and Labor, May 21, 1982, be referred to the Committee on Banking, Finance and Urban Affairs.

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

There was no objection.

A BILLION FOR THE UNITED NATIONS

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

Mr. SOLOMON. Mr. Speaker, today we will be asked to authorize Federal money to reimburse New York City for the police protection it provides the United Nations.

Now I am all in favor of protecting foreign dignitaries when they visit the United States and I support the concept of nations meeting to settle their differences peacefully. But we must wonder if we are getting our money's worth out of the United Nations. We pay over $1 billion a year to the

United Nations, not including police protection, and for our money we receive continuous anti-American rhetoric from the Communist countries and their client states.

The United Nations also provides a convenient cover for foreign agents who steal our country's secrets under the protection of diplomatic immunity.

Congress should scrutinize every cent it authorizes, especially now with the Federal budget deficit soaring out of sight. The United Nations budget should be treated like every other appropriation.

I would like to call attention to an editorial that ran yesterday in the Alabany Times Union. It makes some very perceptive points about the state of affairs at the United Nations and I commend it to your reading.

A BILLION FOR THE U.N.

"Our influence at the United Nations is trivial, despite the fact that we contribute $1 billion a year."

That was the United States ambassador to the U.N. talking. Jeane Kirkpatrick's mention of the relationship between money and influence should remind Americans and their congressional leaders that we ought to keep the world body alive.

From its inception in 1945 until 1973 the American share of U.N. costs was 31.5 percent. Congress then decided this proportion was askew, which it surely was, and cut back to 25 percent. Throughout this period the Soviet Union and two of its republics had three votes in the General Assembly to one for the United States. The three Soviet members kick in 13 percent of U.N. funds, a hair more than half the American contribution.

Lack of influence in relation to dollars is not the only thing we should think about. Where those dollars go is something we should examine carefully. For instance, nearly 30 United Nations officials get salaries of more than $100,000 a year. And that fleet of limousines on the East River is not the cheapest mode of travel.

America's $1 billion supports dozens of global organizations. Many must be worthy, but before Congress grants a State Department request for a 12 percent increase in this area, it ought to take a close look at those agencies, including an animal-disease program called the International Office for Epizootics.

Then there is the United Nations Educational, Scientific and Cultural Organization. It has been promoting a "New World Information Order," or a program of news management, while the United States supports it with an annual contribution of $33.5 million.

A billion may seem like a paltry sum in a land where the national budget is heading toward the trillion mark. But as the American taxpayer knows, every billion counts when April 15 rolls around. A cost-conscious Congress should review its U.N. commitment, and make sure it knows where every dollar goes.

INVESTMENT TAX CREDITS

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

Mr. DENARDIS. Mr. Speaker, I think we could all use some good news about the effects of the economic program we passed last year. At that time, as we debated the Economic Recovery Tax Act of 1981, we Congressmen who represent districts containing older cities argued strongly for the preservation and expansion of investment tax credit for the rehabilitation of commercial and industrial buildings, as set forth in the Revenue Act of 1978. For nearly three decades, Federal law had favored the construction of new buildings over the rehabilitation of older ones. This bias, combined with the availability elsewhere of better transportation and communication systems, lower property taxes, more plentiful land, and other attractions, provided strong incentive for firms to leave the cities, taking jobs and revenue with them. The economic lifeblood of our cities was steadily draining.

The members of the Northeast-Midwest Coalition asserted that the investment tax credit would motivate businesses to renovate rather than relocate. We argued that this incentive, together with the targeted tax credit, urban development action grants, industrial revenue bonds, and local improvements and incentives, would reverse the flow of investment out of our cities. Thankfully, this view prevailed in the 1981 Tax Act, which not only preserved but expanded the tax credit. Now, instead of a flat 10 percent credit, developers can receive from 15 percent to 25 percent credit, depending on the building's age and status as a historical site.

Mr. Speaker, I am delighted to report that this measure has indeed produced the benefits we predicted. I have personally witnessed these benefits in my own district, in the city of New Haven. As a direct result of the new tax credit, renovation activity there has increased markedly. Drawn by a 25-percent tax credit for historic buildings, a group of developers is restoring a 125-year-old structure known as the Palladium Building. Other developers are taking advantage of the same 25 percent credit to renovate the old Yale Brewery and the Schubert Theater, once the main launching ground for Broadway shows. Still other investment activity will result in the conversion of the former Seamco plant and the rehabilitation of several 19th century mansions of inestimable architectural and historical value.

Because New Haven is a city unusually rich in historic structures, I am confident that as more developers become aware of the benefits of this new tax credit, more and more restoration will occur. Businesses that fled will return to the city. New businesses will begin there. There will be more jobs, not just because of the expanded number of businesses but because renovation work generally yields 33 percent more construction jobs than does demolition and new construction. And more jobs mean more people with money to spend in shops, restaurants, theaters. In short, the new investment tax credits for building rehabilitation is playing an important role in New Haven's return to vitality and prosperity. Nor is my district the exception. Thanks in large part to the new tax credit, the expression "aging city" will soon no longer apply to many long-established urban areas of the Northeast and Midwest. They will instead be called rejuvenating cities.

MASSIVE STEEL SUBSIDIES CALL FOR LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. GAYDOS) is recognized for 30 minutes.

Mr. GAYDOS. Mr. Speaker, last week was a historic time for the steel industry of the United States, and because of events here, developments in the world steel crisis have a touch of irony.

In Europe, Common Market Ministers moved to prevent what they call cutthroat competition—price cutting and dumping—among their steelmakers by extending for a year an internal quota system.

And in the United States, these same protected European steelmakers were formally found to be engaged in cutthroat competition against U.S. workers and companies.

Last year, while they were cooperating in Europe, the British sold steel here for an average $366 a ton that probably would have been $513 a ton absent a 40.36-percent subsidy from the Government.

Add an estimated $80 for transportation as one steel analyst does, and the cost in the United States should have been about $593.

The average price of U.S. manufacturers is $535 a ton, according to recent estimates.

The difference on steel plate is $58 a ton in favor of more efficient U.S. steelworkers.

Last year the French sold steel here for $300 a ton that probably would have been $400 a ton absent a 30-percent subsidy from the Government of France.

Add transportation, the price should have been $480.

The price of U.S. manufacturers is $458 a ton.

The difference is $22 a ton in favor of profitmaking U.S. steelmakers on hot-rolled sheet.

Last year, Belgium sold steel here for $360 a ton that probably would have been $438 a ton absent that government's 21.7 percent subsidy.

Consider transportation again, and the price should have been about $518.

The estimated U.S. maker's price was $505.

The difference is $13 a ton in favor of U.S. steelworkers, who get no Government help, on structural shapes.

Subsidy demands neither efficiency nor profit.

This is the kind of thing steelworkers face as they fight with foreign governments to keep their jobs as imports—much subsidized—approach 23 percent of the market.

And this is what U.S. companies must overcome if they are to do more than break even—if they are to show profit and modernize to survive and become even more competitive with the 20-percent, 30-percent, and 40-percent subsidizers.

This is what the protected Europeans call free trade.

Trade war is a more accurate name, and freebooting describes their approach better than the term "free trading."

While the Europeans were tidying up their quota arrangement last week, the U.S. Department of Commerce made formal findings of subsidy against seven European countries and two other nations in countervailing duty cases. This is the first testing of U.S. trade law meant to offset unfair advantage.

These findings should have great meaning to anyone interested in the future of industrial America, which is the future of America.

The findings show:

That some of our chief European allies and trading partners have willfully and flagrantly violated the letter and the spirit of the trade laws designed to enforce their international trade agreements;

That these same partners have twisted the trade principle of comparative advantage into the idea of advantage any way they can get it, and will continue to do so; and

That they have selfishly distorted into trade war the concept of free trade that the United States has attempted to advance unselfishly since the end of World War II.

Duties equal to the subsidies are being levied, but the action has only stalled the frontal assault by the heirs of Clausewitz, who wrote, "On War," and who was the first to recognize the similarities between trade and war.

But the cases show the Europeans acknowledge the connection and are practicing what the general preached.

As for counterattack. These are clever people and steel is a versatile material. It will be no difficult trick to switch from import product lines that are subject to countervailing duty to those that have not been called into question.

Or importers may switch to suppliers who are not involved in the cases. And they can bluster and threaten retaliation, as they have done and will continue to do.

So it is necessary to look in closer focus at what has been done and to propose an answer, an effective countermeasure.

Mr. Speaker, my opening remarks on sales prices were conditioned by words like "probably" and "apparent" and "should." This is because I was dealing with averages drawn from last Friday's summary of findings from the Commerce Department, which are not thorough enough to take 1 ton of steel from one plant and follow it through the trade routes.

The European price was determined by dividing the net tons of a specific product imported from the named country into the dollars involved. The amount of subsidy was fixed by applying the highest rate of subsidy given in the named country. And the estimated U.S. sales price was calculated by adding the two.

This method is not altogether satisfactory, but I think it gives us figures in the ball park until the analysts finish their work.

By the way, using this rough method of estimate, one item from Britain sold for $644 a ton. It is made by a wholly owned subsidiary of the 40 percent subsidized British Steel Corp. Applying the subsidy rate, the break-even price, plus transportation, would have been about $984 a ton.

Subsidies of from $50 to $300 a ton were found for steel mill products that sold from $400 to $500 a ton, the Wall Street Journal said.

We also can apply rough calculations from the summaries and generally accepted rules of thumb to understand what effect the most flagrant subsidizers have had on the United States.

One necessary rule of thumb is that 1 million tons of imported steel equals the export of 5,000 American steelmaking jobs.

So, in Belgium, four companies received subsidies ranging from 1.99 to 21.7 percent.

About 812,000 tons of subsidized Belgian steel was imported. The equivalent of 4,059 jobs.

France subsidizes one company at 30.029 percent and another at 20.097 percent.

About 1,289,000 tons of French steel claimed 6,445 U.S. jobs.

One Italian firm, subsidized at 18.3 percent, eliminated 3,840 U.S. jobs with 768,000 tons of steel.

South Africa subsidizes one producer at 9.9 percent and another at 16.3 percent.

These two South African companies sent 284,000 tons and received 1,420 American jobs.

In Britain, three firms are listed as receiving subsidies of from 2.445 percent up to 40.362 percent.

Their 319,000 tons represented 1,545 jobs in the United States.

Altogether, the most flagrant subsidizers took away 17,309 jobs.

Meanwhile, the U.S. industry is operating at 42.5 percent of capacity because of the recession and imports, and 106,000 are out of work and another 28,500 are on short weeks.

By the way, 17,000 is 16 percent of 106,000 if anybody has been wondering what effect imports from these 5 countries might have had on unemployment in the industry.

In addition, there were other findings, as follows:

Brazil subsidizes all producers at 8.58 percent;

West Germany subsidizes eight companies at rates ranging from the almost unnoticeable 0.178 percent up to a significant 8.623 percent; and

Luxembourg weighs in at 1.766 percent and the Netherlands at 0.651 percent.

In almost all cases—all countries—the imports called into question under international trade agreements and trade law sold for $100 to $200 less a ton than the average of all steel mill product imports for these countries.

Some experts say this could indicate this 3.8 million tons of subsidized steel—these 19,200 jobs, this 18 percent of unemployment—was targeted.

Protected from the price cutting and dumping of cutthroat competition among themselves, are the Europeans understanding?

Not at all.

The first charge hurled by their chief steel negotiator Etienne Davignon, was, that the action has a "protectionist" flavor.

The second was to threaten retaliation.

And the third was to scold everybody involved:

This is a bad case from a commercial, legal and political point of view.

It has appeared that the American administration has not been able or willing to control its industry.

It is a political and damaging error that the United States has not made the effort to press their industry.

Mr. Davignon really said this, Mr. Speaker.

He said it although the U.S. Government really has no financial reins like subsidies of up to 40 percent to pull in steelmakers when they seek to exercise their guaranteed rights to fair trade—rights promised in international trade agreements that are endorsed by the Europeans and rights upheld by U.S. trade law.

The industry is to be commended for documenting on the record how the Europeans wage trade war, and for refusing to buckle under pressure for a negotiated settlement. And the Department of Commerce is due praise for a thorough and professional investigation.

The task now is to see that the requirements of fair trade and commerce are not sacrificed to Mr. Davignon's bluster or to the demands of di-

plomacy as the remaining legal steps are taken.

If we can follow through, we will come close to adhering to the excellent advice in Washington's Farewell Address when he said:

The great rule of conduct for us in regard to foreign nations is, in extending our commercial relations, to have with them as little polictial connection as possible.

It is folly in one nation to look for disinterested favors from another.

It may place itself in the condition * * * of being reproached with ingratitude for not giving more.

There can be no greater error than to expect or calculate on upon real favors from nation to nation. It is an illusion which experience must cure.

In steel, Mr. Speaker, we gave 20 percent of the market last year. Through the first quarter we had given over 22 percent this year.

That the companies refused to settle may be due to experience in other dumping episodes—those subject to the failed voluntary restraint agreements and those that the too-understanding trigger price mechanism was meant to deal with.

Although these countervailing duty cases will not make well a sick steel industry, they do cure one of the viruses causing up to 18 percent of the illness.

Meanwhile rulings are due later this summer on 18 pending dumping cases.

And still to come is a determination on six subsidy cases involving Spain.

General Clausewitz says that you can reasonably gage how an adversary is likely to act tomorrow by recalling how he acted yesterday and the day before.

In Spain, according to the June 7 Wall Street Journal, they are determined to follow the European way.

I ask the House to pay attention to excerpts from this story as follows:

MADRID.—The Spanish Government gave the green light to the construction of a $140 million steel-pellet plant.

After an oil company report had concluded that the natural gas reserves were insufficient to make the plant profitable. Plans for the project were scrubbed.

Villagers and miners staged hunger strikes.

The Spanish Government now has agreed to subsidize the plant with $32 million in addition to granting an official credit of $30 million.

The state-owned steelworks has been given instructions to buy 800,000 tons of pellets annually at a price similar to that of its Brazilian subsidiary.

Notice that profit does not seem to matter. Notice that avoiding political unrest does matter.

By the way, the same June 7 newspaper carried a short story from Bethlehem, Pa.

Bethlehem Steel had announced the layoff of 330 more workers at its Sparrows Point, Md., shipyard.

Employment at the yard is down to 750 from a normal 2,250. There is no work for the missing 1,500.

The Spanish approach is thoroughly European, and the side-by-side consideration of the developments is thought provoking.

Of course, Spain is entering the Common Market.

And here are excerpts of what the June 9 Wall Street Journal drew from the meeting of Common Market industry ministers:

LUXEMBOURG.—Common Market industry ministers approved a 1-year extension of steel-production quotas to prevent cutthroat competition among European steelmakers.

The quota system was to expire on June 30.

It will be broadened to include wire rods, previously uncovered.

One Common Market official said the system will cover about 80 percent of the community's overall steel production—which totaled 126 million tons last year—up from 70 percent previously.

"The steel market needs the quota system," said Belgium industry minister Mark Eyskens, "The business outlook is not very encouraging."

Remember, Mr. Speaker, despite what Mr. Davignon says, the Europeans understand quotas and even profess some affection for them.

They have an oversupply and they have quotas and the Spanish are expanding.

The oversupply, or part of it, is being piped here through the subsidies so Belgian steelworkers will not riot and Spanish miners will not go on hunger strikes.

And 106,000 Americans are out of work and another 28,500 are on short weeks.

There can be no greater error than to expect or calculate on real favors from nation to nation, from ally to ally, from trading partner to trading partner.

The Europeans are in trouble because of subsidy and the loss of comparative advantage and an oversupply of steel in the world.

There is a world oversupply because every developing nation wants a steel industry to prove its new status.

In support of the proposition, I ask the House to consider excerpts from a June 9 report in the Journal on a new $2.5 billion steel plant in Pakistan:

Pakistan is building a $2.5 million steel plant in the desert despite unfavorable economic odds.

The plant will depend almost entirely on imports of iron ore and coal, and on power and water that already are in short supply.

When Pakistan steel begins production, it will have among the highest production costs anywhere and will have to contend with the worldwide steel glut.

The poet and financier who is chairman of Pakistan Steel acknowledges that there are problems.

But, he argues, a developing country that wants to industrialize—if only to make plows and hoes—has to begin with steel.

"Costs are high.

Until steelmaking begins, Pakistan is selling its pig iron to India at the prevailing world price of $150 a ton, but production costs are double that amount.

The plant initially will produce 1.1 million tons for steel a year, Mr. Speaker, and can be expanded to make 2 million tons.

This is not a lot, but I will bet any Member right now that they will be selling here before long at substantially below a fair price.

Meanwhile, the unsubsidized U.S. industry has been operating at about 42.5 percent of capacity.

This is the way things are in the world steel community, Mr. Speaker.

The United States, because of its responsibilities in the world, needs a steel industry; that is admitted.

American workers can produce steel here that will sell at lower costs than imported steel if that foreign steel is not subsidized or dumped.

So the Congress has two choices if we are to maintain a steel industry.

□ 1500

First, we can subsidize at rates up to 40 percent, like our quota-protected European partners, and that is one of the possibilities; but according to our theories of business and fair trade, international trade and international responsibilities, this is unacceptable politically to this country, and I presume to this Congress.

The difficulties of the Europeans in rationalizing their 126 million tons a year of production tends to prove that this just would not work. That leaves the establishment of quotas along the lines of the 10 percent—or tithe quota—as I mentioned last week in our special orders, the quota bill introduced recently by the leadership of the Steel Caucus and others.

I want to conclude the special remarks by repeating certain items for the record and to remind my colleagues of what we are doing as a Steel Caucus.

First, I would like to say that the Steel Caucus is going to take these special orders regularly and have various Members participating directly on the floor or indirectly by submission of their remarks.

The purpose of this is to again, emphatically, draw the attention of our colleagues and the public in general, and the international community, to the fact that the Steel Caucus is not going to stand by, is not going to let the Europeans speak out and threaten international trade war and retaliation and unfair international trade practices; we are just not going to do it. We are going to speak up for this country and do it as repeatedly as we have to and as the facts warrant.

The time has come that we cannot be the ever agreeable international trading partner who never protests no matter how badly used. The time has come when we are going to have to call the Europeans, and the Japanese too, exactly what they are and to

point out to the whole world those countries that are not adhering to the international trade law; those who practice their little tricks and their devious ways; who come to this country, sit down with our representatives, ostensibly in a fair manner, and say, "We want to trade with you. We want to discuss ways of limiting our imports into your country. We do appreciate what you did for us 20 and 30 years ago and the billions of dollars that you threw at us and of your vital concern internationally when you had humanity in your hearts and you took care of us." All these things they say while they are sitting down and talking to our internationalists, and all the time they are at home conniving. At home they are talking differently in their international ministries. In Japan it is MITI that controls their internal industrial production. They twist things and they hide things. They talk about giving an opening into their domestic markets to us and they hand us a list over a hundred barriers for discussion and action but they are virtual tokens.

I have no hesitation under the circumstances, no hesitation to call attention in this RECORD formally before anybody within the hearing of my voice, that it may well be an economic Pearl Harbor once again.

I have maintained repeatedly that we are fighting a war on two fronts; on one front the European war, just like we did in World War II when I served my country, and we are fighting another trade war out in the Pacific. Anybody that sees if any differently is looking at the whole problem through rose-colored glasses. They are not practical. They do not understand or do not want to understand.

I myself personally believe that the economic might of this Nation has been so completely and thoroughly, fundamentally eroded and eaten away, that no matter how we try to prime those pumps, no matter what they try to do, we are in no position, to make it work. We are not going to get our economic house in order, because we have been attacked at the core and we have been destroyed so completely that I have my serious doubts. I do not want to sound like a pessimist, but I have my serious personal doubts whether we can rise up once again, meet the challenge and solve this problem.

A country that in a short 200 years has given the whole world the highest standard of living ever attained by any organized community or country, any political division, today finds itself struggling, just struggling to keep afloat.

I say that is almost self-destruction, almost shows a will to self-destruction; suicidal, for want of a better term.

We are going to take another special order soon. If you think those remarks are direct, wait until you hear us next time.

At this time, it is my personal privilege to yield to a very active member of the executive committee, the gentleman from Pennsylvania (Mr. BAILEY).

Mr. BAILEY of Pennsylvania. Mr. Speaker, I thank the gentleman for yielding.

I would like to add very briefly, if I might, to the remarks the gentleman has made.

I wonder if perhaps the United States has finally come to realize that the world order has changed on us.

I would like to compliment this President for any credit that needs to be given, for he has at least recognized that the words free enterprise must begin to acquire some type of uniform international meaning.

State capitalism is really the new force that threatens stability in the economic international order. Free enterprise as it does here; particularly if the U.S. domestic market is going to be the market in which these new State capitalists are going to operate.

□ 1510

Economic security and military security for the free world go hand in hand. If indeed we do not recognize the necessity of combining the two, we are not going to succeed.

We cannot have investment policies that are different in the United States, different in Europe, and different in Japan. We cannot have a finance policy which differs markedly in the United States and in Europe and in Japan because someone at some point is going to be taken advantage of. We are the ones who are being taken advantage of now.

The relationship of the role and function of companies, capital, labor, and government have got to reach some sort of modicum, some sort of basic meaning all around the world if free enterprise is to survive.

I would like to compliment the gentleman from Pennsylvania (Mr. GAYDOS) for the work that he has done with the Steel Caucus. Steel provides an excellent example of what the real problem is when you are doing business worldwide. A subsidy is something that we all know is not sanctioned by the GATT.

The President, in his remarks in Britain, I think, was to the point politically and I hope will continue to work at the point economically; we need a world economic order where doing business means, in terms of investment policy, financial policy and marketing, the same thing around the world or there will not be stability in international markets.

I would again like to compliment the gentleman from Pennsylvania (Mr. GAYDOS) for the fantastic job that he has done, and I simply state that I look forward very much to working with him on these issues.

Mr. GAYDOS. I want to thank my colleague from Pennsylvania.

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

Mr. GAYDOS. I yield to the gentleman from Ohio (Mr. REGULA) my colleague and a member of the executive committee.

Mr. REGULA. I thank my chairman for yielding.

In view of the limited time, I will try to abbreviate my remarks and then insert them in the RECORD.

I would say to my colleague from Pennsylvania that I think there is some reason for optimism in the environment in which we live. I believe that the can-do spirit of America can and will respond to the challenge.

However, it is imperative that our industries compete in an environment of fairness. I think what we have sought in the Steel Caucus, what the gentleman from Pennsylvania seeks, and what we would hope we can develop in our legislative program, is a situation where our industries do compete on the same playing field and under the same rules as their foreign competitors.

Along with that, I think it is vital that this body recognize that we must provide the kinds of conditions in tax policy, in environmental policy, Federal policies of all types, that will allow our industries to have a free competitive hand. We cannot expect them to compete with one arm tied behind their backs.

I think in the weeks and months ahead we need to recognize the importance of achieving that objective. Right now we are working on a budget. We hope that we can pass in this body a budget that will reduce the demands on the capital markets, that will free up capital to allow modernization of our steel and other industries, and improve their competitive opportunity. But along with that, we need to have fair trade with out allies.

Along this line I am very pleased that last week the Commerce Department recognized this problem, in their preliminary ruling on the pending steel subsidy cases and as a result of this action by the Commerce Department there will be penalties levied on incoming products to equalize the competitive disadvantage that our steel industries have suffered in the past.

The Commerce Department found that steel imported from seven European countries, Brazil and South Africa had benefited from Government subsidies. These determinations were the result of 6 months of investigations and analyses on the part of the Department. While these findings are only preliminary, they will provide important and immediate relief for domestic steel producers by requiring the importers of covered products to post

cash deposits or bonds for the amount of the estimated subsidy.

I could mention a number of other things, but I would only conclude by saying I support Secretary Baldrige's efforts to encourage the steel industries of the European Community to continue their efforts to restructure and end state aid for steel producers and agree that only by eliminating the excess uneconomic capacity and Government subsidization, can world steel trade be brought to a normal commercial basis.

In this Nation we have a priceless asset in our own American market. No other nation in the world affords such an attractive marketplace for imports as does the United States. The decisions handed down by Commerce will make it clear to our trading partners and the American people that we will not idly fritter away this asset.

We are sending a strong message that if others want to have access to our markets, it has to be done on a fair basis. These decisions should not be construed as the end of dedication to free trade in the United States, but the beginnings of a new era of fair trade. To unilaterally practice free trade unfairly hurts our economy and our workers.

We also have a number of reciprocity bills in the House and Senate which I would hope we would get a chance to vote on, that would further strengthen our position by giving the President the tools to insure that we have the kind of access to other nations' markets, that the chairman was talking about in his remarks, that we provide our foreign trading partners to ours.

It is my hope that we can continue to pressure, through the Steel Caucus, the committees to get a legislative environment that will enable our steel industry to flourish, that will meet the challenges of competition on a fair basis with other producers, and that will maintain the capacity for steel production that is absolutely essential to the national security of our Nation.

Mr. GAYDOS. I want to thank my colleague on the executive committee.

● Mr. MURTHA. Mr. Speaker, I am pleased to join my colleagues from the Steel Caucus in support of the Fair Trade in Steel Act of 1982.

In 1977, the Steel Caucus worked to bring about the trigger price mechanism as an enforcement tool of our recently negotiated trade laws. Soon foreign producers found ways of getting around the trigger, and again the Steel Caucus set to work, this time with the surge mechanism. In no time, foreign steel producers found ways to circumvent this process. The recent steel trade cases filed with the Commerce Department resulted. I am pleased with Secretary Baldrige's finding that illegally subsidized imports from these producers have injured the domestic industry.

In the meantime, the steel industry has declined to a critical point for such a basic industry. Its health is vital to our economy and defense and yet it stands at 42.5 percent of its capacity.

As our Government is cautiously negotiating with foreign steel producers, 35 percent of our steelworkers are unemployed. Our European trading partners are using government subsidies and bending trading practices to cause a trade war in which American steelworkers' jobs are at the mercy of foreign governments. These countries have erected trade barriers around their markets so imports cannot disrupt their economy and they provide aid that makes dumping in the U.S. market possible. We in the Steel Caucus do not want to see the U.S. steel industry negotiated out of existence. We made laws that were intended to prevent the current situation. With the Fair Trade in Steel Act, we are signaling our intent to make laws that will restore order to the U.S. steel market.

Quota on carbon and specialty steel imports are necessary to achieve this. Our bill is restrictive enough to prevent circumvention, and yet allows importers to compete for their fair share by opening one-tenth of the market to imports. Over the years we have learned that the only workable remedy was the quota, which was very successful in rebuilding the specialty steel industry and in holding prices below inflation. All the negotiated solutions failed.

We are saddened to note that our European trading partners have not shown good faith in previous agreements. Our only hope now in stabilizing the domestic steel industry is by securing relief from dumping through quotas.●

TRIBUTE TO GEN. DAVID C. JONES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi (Mr. MONTGOMERY) is recognized for 15 minutes.

Mr. MONTGOMERY. Mr. Speaker, Gen. David C. Jones is retiring this month as Chairman of the Joint Chiefs of Staff. I know my colleagues in the House join with me in extending our appreciation and gratitude for his dedicated service to this country in a very important and vital position. He is our No. 1 soldier.

As head of the Joint Chiefs of Staff, General Jones' duties included serving as the senior military adviser to the President, National Security Council and Secretary of Defense.

In addition, he was also responsible for executing the decisions of the national command authorities. This included the worldwide readiness and employment of combat forces of the U.S. Army, Navy, Air Force and Marines.

For the past 4 years, General Jones has served in this job with distinction. But I would have expected no less from this man. He brought a long and varied military career into the position when he took over in June 1978. And before becoming Chairman of the Joint Chiefs he served as Chief of Staff of the Air Force and did an outstanding job in this position.

A command pilot, General Jones accumulated more than 300 hours in missions over North Korea during the Korean war and in 1969 he served in Vietnam as Deputy Commander for Operations and then as Vice Commander of the 7th Air Force.

His experience in dealing with the leaders of many nations was also an asset. The General's knowledge of the structure of the North Atlantic Treaty Organization enabled him to make the necessary decisions regarding our relations with the other nations in that alliance.

His service covered a wide area of responsibility and eventually he assumed duties as Commander in Chief of the U.S. Air Forces in Europe.

In addition to his expertise in European affairs, General Jones was also deeply involved with operations in the Middle East and Southeast Asia. This wide-ranging experience gave him a good perspective in making the day-to-day decisions crucial to the safety and well being of our country in his position as head of the Joint Chiefs.

As General Jones retires he has offered recommendations to change some of the procedures in the Chairman's relations and authority in dealing with the different Chiefs of the different services. His suggestions are being considered by the House Armed Services Committee.

I offer my congratulations on a job well done to Gen. David C. Jones and extend best wishes on his future endeavors. He has served his country well and we shall miss his knowledge and leadership capabilities.

I ask unanimous consent to include at this point in the RECORD a complete biography of General Jones in order that all my colleagues will be fully informed on the distinguished career of General Jones.

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

There was no objection.

The biography follows:

GEN. DAVID C. JONES

General David C. Jones was appointed Chairman of the Joint Chiefs of Staff, Department of Defense, in June 21, 1978. He was reappointed to a second two-year term in 1980. In this capacity, he serves as the senior military adviser to the President, the National Security Council, and the Secretary of Defense. Through the commanders of the unified and specified commands, he is

also responsible for executing the decisions of the National Command Authorities regarding worldwide readiness and employment of combat forces of the United States Army, Navy, Air Force, and Marine Corps. Prior to his current appointment, General Jones served four years as Chief of Staff of the United States Air Force.

Drawing from a widely varied career, General Jones brings to his position a wealth of experience and knowledge of national security affairs, the diverse U.S. Defense Establishment, and our defensive alliances with other nations. His domestic and overseas assignments have included operational, staff, and command positions in strategic, tactical, training, and Allied organizations. He is a command pilot.

In combat, General Jones was assigned to a bombardment squadron during the Korean War and accumulated more than 300 hours on missions over North Korea. In 1969, he served in the Republic of Vietnam as Deputy Commander for Operations and then as Vice Commander of the Seventh Air Force.

General Jones has had extensive experience in dealing with the leaders of many nations. His intimacy with the North Atlantic Treaty Organization (NATO) alliance and its complex multinational defense structure is based on a range of assignments which cover the spectrum of planning and operational responsibilities, culminating with duties as Commander in Chief of the United States Air Forces in Europe (USAFE). Concurrently, he was Commander of the Fourth Allied Tactical Air Forces. General Jones also has been deeply involved in working mutual security problems with nations of the Middle East and Southwest Asia.

In addition to his military duties, General Jones actively serves a number of civilian public-service organizations. In 1981, President Reagan appointed him to a three-year term on the Board of Governors, American Red Cross. A member of the Board of Directors for Youth Service, U.S.A., Inc., a national youth agency, General Jones has long supported this organization's development activities aimed at making meaningful opportunities available for all young people. He is also a member of the Council on Foreign relations; the Washington Policy Council of the International Management and Development Institute (IMDI); and the Center for the Study of the Presidency; and is Co-Chairman, Awards Committee, American Academy of Achievement. General Jones has been awarded numerous decorations from foreign governments honoring his accomplishments in international security affairs. Among the numerous civilian awards honoring his public service are the Tuskegee Airmen Gold Medallion and the designation as Educator of the Seventies by the Education Magazine.

General Jones was born in Aberdeen, South Dakota in July 1921. He graduated from high school in Minot, North Dakota, and attended the University of North Dakota and Minot State College until the outbreak of World War II. He volunteered for the Army Air Corps in early 1942 and received his commission and pilot wings in February 1943. A graduate of the National War College, General Jones was awarded an honorary doctorate of humane letters from the University of Nebraska at Omaha in 1975; an honorary doctorate of laws degree from Louisiana Tech University in 1975; an honorary doctorate of humane letters degree from Minot State College in 1979; and an honorary doctorate of laws degree from Boston University in 1980.

General Jones is an avid jogger and racquetball player. He is married to the former Lois M. Tarbell of Rugby, North Dakota. They have three children.

AWARDS

Decorations and Service Awards:

Defense Distinguished Service Medal with two oak leaf clusters.

Distinguished Service Medal (Air Force) with one oak leaf cluster.

Legion of Merit.

Distinguished Flying Cross.

Bronze Star Medal.

Air Medal with one oak leaf cluster.

Air Force Commendation Medal.

Air Force Outstanding Unit Award.

American Campaign Medal.

Asiatic-Pacific Campaign Medal.

World War II Victory Medal.

Army of Occupation Medal (Japan).

National Defense Service Medal with one bronze service star.

Korean Service Medal with two bronze service stars.

Vietnam Service Medal with three bronze service stars.

Air Force Longevity Service Award Ribbon with eight oak leaf clusters.

Grand Cross of the Royal Order of St. Olav (Norway).

National Order, Republic of Vietnam, 5th Class.

Republic of Vietnam Air Force Distinguished Service Order, 1st Class.

Grand Cross, 2nd Class of the Order of Merit (Federal Republic of Germany).

National Order of Security Merit (Tong-Il) (Republic of Korea).

French Legion of Honor, Grade of Commander.

Venezuelan Air Force Cross, 1st Class.

Venezuelan Legion of Merit Inter-American Aerial Brotherhood Degree of Officer.

Italian Knights of the Grand Cross.

Japanese First Class Order of the Rising Sun.

Wisam Al Ghomhoria First Stage (Decoration of the Republic of Egypt).

Highest Commander of the Order of Honor (Greece).

Yugoslavian Air Force Pilot Wings.

Swedish Knights Grand Cross of the Order of the North Star.

Colombian Antonio Ricaurte Aeronautical Order of Merit.

Republic of Vietnam Cross of Gallantry with palm.

United Nations Service Medal.

Republic of Vietnam Campaign Medal.

Additional Awards:

Gold Medal Educator of the Seventies, Education Magazine, 1976.

The Jimmy Doolittle Fellowship Award, Air Force Association, September 1977.

The Maxwell A. Kriendler Memorial Award, Irongate Chapter (New York) Air Force Association, April 1978.

Golden Plate Award, American Academy of Achievement, June 1979.

Tuskegee Airmen Distinguished Achievement Gold Medallion Award, December 1979.

American Defense Preparedness Association Meritorious Service Award, May 1981.

Gold Medal "For Extraordinary Service" to the Awards Council, American Academy of Achievement, June 1981

H. H. Arnold Award, Air Force Association, September 1981.

Nathan Hale Award, Reserve Officers Association, October 1981.

□ 1520

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

Mr. MONTGOMERY. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Speaker, I thank my very distinguished, most popular and beloved associate from Mississippi for yielding. I want to join him in his remarks that he has just made concerning General Jones.

I happen to represent the 20th Congressional District of Texas, San Antonio, which has been indentified as a bulwark of national defense since its founding. General Jones looms large in what he has done in behalf of the national defense, particularly the Department of the Air Force. It is reflected in some of the basic missions and their successful accomplishments through the years that are located in San Antonio; Kelly Air Force Base, Randolph Air Force Base, Brooks School of Air Space Medicine, all these are great debtors to a patriotic, brave, very wonderful soldier that the person of General Jones symbolizes.

On top of that, as Chairman of the Joint Chiefs of Staff, he has upheld like very few, if any, the dignity and the independence that was visualized by the Congress when it created in the Reorganization Act of 1947 the Department of Defense, and as an adjunct the creation of the Joint Chiefs of Staff. That side which we call the professional military, and with great honor and independence, sometimes it just has not been there, but in the person of General Jones I think the record should show that he served preeminently, patriotically, and quite heroically in this capacity.

Once again, I thank the gentleman from Mississippi for giving us this opportunity to say so on the record.

Mr. MONTGOMERY. I certainly want to thank the gentleman from Texas for his wonderful comments about General Jones. I think certainly General Jones should be given the credit, as others of our commanders, that we are not at war now. A part of the world is in a turmoil, but our Nation is not at war. That certainly speaks highly of our civilian leaders as well as our military leaders. I certainly thank the gentleman.

GENERAL LEAVE

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks regarding the retirement and military career of Gen. David C. Jones.

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

There was no objection.

THE FEDERAL RESERVE BOARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, this is a continuation of what I initiated last year, through the introduction of several pieces of legislation. This included two resolutions of impeachment—one directed toward the Chairman of Federal Reserve Board, Mr. Paul Volcker; the second one including members of the Open Market Committee, which includes the remaining members of the Federal Reserve Board plus the five market members—private bankers, that have since 1923 been the determinors of the economic, financial, fiscal and monetary fate of this country, and have usurped through the years that responsibility which lies with the peoples' Representatives both in the legislative branch of the Government, the first branch—the Congress—as well as with the second branch the Executive—the Presidency.

I have addressed this issue before in very general terms. In the prior remarks in the RECORD I have laid the predicate for the impeachment resolutions. In addition, I have also introduced two bills that have to do with what I consider are long-overdue structural changes in the basic structure—changes needed to carry out the intention of Congress when it approved the 1913 Federal Reserve Board Act. I have pointed out time after time how, even up to now, most Americans, the overwhelming majority, and this is reflected in the reactions I have heard from every single State in the Union since the introduction of these resolutions, and it is reflected in the opinions and the judgments of many of my colleagues on both sides of the Capitol, the dangers in the Federal Reserve Board being an autonomous, a self-operating and sustaining entity which demonstrates accountability to nobody.

The Federal Reserve Board and its Chairmen have acted through the years as if they are powers unto themselves, as if the power of the first words of the Constitution, which is deposited to the people—"We, the people of the United States, in order to form a more perfect * * *" make no difference.

When the preamble of the Constitution was writtten such words were considered radical and they are radical words today. For sovereignty to rest in the people, that was unheard of in 1776 and in 1789, when the Constitution was written and adopted. The whole world was governed by sovereign potentates or kings or oligarchs. The idea that the people would have the power was absolutely the most revolutionary and radical concept yet advanced by anybody, even including the French Revolution which was almost contemporaneous with the American Revolution.

Even today, in the context of today's governments, those are still revolutionary words where the sovereignty rests in the people, but our country and our Government has receded from that course, and we now have this powerful entity known as the Federal Reserve Board which dictates the economic fate—in fact, the existence of any administration—because it does through the Open Market Committee determine what the rates of interest will be, what the Federal bills, the Government Treasury bills or notes, will call for.

Anybody or any group of people that has power is certainly going to determine the fate of any nation, and specifically its government, at any given time. As a matter of fact, when I have uttered these remarks time after time, ad nauseam, I have had some inquiries of people saying, "What is the basis for your statement? We did not know that the Federal Reserve Board was not independent. You mean the Congress has some control?"

They are startled when I announce to them and give them the history of the Federal Reserve Act, which created the Federal Reserve Board, which was done by the Congress.

It is a creature of the Congress.

What has taken over our country? First, the bankers have gotten into it, and now in this present administration we have the oligarchic corporate forces which are the ones who are actually running, determining, forging, and shaping the policies that are governing the destiny of this country, including such issues as war and peace. It pains me to see the heedless disregard of the country, in and out of the Congress, to this ominous development, because we can truly see the main purpose and the main intent and the reason for which the men who founded this Nation shed their blood and donated their wealth, and that is that we the people—not "I the President" or "we the Congress" or "we the bankers," but "we the people"—are the sovereigns. This is the ultimate sovereignty, yet we have the great dictators of the economic and financial fate of this country, not responsible to the people, not accountable to the people, not responsive or responsible to the people.

Today I want to present the first formal bill of particulars and the general outline of the impeachment resolution. Several months ago I directed a request to the chairman of the Judiciary Committee, the proper committee to entertain impeachment resolutions, and I hoped I would be given serious consideration. Unfortunately, I have not been given serious consideration.

During the more than 20 years I have been here I have gotten into some very serious fracases and I expect to continue to do so, because I would hardly be considered truly a representative of the people, if I were not willing to be involved in discussions and debates which were controversial.

Previously I have placed in the RECORD correspondence between myself and the chairman of the Judiciary, Mr. RODINO. His reply was a polite rebuff. Consequently, I have had no alternative but to proceed on the floor of the House with this resolution.

Today I want to develop the bill of particulars known as a resolution of impeachment. Impeachment, as some erroneously think, is not a conviction or a trial; it is an accusation. It is the equivalent of an indictment, except that it has long been identified as a legislative weapon, and on that, I wanted to advance a little further.

For example, Alexander Hamilton, in the Federalist, No. 65, stated clearly that England had served as a model on which impeachment has been borrowed. Warren Hastings, a high English official who was subject to impeachment and who set one of the precedents, was very much on the level of the consciousness of the Founding Fathers of this country when they were writing the Constitution, because the Warren Hastings case of impeachment was in the forefront of English matters at that time.

So the idea of criminal misbehavior is not necessarily an imperative in articles of impeachment or charges or in the enumeration of items enclosing an article of impeachment, for our phrase reads: "High crimes and misdemeanors." It says, "Treason, high crimes or misdemeanors."

So in definition of those matters, I am going to be not only general, which satisfies the legislative purpose and responsibility, but also specific. What I want to explain is that my peculiar way of approaching it will be by a general item or article followed by an item of a specific nature.

By way of parenthesis, one of my bills would just outright terminate the Federal Reserve Board as it operates today, free-wheeling, on the loose completely, unrestrained and out of control, and would place it under the Secretary of the Treasury, that is, under the Treasury Department where it should have been all along.

We are the only country in the world, that handles our finances the way we do. If any of you have a dollar bill in your pocket, you will see that it is a Federal Reserve note. You used to find Treasury notes. That was a few years ago, but today all we have is Federal Reserve notes. We are the only government where the Treasury has to pay interest for that note. There is no other country in the world that handles that matter in that way.

When did that happen? It is a good question to ask, and it is a matter of history unto itself. But it is just one of the elements that are included in this complicated matter.

In respect to my bill, H.R. 4358, I will at this point, place in the RECORD an article from the New York Times of this past Sunday, June 13, in the Forum section, entitled "Economic Affairs," by William Nordhaus, who is an economic expert. The article is as follows:

ECONOMIC AFFAIRS—ALL TIED UP BY THE BUSINESS CYCLES

(By William Nordhaus)

Are the gods against us, or have we not brought the increasing economic chaos upon ourselves? Is the outcome of the supply-side tragedy—sealed by last week's actions in the House—that we will have to live with high unemployment and volatile financial markets? To answer these questions, let's go back to basics.

Like the weather, capitalist economies are fundamentally unstable. This instability arises because of the incessant turbulence from new products or producers, changing tastes, as well as good or bad harvests.

But unlike the weather, the inertia of our economy is very great, and this inertia leads to persistent business cycles. Because cycles persist, it is possible—using the Promethean contribution of John Maynard Keynes—to stabilize the economy. Stabilization requires lowering interest rates (monetary policy), or lowering taxes and raising government outlays (fiscal policy) to expand the economy or the reverse to slow the economy or contain inflation.

To be effective, stabilization policy must "lean against the wind." That is, when the trends in the private economy are stagnant, as they now are, governments should push the economy in the opposite direction by fiscal or monetary expansion.

The prevailing winds today are clearly leading the economy to a depressed condition with declining inflation. It is thus appropriate for economic policy to be expansionary over the next year or so.

Conventional analysis allows either monetary or fiscal policy to act as stabilizers. In large enough doses, either is potent enough as a depressant or stimulant to offset private sector disturbances.

Although either tool is efficacious, the side effects lead to a slight theoretical preference to using taxes as a counter-cyclical tool. Raising or lowering taxes allows the burden of cyclical adjustment to be spread broadly across all taxpayers. Monetary policy, by contrast, disrupts financial markets and affects particularly severely interest-sensitive industries like housing. Neither tool is ideal, but the fiscal route has a slight edge in principle.

Unfortunately, the theoretical preference is quite irrelevant in the highly politicized atmosphere of political decision-making today. Current institutions make fiscal policy virtually useless for smoothing the business cycle.

The utility of fiscal policy has deteriorated for institutional and political resources. The institutional reason arises from the separation of fiscal powers. A budget requires approval of both executive and legislative. Under procedures set by the 1974 Budget Act, there is a lengthy budgetary timetable to facilitate orderly agreement between and within branches. Under this procedure, a Presidential budget is originally constructed in the late fall, say from October to December, of year zero. It is weighted and receives legislative approval during year one. The budget then covers the last quarter of year one and the first nine months of year two.

If fiscal policies take six months to a year before they are effective, this timetable implies that fiscal policy routine is determined two years before it is effective.

The actual lags will vary depending on the direction and needs. It is often observed, as in 1975, 1977 and 1981, that tax cuts to stimulate the economy get expedited. On the other hand, proposals for active tax restraint get sidetracked—during Vietnam a surtax proposal sat one and a half years before enactment.

Of course, the reasons these long delays exist is because of the intense politicization of the fiscal process. Monetary policy can be turned over to the "experts," but fiscal policy cannot even be entrusted to the President. In years like 1967 or 1982, when major disagreements arise, the fiscal stalemate can last for many months, and the needs of economic stabilization take a place in back of ideology or reelection.

By contrast, monetary policy is not hampered by long delays. Given its staff expertise, the state of the economy is usually effectively diagnosed by the Federal Reserve, which can act quickly.

In practice, then, monetary policy is the only stabilization tool able to respond to short cycles—up to two years—in economic activity. Fiscal policy can be effective for setting the medium run direction such as in periods of secular boom as in the mid-1960's or stagnation as in 1975 or now. But its lags are too long to be useful for short cycles.

Having said this, the irony is clear. At just the time when monetary policy is the key to effective stabilization, it has been captured by monetarism, an ideology that (as Jack Kemp and David Stockman note) "eschews" attention to "irrelevant" variables like interest rates or unemployment. The outcome of this lapse of reason is fiscal paralysis combined with a self-imposed monetary passivity.

With stabilization policy thus waylaid, we are at the mercy of the random economic shocks just as if Keynes had never lived. Like Prometheus bound by ideological chains, our body economic is open to attack by inflation and unemployment.

Is there no exit from this drama in which the effective tools are locked up and the ineffective run rampant, in which budget policy is dictated by the wails of Wall Street oracles?

One requirement, of course, is for our leaders to steer us in the right direction. In this front, there is little hope today from the Reagan Administration. In the face of global recession unprecedented since the 1930's, his priority at the Versailles summit was raising the cost of credit to the Soviet Union. What hope for the masses? Let them eat monetarism!

A more sensible approach would require creating a quick response fiscal instrument and making monetary policy more responsive. On the first, the ideal stabilization tool would be to give the President authority to impose a temporary 10 percent tax cut or tax increase. Such a device would be capable of quick implementation and would allow temporary fiscal stimulus in periods, like now, when a permanent stimulus might be thought inappropriate.

In the area of monetary policy, it is necessary to allow better coordination of monetary with fiscal policy as well as to make the Fed more accountable and responsive. One approach to coordination, in the 1978 Humphrey-Hawkins Bill, provided for Congressional oversight of the Fed. This has proven to be a worthless gesture toward democracy.

A more radical departure would be to change the design of the Fed itself. Placing the Federal Reserve within the Treasury, or putting members of the Administration on key Federal Reserve committees, would allow coordination of monetary and fiscal policies under a unified Executive and would impose political discipline and accountability on the monetary authorities.

Such radical steps will raise howls of protest from the unseeing chorus of financial forecasters, but then, what doesn't? The more substantial issue is whether we should redesign our monetary and fiscal institutions. If we don't, as seems likely, we are fated to a decade as turbulent as the 1970's.

Mr. Speaker, it is important to take a close look at this, especially since I have been criticized for the introduction of such a thought. However, my predecessor, the distinguished Texan, the late Wright Patman, chairman of the Banking Committee, also introduced similar legislation for years and was also completely ignored. Now, we have some vindication with Mr. Nordhaus saying:

A more radical departure would be to change the design of the Fed itself. Placing the Federal Reserve within the Treasury, or putting members of the administration on key Federal Reserve committees * * *.

Both of these recommendations I have espoused in for the last 15 years.

□ 1540

But getting back to the particulars of impeachment of Mr. Volcker, I want to continue to draw deeply on the precedents and all of the historical relationships and allusions by the people who wrote the section of the Constitution concerning impeachment, its purpose, its limits, and its intent.

I think the one thing that Alexander Hamilton clearly anticipated—Hamilton was a great financier, if you will remember, and he was our first Treasury Secretary and the one that saved the fiscal integrity of our country when it needed it the most. He stated the need for the impeachment provision in the the Constitution thusly:

He said:

The circumstances which may have led to any national miscarriage of misfortune are sometimes so complicated that where there are a number of actors who may have had different degrees and kinds of agencies, though we may see on the whole that there has been mismanagement, yet it may be impracticable to pronounce to whose account the evil which may have been incurred is truly chargeable.

. . . if there should be collusion between the parties concerned, how easy it is to clothe the circumstances with so much ambiguity as to render it uncertain what was the precise conduct of any of those parties?

If he did not have such mechanism as the present workings of the Federal Reserve Board in mind I just do not

know what old Alexander Hamilton had in mind. It certainly fits the case exactly of what we are confronted with, this complicated ambiguity in which responsibility and wrongdoing and evil is enshrouded in these complexities of ambiguity of nonperformance, gross malperformance, nonaccountability, no accountability and the like.

That is the general thing I visualize. But at this time I will discuss the first article in general terms.

My charge is that the said Paul Volcker, unmindful of the high duties of his office and the dignity and propriety thereof, and of the harmony and courtesies and responsibilities which ought to exist and be maintained between the executive and the legislative branches of the Government of the United States, has wrongfully and improperly, as the fiscal agent of the Treasury of the United States, given improper self serving and illegitimate power and ready access and subservience to the monopolistic and oligarchic banking elements who thereby have wrongfully and ultra vires diminished the revenues of the United States and subjected the people of the United States to usurious and extortionate interest rates, and ultimately occasioning and bringing about the bankruptcy of the U.S. Government and has flagrantly and habitually disregarded the public trust.

That is the general charge. Now for a specific item.

Item 1, that he said Paul Volcker behaved amiss and betrayed his high public trust by meeting in secret in the State of Florida and conspiring with one Walter Wriston, powerful banker of New York's First BanCorp and one Bunker Hunt of Texas, a plutocrat multimillionaire silver speculator, and with other persons to the House of Representatives unknown, with the intent and purpose, in violation of the laws, and contemptuous of the Congress, of conniving with certain and particular banking entities in depriving the American people and the engines of business and enterprise of over $20 billion of banking and credit resources for the personal advantage and lucre of the said Bunker Hunt, silver speculator, and the Wriston banking interests, contrary to the high trust and fiduciary and overriding duties of Paul Volcker and the Federal Reserve Board and banks as the fiscal agent of the United States of America and its Treasury.

I will, as we go into further articles, enumerate the specific items and charges thereunder and elaborate further on these charges. I hope that my discussion today makes my motivation and intent clear to those who doubt the seriousness of this effort. I will continue this effort, despite the lack of interest on the part of the committee which has jurisdiction, and despite my lack of personal or committee staff resources to adequately handle this type of matter.

Therefore, at this point I yield back the balance of my time.

ALAN REYNOLDS—THE FAILURES OF MONETARISM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 40 minutes.

● Mr. KEMP. Mr. Speaker, as Alan Reynolds argues in a forthcoming article in Policy Review, monetarism is on trial. U.S. monetary policy has been unsatisfactory at least since the United States effectively suspended the postwar Bretton Woods system in 1971. Yet Keynesians and monetarists alike had argued that this would free the Federal Reserve to pursue the goal of domestic employment without causing inflation. Obviously, that did not happen. After a decade of inconvertible currency, the United States experienced higher unemployment, inflation, and interest rates than at any time since the Great Depression.

In the final analysis, monetary policy can target only one of three things: The nominal interest rate, the supply of money, or the value of money. The monetarists argued that our problems stem primarily from the Keynesian plan of targeting interest rates, which resulted in inflation. So in October 1979, the Federal Reserve changed its official policy from an emphasis on targeting interest rates, to targeting certain measures of the quantity of money—especially the one we now know, after four definitions, as M_1. While the rate of inflation has declined, there is a growing doubt among many economists that monetarism is a useful policy on a continuing basis. Never before have we experienced interest rates of more than 20 percent under both a Democratic and a Republican President, each following vastly different fiscal policies. Never in the history of the business cycle have we suffered two back-to-back recessions in 2 consecutive years. Never have we seen such volatility in interest rates as we have seen since the current policy began in October 1979.

As I have argued before, the trouble with monetarism is that if the central bank targets the supply of money, it must permit the value of money and interest rates to fluctuate with every change in the demand for money. Leaving aside the question whether such a policy is technically possible, monetarism forces the real economy rather than the banking system to bear the burden of adjustment to every change in demand. The burden of adjustment falls on employment, production, and investment. One result of this increased instability and uncertainty is permanently higher real interest rates. Obviously, this is not a problem that can be addressed by fiscal policy.

I believe we should return to the classical monetary policy of targeting the value or "price" of the dollar and letting the quantity fluctuate. For most of the period from 1792 to 1971, the dollar was defined as a precise weight of gold, and was convertible into gold. Only since 1971 have we experienced such severe chronic peacetime inflation and high interest rates. The record is clear that only restoring such a price rule can restore the conditions necessary for the fullest possible employment of resources at stable prices.

Alan Reynolds' article is the best effort I have seen to explain what monetarism tried to accomplish, why it has failed in every country where it has been tried, and why it can't provide a practical monetary policy. I think his article is especially effective because, having been a monetarist himself, Reynolds knows the movement thoroughly, and can speak with a combination of sympathy for its goals and a firm confidence about its shortcomings. I commend this excellent article to my colleagues:

MONETARISM ON TRIAL

(By Alan Reynolds)

In the entire history of this country, before 1968, long-term interest rates were never above 5–6 percent. Since then, however, interest rates have tripled. Young people now think it is perfectly normal that mortgage rates can only go up—as they have in every single year since 1972.

Something terrible happened to the economy after 1968, got even worse after 1972, and deteriorated into acute stagnation after 1979. There has been virtually no increase in real output per employee for nearly a decade. World trade grew by 7 percent a year for 25 years before 1973, but was cut in half since then (actually falling 1 percent last year).

It is time to retrace our steps, to find out what went wrong.

Advice from the familiar economic experts will not be better than it has been. A Keynesian adviser to J.F.K. now argues that budget deficits force the Federal Reserve to print less money; a founder of the rational expectations schools says deficits force the Fed to print more. The head of a huge forecasting empire, built upon the idea that deficits stimulate investment, now casually argues the exact opposite. The monetarist economist for a New York investment bank says the Fed is doing such a great job, that inflation and interest rates must be due to fiscal policy after all. An Ivy League professor, who has always argued that any inflation was a trivial price to pay for the low unemployment that would surely result, is now solemnly interviewed about what to do about inflation. The fiscal expert at a conservative think tank says deficits will be inflationary unless inflation shrinks them. A prominent monetarist who has always emphasized long-run trends in M_2 now worries only about 10-week wiggles in M_1.

To uncover the source of change, it is useful to look at what has stayed the same.

Federal tax revenues rose by 15.8% in 1981—far more than the incomes of taxpayers. Marginal tax rates are still going up, not down.[1] Does anyone really believe that the economy would have performed better if the tax collector had grabbed an even larger share? Nondefense spending will be at least 17.4 percent of GNP in fiscal 1982, up from 15.9 percent in 1979. Would anyone seriously argue that recession could have been avoided if the O.M.B. had only let federal spending drift even higher?

No, the problem is monetary, not fiscal. For all practical purposes, "Reaganomics" means whatever the Federal Reserve is doing. If interest rates were remotely close to historical normality (namely, 3-5 percent), the budget would be in surplus. In fact, there is substantial evidence that expected inflation causes budget deficits rather than the other way around.[2]

The media would have us believe that "Wall Street" is not concerned about monetary policy, but only about deficits. Polls of dozens of institutional investors by Oppenheimer and Polyeconomics, however, indicate that this is overwhelmingly untrue. Fortune's poll of executives says the same.

Barton Biggs, the managing director of Morgan Stanley, recently described monetarism as "the God that failed." He reprinted a February 22 letter from Peter Vermilye, Chief Investment Officer at Citibank, saying "the level of interest rates is a better barometer of tightness than the growth of the money supply in this era of conflicting monetary currents." The economists at Morgan Stanley and Citibank are staunchly monectarist, but those responsible for investments are not.

Many other Wall Street traders and economists have long been extremely critical of monetarism, including Henry Kaufman of Salomon Brothers, George McKinney of Irving Trust, Peter Ganelo of Merrill Lynch, and Edward Yardeni of E. F. Hutton. The widely-read Morgan Guaranty Survey (of February 1981) wrote that the nation "would be ill-served by rigid mechanical monetarism."

The widely-cited budget deficit problem," says Maury Harris of Paine Weber, "is due importantly to Federal Reserve policies that keep interest rates high." "Until such time as the Fed abandons monetarism," says David Levine of Sanford Bernstein, "our financial markets will be in disarray."[3] These are not uncommon views on Wall Street, though the media decided that this news is not fit to print. Instead, we hear the same tired voices agonizing over the budgetary consequences of monetary disorder.

This is not the first time that the United States has contemplated a fiscal cure for a monetary crisis. The huge tax increases of 1932 and 1968 demonstrated that it does not work.

Today's monetary crisis is not new, but it has escalated into risky territory. The entire dollar economy worldwide is dangerously illiquid, precariously dependent on short-term debt. Long-term financial markets are moribund. People, and the institutions entrusted with their savings, are unwilling to commit funds for long-term uses. Nobody trusts the money. Interest rates are held up by the rising risk of default right now, and by the risk of renewed inflation in the future.

We have the worst of two worlds: Much of the nation is experiencing deflation while expecting an inflationary "solution." By April 1982, most indexes of commodity prices were at least 15-20 percent lower than a year before. Cotton was down about 2.5 percent—the same as in 1932—aluminum prices were down even more. Even the broad indexes of producer and consumer prices had posted some monthly declines. Even as the old guard was chanting that budget deficits cause inflation, inflation again went way down as the deficit went up—just as in 1975, or 1933.

Yet even falling prices fail to persuade bond buyers that they will not be exploited once again by future inflation. Indeed, the more that current price indexes are squeezed by forcing producers into bankruptcy, the more likely an inflationary bailout becomes. Existing monetary techniques can thus depress measured inflation for even a year to two without making a serious dent in expected inflation. Trouble in long-term markets requires a long-term solution, a credible set of monetary institutions to protect the purchasing power of the dollar.

Selling what exists at falling prices does not necessarily make it easier to produce more at stable prices. Liquidation of inventories, commodities, assets and real estate has depressed current price indexes, but it has also raised the cost of living in the future. The value of lifetime savings has fallen so people will have to work harder in the future to attain any expected standard of living. That makes the future look relatively grim, causing people to prefer present consumption. In this situation, providing added tax incentives to save will not finance future productive capacity, because any added savings remains in the short-term money market.

The problem is that the United States has no long-term monetary policy at all—nothing that inspires confidence. Instead, the nation alternates between robbing lenders with inflation and bankrupting borrowers with deflation. There is no way of knowing which is coming next, so activities requiring long-term financial contracts are severely restricted. There is no unit of account that is expected to hold its value over decades, and therefore little possibility of building for the future by borrowing against expected future earnings.

No indexing scheme gets around the problem of unpredictable money. A household cannot budget for the future, for example, if monthly mortgage payments can vary in ways that income may not.

Monetarism was fun when it simply involved second-guessing the Fed. The self-appointed "Shadows Open Market Committee" would solemnly announce that there was too much or too little money, without assuming any genuine responsibility.

Things are different now that prominent monetarists are in positions of great authority. Monetarists can and do influence the Fed now, and are even in a position to propose sweeping monetary reform, legislation or international conferences. Instead, we still get the habitual second-guessing. The Republican section of the latest Joint Economic Report, for example writes: "Looking back, it would have been better if money had grown closer to 5 or even 6 percent per year in the second and third quarters of 1981 instead of at annual rates of 3.6 and 2.9 percent." Such retroactive fine-tuning serves no useful purpose. The bond and mortgage markets did not collapse over the past decade because money growth was one or two percentage points too slow for six months.

FOUNDERS OF MONETARISM

It can, of course, be argued that what we are experiencing is not genuine monetarism. When reality fails to live up to the promise of theory, it is always the fault of reality. Since October 1979, when the Fed did most of what the monetarists advised, interest rates, M_1 and the economy have gyrated wildly. The monetarist response is that the problem originated with lagged reserve requirements in 1968, or the Fed should have stepped even harder and faster on monthly ups and downs of M_1 (e.g., pushed the Fed funds rate higher in January 1982, when M_1 surged).

Is there any example of monetarism anywhere that ever worked? Some point to Switzerland, where M_1 rose 23 percent in 1978, fell 7 percent last year, and has been far more erratic over short periods than in the U.S. Switzerland has a gold cover on its currency. Others point to Chile, where they stopped hyperinflation by using fixed exchange rates. France tried a quantity rule from 1919 to 1925, but it blew up with a 50 percent inflation rate.

But the fault runs deeper than the Utopian nature of monetarism. The fault lies in the deliberate demolition of proven monetary institutions (of the sort now used in Switzerland and Chile) for the sake of hypothetical quantity rule that has never been put into practice.

This requires a brief digression into the development of monetarist policy proposals. The early "Chicago School" of economics, around 1927-74, may have been more favorably inclined toward free markets than Harvard, but not much. Like most academics, the early Chicagoans were intimidated by the intellectual consensus of the day. It was thus conceded that industrial and labor markets were largely monopolized and rigid, so the influential Chicagoite Henry Simons redefined "laissez-faire" as strict legal limits on the size of corporations and power unions.

To Simons, the "utter inadequacy of the old gold standard . . . seems beyond intelligent dispute." The experts would simply "design and establish with greatest intelligence" a "define mechanical set of rules" for money. Simons' modest proposal involved "above all, the abolition of banking, that is, of all special institutional arrangements for financing at short-term . . . If such reforms seem fantastic, it may be pointed out that, in practice, they would require merely drastic limitation upon the powers of corporations (which is eminently desirable on other, and equally important, grounds as well)."[4]

The idea of a fixed rate of growth of the money supply originated in 1927 with the even more interventionist left-wing of the "Chicago School", namely Paul Douglas. Douglas (later a Senator) was then quite excited about a "planned economy" and "public ownership", and even called himself a socialist.[5]

"The obvious weakness of fixed quantity," responded Simons, "as a sole rule of monetary policy, lies in the danger of sharp changes on the velocity side." Moreover, "the abundance of what we may call 'near moneys'," Simons wisely added, creates a "difficulty of defining money in such manner as to give practical significance to the conception of quantity." Just as Simons' solution to big business was to make it illegal, his solution to free financial markets was to make them illegal too. Then a quantity rule might work.

Footnotes at end.

By 1948, Keynes had infected even Chicago, as shown by Milton Friedman's "Monetary and Fiscal Framework for Economic Stability." That proposal was to run budget deficits in recessions and "the monetary authority would have to adopt the rule that the quantity of money should be increased only when the government has a deficit, and then by the amount of the deficit." The budget could be balanced over the cycle, or lead to " a deficit sufficient to provide some specified secular increase in the quantity of money."

Some might worry, said Professor Friedman, that "explicit control of the quantity of money by government and explicit creation of money to meet actual government deficits may establish a climate favorable to irresponsible government action and to inflation." "This danger," he added, "can probably be avoided only by moving in a completely different direction, namely, toward an entirely metallic currency, elimination of any governmental control of the quantity of money, and the re-enthronement of the principle of a balanced budget."[6] By implication, that was still beyond "intelligent dispute". Needless to say, the nation did not move in the latter direction, nor did Friedman ever really advise it to do so.

By 1962, in the magnificent Capitalism and Freedom, budget deficits no longer worked to stabilize demand. The task had become one of steering between the Scylla of a gold standard and the Charybdis of wide discretionary powers. Professor Friedman initiated the caricature of an "honest-to-goodness gold standard in which 100 percent of the money consisted literally of gold." Since that sort of standard is indeed ridiculous. Friedman instead suggested raising M_2 by 3-5 percent every year. With practice, however, "we might be able to devise still better rules, which would achieve even better results." [7] This was a return to Paul Douglas, neglecting the doubts of Henry Simons and Frank Knight.

On January 1, 1968, Milton Friedman wrote "We should at once stop pegging the price of gold. We should today as we should have yesterday and a year ago and ten years ago and in 1934—announce that the U.S. will no longer buy or sell gold at any fixed price—That would have no adverse economic effects—domestically or internationally." [8] The advice was taken that March.

Friedman later acknowledged "direct links" between his views and those of Jacob Viner, quoting Viner as saying, "if the mere cessation of gold payments did not suffice to lower substantially the international purchasing power of the dollar I would recommend its accompaniment by increased government expenditures financed by the printing press." [9]

When the term "monetarism" was coined by Karl Brunner in 1968, it represented a healthy backlash against the excesses of fiscal fine tuning. Yet monetarism too was part of the Keynesian tradition of demand management. The tools would be different, but the objective was still to manage the rate of growth of aggregate demand, whether over short or longer periods of time.

Early monetarists were often quite activist demand-siders. John Culbertson, in 1964, argued that the U.S. should "give up our self-imposed constraints" and "make an end of monetary restriction." By breaking all links with gold, said Culbertson, we could safely pursue a "moderately expansive" policy of increasing the money supply "something like 6 to 8 percent." As unemployment came down to 4 percent we might then print a bit less.[10]

Some monetarists still cannot resist offering advice for fine-tuning the growth of money to achieve some cyclical smoothing. Robert Hall (who joined me as a member of President Reagan's inflation task force before the election) wanted to increase the money supply at a 20 percent rate for at least six months in late 1976.[11]

"The year 1973," notes Robert Gordon, "represented the high-water mark of monetarism."[12] By then, all of the old-fashioned obstacles to scientific demand management had been toppled. The U.S. took the silver out of coins in 1964, lifted the gold cover on Federal Reserve notes in 1965, set the gold price free in March 1968, reneged on converting foreign dollars into gold on August 15, 1971, and officially embraced floating exchange rates in March 1973.

The monetarists cheered. They had provided the intellectual rationale for the demolition of all institutional constraints on monetary policy. There was a promise to replace the old rules with new rules, but it has not happened. What happened is that rules were replaced by random whim.

Henry Simons was right in 1936 to prefer rules to discretion, but wrong to propose an alternative that could only work if flows of money and credit could somehow be tightly regulated.

"The defects of monetarism," writes Samuel Brittain, "are that it concedes too much power to official intervention, underrates the influence of competition in providing money substitutes, and takes official statistics far too much at their face value. Friedmanites are often very good at analyzing how controls and regulations in the economy generally will be avoided or will produce unintended effects quite different from those their sponsors desire. But too often they evince a touching faith in government in their own special sphere."[13]

MEANINGLESS MONEY

Monetarism is properly a mentod of analysis or prediction, not a policy. No particular policy necessarily follows from a monetarist view of the world. Monetarists have favored a wide variety of policies, including some sort of commodity standard.

The meteoric rise of monetarism had much to do with its simplicity, and to the persuasive talents and personal charm of its major salesmen.

Monetarism begins with a seductive tautology: The rate of growth of spending or "demand" (nominal GNP) depends on the rate of growth of money (M) plus velocity (V). Converting the old quantity equation into annual percentage increases, then $M \pm V = GNP$.

If we could count and control M, and if we could predict velocity, then we would reach the Keynesian heaven of managing "aggregate demand." And if we could also predict how much of that rise in GNP would be real growth and how much would be inflation, then we could use all this to "control" inflation. The only trouble is that nobody can do any of those things. Even if anyone could, there is no reason to suppose that these devices would actually be used to avoid inflation or deflation.

Basically, the goal of managed money is to control $3 trillion in annual spending through periodic adjustments in about $45 billion of bank reserves. Not an easy task.

First of all, what is money? In March 1979, the Shadow Open Market Committee noticed that "there is now a large and rapidly growing volume of financial assets not subject to ceiling rates on deposits . . . and in some cases not subject to reserve requirements." By February 12, 1982, one member of the Shadow Committee, Erich Heinemann of Morgan Stanley, was showing more concern: "The improvements in the monetary definitions are unfortunately minor in comparison with the more fundamental conceptual problems associated with measuring money. To what extent are household money market mutual fund shares transaction or savings balances? Are institutional holdings of overnight RPs or overnight Eurodollars transaction balances since they are available each morning for spending? Are institutional holdings of marketable and highly liquid short-term credit instruments such as Treasury bills, certificates of deposit, and banker's acceptances so easily convertible into transaction balances that they should be so treated? If we exclude them from transaction measures, such as M_1, are we missing a large and important source of corporate liquidity? And why should holdings of Treasury bills, which are more liquid than CDs, be included in L, while CDs are included in M_3? The questions go on and on, and few of them can be answered unambiguously. The questions linger, and the quality of virtually any definition of money remains uncertain. In this context, the redefinitions are minor refinements in the hopelessly difficult task of measuring money."

These sorts of doubts have often marked the beginning of the end of confidence that controlling some arbitrary measure of money is a practical way to ensure its value. At the end of 1975, I wrote a paper for Argus Research on "The Increasing Irrelevance of M_1." In 1979, when some prominent monetarists were saying that money growth was too slow, I wrote (with Jeffrey Leeds) that failure to count money market funds and repurchase agreements was understating the six-month rate of money growth by more than seven percentage points.[14]

Peter Canelo, a top bond analyst at Merill Lynch, likewise became disillusioned about monetarism through his enormously detailed weekly reports on what the various Ms really mean. Lately, Phillip Cagan of Columbia, one of Friedman's first and best proteges, has expressed similar doubts.[15]

On October 6, 1979, the Fed essentially announced that it would let interest rates approach infinity, if necessary, to slow the growth of bank reserves and M_1. The C. J. Lawrence survey of bond managers' forecasts for long-term government bond yields went from 9 percent on September 14, 1979 to 12.3 percent in five months.

Now, there is no question that high interest rates can drive money out of M_1 and bank reserves, but that also raises velocity. At high interest rates there is a powerful incentive to keep as little money as possible in M_1 deposits, which pay little or no interest. Banks have an equally powerful incentive to use "liability management" to make the most loans with the least required reserves, since reserves at the Fed earn no interest.[16]

Money market funds have been more than doubling in size each year and, at about $160 billion, are much larger than the entire stock of currency. You can write checks on most of these funds, or transfer to a checking account with a phone call. Overnight repurchase agreements and Eurodollars usually exceed $40 billion, and are curiously lumped together with 8-year certificates in M_2. Such cash management devices have only been significant for two or three years, making the old historical relationships

(such as postwar velocity "trends") quite suspect.[17]

MasterCard plans of offer a "sweep account" for small depositors, where check balances are kept within a desired range, and any excess or shortage is moved around from money market funds or other near-monies. If the Fed counts demand deposits at the wrong time of the day, they might not find much. There are other devices on the horizon like CDs with check-writing privileges, checks on Visa cards, retail repurchase agreements, etc. The whole idea of measuring M is growing more obsolete by the day.

The Fed makes the rules of the monetarist game, because the Fed defines the Ms. The definition has changed four times since late 1978. How could any long-term rule be formulated in terms of a quantity of money when the definition of money is necessarily subject to continuous change?

Money numbers are also constantly revised. In early 1982, we finally learned that a 5.4 percent rate of decline in M_1 in the previous May was really a 10.8 percent rate of decline; a 14.5 percent increase in November turned out to be 10.1 percent. How could the Fed possibly stabilize M_1 before anyone knows how much it rose or fell?

High interest rates drive money out of M_1 into interest-earning, highly-liquid devices that have little or no reserve requirements. So neither M_1 nor reserve aggregates (the base) have the same meaning as they did when interest rates were much lower. Most of the financial innovations are roughly counted in M_2 or M_3, but those measures also contain much larger amounts of longer-term savings.

A fall in interest rates might well induce people to keep more of their income in M_1, but that shift from M_2 into M_1 might not be inflationary. An increase in real output would raise the need for cash to finance more transactions, but supplying that demand would not be inflationary. A rise in the savings would probably increase M_2, but that too would not be inflationary. It depends on real growth and velocity.

In the fourth quarter of 1981, the interest rate on 3-month T-bills fell from 15 percent to 11.8 percent. The growth rate of M_2, which is dominated by interest-sensitive instruments, slowed from 11.2 percent to 9.2 percent. The growth of M_1, which is discouraged by high rates, rose from zero to 5.7 percent. The monetary base slowed down. What does all this mean? Not much.

Monetarists still can't decide on a meaningful and controllable measure of money. Phillip Cagan of Columbia and David Laidler, of Western Ontario strongly favor M_2. The St. Louis Fed and Robert Weintraub of the Joint Economic Committee are sticking with Mr. Allan Meltzer of Carnegie-Mellon seems to be leaning toward the monetary base. Milton Friedman used M_2 last year to show that money growth had not slowed down, but uses M_1 this year to show that money growth has not been steady.

It makes a lot of difference. It should be obvious that high interest rates artificially depress M_1 and raise its velocity, that the monetary base shows almost no predictable relationship to anything in the past two years, and that broader aggregates are not controllable by the Fed.[18] Besides, the broader aggregates (M_2 and M_3) have been speeding-up in the last year or two, so the traditional Friedmanite long lag with M_2 points to more inflation ahead while M_1 or the base does not.

Not all of the confusion, however, suggests that money is undercounted. Most of the monetary base and a big chunk of M_1 is simply currency. David Whitehead of the Atlanta Fed estimates that most of the big bills (and 69 percent of all currency) are hoarded.[19]

In a period of great financial uncertainty and insolvency, the prospect of a major surge in the demand for currency should not be ruled out, despite the lost interest. In this case, the monetary base would be particularly misleading, as it was throughout the Great Depression. A lot of "currency in circulation" would not really be in circulation.

VOLATILE VELOCITY

Monetarists have a double standard when it comes to judging the stability of the money supply or velocity. Comparing percentage changes between fourth quarters, velocity fell in 1967 and 1970, yet rose by 5–6 percent in 1965, 1966, 1973, 1975 and 1978. Robert Weintraub complains that this is "selective and myopic . . . terribly short-sighted and gives very misleading signals."[20] He insists that velocity data should be smoothed by comparing averages over the whole year with the year before, or better still, by comparing three-year averages.

When it comes to the money supply, however, monetarists certainly do not mind comparing changes between fourth quarters (this is the way Fed targets are set), or even changes between 8–10 week periods converted into compound annual rates of change.[21]

If quarterly changes in velocity are likewise expressed as an annual rate of change, as Friedman does for even shorter periods with M_1, then velocity swings far more wildly than money—up 13.2% in the first quarter of 1981, down 3.2% in the second, up 9.5% in the third, down 1.2% in the fourth, and down 11.7% in the first quarter of 1982. Monetarists are able to contract the "stability" of velocity with the instability of M_1 only by hiding the numbers.

Velocity was relatively predictable in the stable world of Bretton Woods, but all models to predict velocity broke down after 1972–73, when the U.S. suspended gold convertibility and endorsed floating exchange rates. Interest rates now move as much in a day as they used to in a year. Thus, a survey on the demand for money by David Laidler laments that "it was never possible completely to get away from the conclusion that the function has shifted after 1972." "After all," notes Laidler, "monetary policy is implemented over time, and unless the relationship it seeks to exploit can be relied upon to remain stable over time it cannot be used successfully."[22]

At the end of 1980, a rigorous study by Robert Weintraub said, "We expect the trend rate of rise of M_{1B}'s velocity to drop from 3.2% to about 2% per year, with the spread of NOW accounts. We would compensate for this by adjusting the long run target for yearly M_{1B} growth upward by 1 to 1½%."[23]

Velocity is officially classified as a coincident cyclical indicator, so it fell with the sharp fall in real output from last October through March. The only half-hearted expansion the U.S. has experienced lately was between the third quarters of 1980 and 1981. At that time, velocity did not rise by 2%, or by 3.2%, but by 6%. Is that the new "trend" for velocity if and when the economy recovers? Nobody has the slightest idea.

Whatever "stability" can be found in long-run trend of M_1 velocity is only because M_1 has been redefined. The old M_1 velocity showed an even clearer tendency to accelerate during each cyclical expansion, averaging 3.1% from 1961–69, 3.5% from 1970–73, and 4.9% from 1975–79. And the gyrations were becoming larger.

The unpredictability of velocity became even worse after the October 1979 emphasis on the Ms. "Erratic velocity behavior of the traditional monetary aggregates led the Federal Reserve to redefine the aggregates. However, the new monetary aggregates have also exhibited erratic velocity behavior. . . . Paradoxically, the regulatory framework necessary to control the growth of a given aggregate sets in motion forces that ultimately reduce the aggregate's usefulness in policy implementation."[24]

A popular new theory in Washington implies that the 10-year collapse of bond and mortgage markets is due to the 10-week wiggles in M 1 since October 1979. Since the Fed stopped stablizing interest rates, interest rates have of course been less stable. Ignoring what interest rates do to the velocity of M1 monetarists say it is changes in M1 that cause changes in short-term interest rates, rather than the other way around.

It isn't a very persuasive argument, so this is how to "prove" it: First, take a four-week moving average of the volume of bank reserves and calculate the percentage change from the same period a year before. Plot this on a scale from 1 Percent to 7 percent. Then put current interest rates on 3-month T-bills on a scale from 10 percent to 17 percent. For 1981, believe it or not, these two series do appear to move up and down together (though not in 1980 or 1982).

The Shadow Open Market Committee of March 15, 1982 concludes that "this leaves little doubt that interest rates rise and fall directly with growth in reserves." But if 7 percent annual growth of reserves "causes" 17 percent interest rates and 1 percent growth of reserves "causes" 10 percent interest rates, then bank reserves must have been falling very rapidly when interest rates were 4 percent(?) A simpler explanation is that the recession lowered both interest rates and reservable deposits last fall.

OUTPUT OR PRICES?

In his classic 1956 restatement, Milton Friedman wrote that "the quantity theory is in the first instance a theory of the demand for money. It is not a theory of output, or of money income, or of the price level."[25] But the elaborate efforts to predict the demand for money broke down with collapse of gold convertibility and pegged exchange rates in 1972–73.

The late Harry Johnson of the University of Chicago decided that monetarism was a passing fad, partly because of the monetarists' habit of "disclaiming the need for an analysis of whether monetary changes affected prices or quantities."[26] Allen Meltzer, for example, acknowledges that "none of our models predict changes in output reliably. "Few even try. Two leading Keynesians likewise admit that their models too "were demand-oriented, and paid almost no attention to the supply side of the economy."[27] Hence the supply-side counterrevolution.

But even if the growth of money plus velocity were under control, that is not enough. It is not a matter of indifference whether an 8 percent growth of nominal GNP consists of 8 percent inflation and zero growth or zero inflation and 8 percent real growth. "An increase in real activity raises the demand for real money, which, given nominal money and the rate of interest, is accommodated via a decline in the price

level."[28] Real growth is anti-inflationary in fundamental and lasting ways. Yet growth may be stifled by a monetarist regime that cannot distinguish between a demand for cash to finance more real growth (or to guard against insolvency) and some sort of inflationary impulse.

When not openly applauding stagnation as a "Phillips Curve" cure for inflation, monetarists sometimes make slow money growth an end in itself. "A renewed economic expansion," said a prominent monetarist newsletter last July, "would not be promising for inflation . . . or effective monetary control"[29] This is what the debate between monetarists and supply-siders is all about. Supply siders want a monetary policy conducive to increased output at stable prices, not a policy to stamp out each glimmer of economic growth in order to keep M_1 down. The supply of money is at best a tool, not a goal, and its value must be judged by results.

TIME LAGS

Monetarism has to postulate a time lag between changes in money and changes in nominal GNP or prices. Otherwise, the results are often perverse. From April through October last year, the monetary base grew at a 2.6% annual rate, consumer prices at 10.5%. From October to February, the base grew at a 10% rate, but consumer prices rose at only a 4.3% rate. Without a lag, the uninitiated might suppose that faster growth of the monetary base caused slower inflation, or that the two series are not closely related.

Milton Friedman recently wrote that "the lag between a change in a monetary policy and output is roughly six to nine months: between the change in monetary growth and inflation, roughly two years."[30] At the St. Louis Fed. R. W. Hafer says" a 1.0 percentage point increase in the growth of M¹B yields an identical increase in the growth of nominal GNP within one year."[31] The President of the St. Louis Fed, however, seems to be defending a zero time lag, since his table relates money growth to simultaneous changes in GNP.[32] an Atlanta Fed Conference on supply-side economics in April 1982 saw David Meiselman arguing for a lag of 7 quarters, Beryl Sprinkel for a few months. Pick one; something is bound to fit.

If the lag is unknown, there is no way to tell if monetarism is right or wrong. There will always be some past period of relatively faster or slower growth of some M to "explain", after the fact, why inflation or output went up or down. That sort of retrospective, ad hoc monetarism is inherently immune to serious testing.

If the lag is known, however, rational expectations would make it disappear. Knowing that more money now would cause more output in six months would make it profitable to build inventories right away, thus eliminating the six month lag. Knowing that more money would cause inflation in two years would make it profitable to speculate in commodity markets and generally buy before prices went up—thus eliminating the two year lag.

If the time lag were known, people would act on that information and eliminate the lag. If there is nonetheless an unknown lag, then there is no way of knowing whether or not which change in output or price was caused by which change in the volume of cash. Monetarism would then be of little value for predicting the future or even explaining the past. If there is no lag at all, then the casuality between money and spending could easily be backwards. That is, decisions to spend more might cause an increase in the supply of money, as people sold assets to get cash.

On the face of it, one might suppose that decisions to spend are based on income, assets and credit conditions—not merely on how much one happens to keep in a checking account. The idea that total spending can be controlled by controlling the forms of wealth became popular largely because of the apparent discovery of lags between money and GNP.

The notion of money having a known effect on something in the future was thus crucial to plausibility of monetarism, but there is still no justification for it in theory or fact, nor any agreement on how long the lags are.

DO-IT-YOURSELF MONETARISM

The supply of money provides some information, even aside from velocity and price. Table 1 shows quarterly changes and annual trends in the monetary base, M_1, and in nominal and real GNP. Quarterly changes in M_1 appear to explain simultaneous changes in nominal GNP in a few periods, but that causality could obviously be backwards (e.g., observe the generous rise in monetary base and falling M_1 during the sharp recession in the second quarter in 1980). And when sense can be made of the first and third quarters of last year, when GNP grew very rapidly as the base and M_1 slowed sharply? The task here is to discover the stability of velocity and the appropriate lag.

The older tradition is that longer-term trends are what matter. On such year-to-year comparisons, M_1 growth was unchanged between the third quarters of 1980 and 1981, though the base slowed significantly. With money growth unchanged or tightened, depending on definitions, what happened to the trend of nominal GNP? It rose 50 percent over the year. A few months later, Lawrence Roos wrote that "Both M1B growth and GNP growth have been decreasing steadily since 1979." [33]

Do either the quarter or annual changes in nominal GNP look "too slow" before the fourth quarter collapse? If so, then the recession after last July might be blamed on inadequate "aggregate demand," requiring bigger budget deficits or more M_1. If not, maybe it is time to discard demand management.

TABLE 1.—MONEY, SPENDING AND PRODUCTION

[Annual rates of change, rounded]

	Quarterly				Year-to-year			
	Base	M_1	GNP	Real GNP	Base	M_1	GNP	Real GNP
1980 I	8	7	13	3	8	8	10	2
1980 II	6	−3	−1	−10	8	4	8	−1
1980 III	10	15	12	2	8	6	8	−1
1980 IV	9	12	15	4	8	7	9	0
1981 I	5	5	19	9	7	7	11	1
1981 II	7	10	5	−2	8	10	13	3
1981 III	4	0	11	1	6	6	12	3
1981 IV	2	6	5	−5	4	5	10	−1
1982 I	10	11	1	−4	6	7	5	−2

Source: Federal Reserve Bank of St. Louis.

IT WON'T WORK

To summarize, rebuilding long-term financial markets requires a credible long-term to maintain reasonable stability in the purchasing power of the dollar. Such a rule cannot be expressed as a quantity of money because (1) the definition of money is rapidly changing, (2) velocity is increasingly unpredictable, (3) any lags between changes in money and GNP are implausible or at least unpredictable, (4) spending depends on more than cash balances and desired cash balances depend on more than planned spending, and (5) nobody can tell at the time if a rise in money and spending is financing more real output or rising prices (except by watching prices instead of money stocks).

But that isn't the end of it. If a quantity rule for money could somehow pass these hurdles, it still would not work.

If people without a quantity rule would work, they would expect inflation to average about zero decades. The rush to buy long-term bonds would quickly drop interest rates to around 3–6 percent. At such rates, the convenience of checking accounts and currency would make it a waste of time to employ complex cash management schemes. The demand for M_1 would surge, velocity would fall.

No fixed growth of M_1 or the monetary base could cope with such a sudden rise in the demand for cash. Real cash balances could only rise, as desired, if prices fell abruptly. Sudden deflation would surely prompt an equally sudden violation of the rule. Knowing that, people would not believe the rule in the first place.

If the move to slow growth of M_1 was done gradually, to minimize the risk of deflation, that 100 would not be believed. People would rightly reason that the next President or Fed Chairman would probably abandon the predecessor's long-term plan. Thus, long-term interest rates would remain high, and velocity might well speed up by more than M_1 was slowing down. With rates high, any temporary reduction of inflation would raise real interest rates, causing bankruptcies that would force abandoning the gradual rule.

Advocates of a quantity rule have had 14 years to agree on one or put it into action. Next time, it will not take that long for interest rates to triple again. Does that have to happen before anyone will admit that this experiment with managed money, like the Continental and Greenback dollars, is also a failure? How bad do things have to get before economists will admit that they made a mistake by endorsing the demolition of proven monetary rules from 1965 to 1973?

PRICE RULES

If monetary policy cannot effectively stabilize prices indirectly, by controlling quantities of M, then why not focus directly on some sensitive measure of price? If such prices are falling, that would be a sign that the demand for money exceeds the supply—time for the Fed to buy bonds (or gold), or to lower the discount rate or reserve requirements. If prices start to climb, it is time to tighten.

In 1962, this was still the dominant view. Professor Friedman then wrote, in "Capitalism and Freedom," that "the rule that has most frequently been suggested by people of a genuinely liberal persuasion is a price level rule; namely, a legislative directive to the monetary authorities that they maintain a stable price level."

If monetary policy had followed a price rule in 1928–31, the deflation could have been nipped in the bud. As Lauchlin Currie noted in 1934, "the three years that preceded the depression witnessed a considerable fall in prices not only in this country but throughout the world."[34] Another possible price rule—real interest rates—likewise showed that monetary policy was too tight in 1928–32. Alternatively the sizable inflow

of gold into the U.S. in 1929-30 was an equally clear signal that the supply of dollars was inadequate. The Fed, as Milton Friedman observes, was "contracting the money supply when the gold standard rules called for expansion."[35]

A quantity approach to money, on the other hand, would have given ambiguous signals about deflation until it was too late. There was no significant decline in the money supply until March 1931, and the monetary base continued to rise throughout the 1930-33 deflation, as people held more currency and banks held more reserves. A policy of slowly increasing the monetary base, as some now propose, would not have prevented the Great Contraction. Any price rule or gold standard, however, would have worked.

Broader price indexes, such as the producer price index, are too sluggish, among other problems (they are revised months later, seasonal adjustments and weighting of items are dubious, discounts and quality changes are missed, etc.). Looking at broad price indexes makes it easier to wrongly blame inflation on the "oil shock" of 1974, though commodity prices began rising sharply in 1972. Instead, a price rule must work with instantly available spot commodity prices.

Money and commodity prices often move in roughly similar directions, so monetary policy at those times could just as well moderate big swings in either one. When the two diverge, however, commodity prices invariably give a more accurate picture of emerging trends in the economy. Growth of M_1 was essentially unchanged from 1973 to 1975, at 4.4-5.5 percent, but a price rule would have required a much tighter policy throughout 1972 and 1973, and a much easier policy from April 1974 to July 1975 (when spot commodity prices fell 28 percent).

Table 2 contrasts the monthly information provided by M_1 and commodity prices in 1980-81. Either series pointed in the correct direction in 1980, but commodity prices convey a much better picture of the liquidity squeeze from October 1981 into early 1982. The seemingly rapid growth of M_1 in the past few months was not sufficient to prevent massive liquidation. An easier policy would have been prudent and desirable, providing people understood that the process would be reversed as soon as commodity prices began to turn up. In other words, chasing the elusive Ms from week-to-week prevented the only sensible response to an unnecessarily wrenching deflationary experience.

TABLE 2.—SHOULD THE FED TARGET PRICES OR M?

	M	Commodity prices	Price rule
1980:			
Jan.	0.8	2.1	Loose.
Feb.	0.8	2.0	Do.
Mar.	0	−1.7	Tight.
Apr.	−1.3	−4.7	Do.
May	−0.2	−7.8	Do.
Jun.	1.2	−3.9	Do.
Jul.	1.1	3.8	Loose.
Aug.	1.8	5.2	Do.
Sep.	1.4	2.1	Do.
Oct.	1.2	0.8	Do.
Nov.	0.5	1.3	Do.
Dec.	−0.7	−2.1	Tight.
1981:			
Jan.	0.8	−2.3	Tight.
Feb.	0.4	−2.5	Do.
Mar.	1.2	2.0	Loose.
Apr.	2.1	1.1	Do.
May	−1.0	−1.4	Tight.
Jun.	−0.2	−2.1	Do.

TABLE 2.—SHOULD THE FED TARGET PRICES OR M?—Continued

	M	Commodity prices	Price rule
Jul.	0.2	1.3	Loose.
Aug.	0.4	1.0	Do.
Sep.	0	−2.2	Tight.
Oct.	0.4	−2.0	Do.
Nov.	0.8	−2.4	Do.
Dec.	1.0	−2.3	Do.

Source: U.S. Department of Commerce, Business Conditions Digest, Series 85 and 23.

Other sorts of price targets have been proposed, but most are less direct ways of achieving similar results. Ronald McKinnon of Stanford proposes pegging exchange rates with countries that have a somewhat better track record of inflation, like Germany and Japan. Edward Jardeni of E. F. Hutton and Donald Hester of the University of Wisconsin suggest keeping real interest rates from drifting too high or too low. Stabilizing commodity prices would do all this and more.

If real interest rates are "too high," there is liquidation of commodities, inventories and assets in order to acquire cash. The dollar's exchange rate will likewise be artificially high, due to short-term capital inflows. Stabilizing the price of gold also stabilizes real interest rates, commodity prices, bond yields and exchange rates. Stabilizing any one of those things, if it could be done, would also tend to stabilize gold.

Since broader price indexes are too insensitive, what about narrowing the list to only one commodity—namely, gold—that is notoriously sensitive to every whiff of inflation or deflation? (including the inflationary prospect of war).

The London gold price dipped in February 1980 and fell 17 percent in March, correctly signaling the March-June decline in commodity prices. Gold rose 17 percent in June 1980, announcing the start of the July-Novermer reflation. Gold prices have fallen since just before the Presidential election, stabilizing only during the spurt in both money growth and commodity prices in March-April 1981. Watching gold prices works well, and limiting the extremes would work even better. That is no more difficult than stabilizing wild gyrations in interest or exchange rates, which has often been successfully accomplished.

Participants in the gold market are not only concerned about current inflation, but about future inflation. Price movements thus tend to be exaggerated, when not on a gold standard, reflecting changing expectations about future inflation. This may be a useful characteristic, because it is the expectation of future inflation that destroyed the bond market.

In October 1979, when the Federal Reserve announced that it would henceforth pay more attention to quantities of money and less to results, the gold price went from $355 to $675 in only four months. Other factors may have been involved, but it looks like a vote of no confidence. Conversely, the gold price fell sharply ever since the election of President Reagan. No forecaster or monetary aggregate did as good a job as the gold market of predicting how abrupt the disinflation would really be. Money growth was not clearly slow until May-September of last year, and even then the Ms were throwing-off conflicting signals.

CONVERTIBILITY

Paying more attention to the consequences of monetary policy—prices, interest rates and exchange rates—would be a major improvement, but still remains a matter of discretionary management.

In order to institutionalize a price rule, it is necessary to convert dollars for gold, and vice-versa, on demand at a fixed price. The "right price" is that price at which we observe neither inflation nor deflation. The only way that foreigners or speculators could upset the fixed gold-dollar ratio would be by monopolizing the stock of gold or dollars, which is clearly impossible.

Stabilizing the value of dollars in terms of gold is not "price fixing" any more than stabilizing an index of prices would be called "price fixing." "Just as every commodity has a value in terms of the unit," wrote Ralph Hawtrey, "so the unit has a value in terms of each commodity."[36]

There has been a lot of misinformation spread around about the U.S. gold standard in the classical period (1879-1914) or the Bretton Woods era (1945-1973). When the period of managed and floating money since 1968 or 1973 is fairly compared with any sort of gold standard, gold systems show far more real growth, better stability of prices in the short and long run, longer expansions, more world trade, and long-term interest rates never above 5-6 percent.[37] In any case, we can improve upon historical performance by learning from the mistakes.

In 1978, Jurg Niehans of Johns Hopkins observed that "commodity money is the only type of money that . . . can be said to have passed the test of history," and wondered if "the present period will turn out to be just another interlude." "The analysis of commodity money," Niehans regretted, "has made hardly any progress in the last fifty years. Actually, more knowledge was forgotten than was newly acquired."[38]

In the past few years, however, there has been a gradual rediscovery of the value of commodity money in the work of such scholars as Robert Barro, Fischer Black, Benjamin Klein, Robert Mundell, Robert Hall, Thomas Sargent, Robert Genetski, Richard Zecher, Paul McGouldrick, Michael Bordo and others. This is just the beginning.

David Ricardo wrote about the central bank in England during 1816, a period of fiat money very much like the present. "In the present state of the law," wrote Ricardo, "they have the power, without any control whatever, of increasing or reducing the circulation in any degree they may think proper; a power which should neither be entrusted to the state itself, nor to anybody in it, as there can be no security for the uniformity in the value of the currency when its augmentation or diminution depends solely on the will of the issuers."

"The issue of paper money," said Ricardo, "ought to be under some check and control; and none seems so proper for that purpose as that of subjecting the issuers of paper money to the obligation of paying their notes either in gold coin or bullion."[39]

The Bullion Committee explained the task before Britain reinstated the gold standard in 1821: "the most detailed knowledge of the actual trade of the country, combined with the profound science in all principles of money and circulation, would not allow any man or set of men to adjust, and keep adjusted, the right proportions of circulating medium in a country to the wants of trade."

Britain took Ricardo's advice and enjoyed over a century of unprecedented monetary stability and economic achievement. Eventually, the United States will do the same. There is no viable alternative.

FOOTNOTES

[1] Stephen A. Meyer & Robert J. Rossana, "Did The Tax Cut Really Cut Taxes?" Federal Reserve Bank of Philadelphia Business Review (Jan.-Feb. 1982).

[2] Brian Horrigan and Avis Protopapadakis, "Federal Deficits: A Faulty Gauge . . ." Federal Reserve Bank of Philadelphia Business Review (Mar.-Apr. 1982). Also unpublished studies by Gerald Dwyer at Emory and Roger Kormendi, University of Chicago.

[3] Dr. Harris' remark is from testimony before the Joint Economic Committee, April 22, 1982; David Levine's is from a speech to the New York Association of Business Economists, April 6, 1982.

[4] Henry C. Simons, "Rules Versus Authorities in Monetary Policy" (1936) in "Landmarks in Political Economy."

[5] J. Ascheim and G. S. Taulas, "On Monetarism and Ideology." Banca Nazionale del Lavoro Review (1979).

[6] Milton Friedman, "Essays in Positive Economics" (University of Chicago 19) pp. 133-5.

[7] Milton Friedman, "Capitalism and Freedom" (University of Chicago 1962) Ch. 3.

[8] Milton Friedman, "An Economist's Protest" (Thos, Morton 1972) pp. 98-99.

[9] R. J. Gordon (ed.) "Milton Friedman's Monetary Framework" (Univ. of Chicago 1970) p. 167.

[10] John M. Gulbenson, "Full Employment or Stagnation?" (McGraw Hill 1961) pp. 234-235.

[11] Business Week (November 15, 1976) p. 26.

[12] Robert J. Gordon "Postwar Macroeconomics" in Martin Feldstein (ed.) "The American Economy in Transition" (Univ. of Chicago, 1980) p. 146.

[13] Samuel Brittain, "How to End the Monetarist Controversy" (Institute for Economic Affairs 1981) p. 84.

[14] "Understating Monetary Growth," First Chicago World Report (Mar.-Apr. 1979).

[15] See James Grant's column, Barron's July 27, 1981, and Sanford Row's column, American Banker, Nov. 24, 1981.

[16] James Earley and Gary Evans, "The Problem Is Bank Liability Management," Challenge (Jan.-Feb. 1982).

[17] M. Dorsey, et al., "Money Market Mutual Funds and Monetary Control," Federal Reserve Bank of New York Quarterly Review (Winter 1981-82).

[18] Nancy Kimelman, "Using Monetary Targets as Intermediate Targets Easier in Theory Than in Practice" Federal Reserve Bank of Dallas Voice (Dec. 1981). Patrick Lawler "The Large Monetary Aggregates as Intermediate Policy Targets, "Federal Reserve Bank of Dallas Voice (Nov. 1981).

[19] "Money Supply Gauge May Be Inaccurate," Washington Report (April 20, 1982).

[20] Maxwell Newton published the exchange in New York Post, Jan. 15, 1982.

[21] Milton Friedman, "Monetary Instability," Newsweek (Dec. 21, 1981).

[22] David Laidler, "The Demand and Supply of Money Yet Again," paper presented to a Carnegie-Rochester conference, April 1970. See also Albert Friedberg, "Gold and Demand-Side Monetarism," —— (Nov. 9, 1981).

[23] House Subcommittee on Monetary Policy, "The Impact of the Federal Reserve System's Monetary Policies on the Nation's Economy (U.S. Government 1980) p. 18. In this model (p. 33) "it takes two to four years for changes in money growth to change the rate of inflation," so the slowdown in inflation in 1981 must have been due to slower money growth around 1977-79.

[24] Bryon Higgins and Jon Faust, "Velocity Behavior of the New Monetary Aggregates," Federal Reserve Bank of Kansas Economic Review (Sept.-Oct. 1981). Also John Wenninger, et al., "Recent Instability in the Demand for Money," Federal Reserve Bank of New York Quarterly Review (Summer 1981).

[25] Milton Friedman (ed.), "On Economics and Society" (University of Chicago 1956) p. 4.

[26] Harry G. Johnson, "On Economics and Society "(University of Chicago 1975).

[27] A. H. Meltzer, "The Great Depression," Journal of Monetary Economics (Nov. 1976); Alan Blinder and Robert Solow, "Does Fiscal Policy Still Matter?" Ibid.

[28] Eugene Fama, "Money and Inflation" (unpublished, August 1979).

[29] Morgan Stanley, "Money and the Economy," July 13, 1981. (Lindley Clark of the Wall Street Journal has also written of the virtures of anemic growth).

[30] Quoted in Antonio Martino. "Containing Inflationary Government (Heritage Foundation 1982) p. 34.

[31] R. W. Hafer. "Much Ado About M_2," Federal Reserve Bank of St. Louis Review (Oct. 1981). Hafer does not realize that critics of M_1 are not necessarily saying M_2 is any better.

[32] Lawrence K. Roos, "The Attack on Monetary Targets," The Wall Street Journal (February 3, 1982).

[33] Op cit.

[34] Lauchlin Currie "The Failure of Monetary Policy to Prevent the Depression of 1929-32" in "Landmarks in Political Economy" (Univ. of Chicago. 1962).

[35] H. G. Manne and R. L. Miller. "Gold, Money and the Law" (Aldine 1975), p. 75. Also M. Friedman and A. Schwartz, "A Monetary History of the United States," (Princeton 1963) p. 361.

[36] Ralph Hawtrey, "Currency and Credit" (Longmans Green 1919) Ch. 1.

[37] My Gold Commission testimony is condensed in "Economic Impact 1982/2" (U.S. Govt. Printing Office), and the Federal Reserve Bank of Atlanta will soon release my talk in the proceedings of an April conference on supply-side economics.

[38] Jurg Nichans, "The Theory of Money" (Johns Hopkins 1978) pp. 140-41.

[39] David Ricardo, "The Principles of Political Economy and Taxation."●

NATIONAL ORCHESTRA WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. HAMMERSCHMIDT) is recognized for 10 minutes.

● Mr. HAMMERSCHMIDT. Mr. Speaker, as you may recall, on May 11 the House of Representatives unanimously approved Senate Joint Resolution 145, authorizing the President to proclaim this week as "National Orchestra Week." This action continues to demonstrate the depth of congressional commitment to the living orchestral art as an integral component of American life.

At this time, I would like to take a few moments to officially salute the Fort Smith and North Arkansas Symphony Orchestras—two of Arkansas' most treasured cultural resources. These fine orchestras have provided hours of beautiful selections and inspiring musical compositions to Arkansans every year. I am particulary proud of their accomplishments.

As the oldest symphony orchestra in the State, the Fort Smith Orchestra has pledged to make this 43d season its finest yet. It stands as a leading cultural monument and civic project. Since 1969, in cooperation with the Westark Community College, Mr. Minniear has expanded the orchestra to 60 musicians. These members come from all walks of life, and include gifted high school and college students.

The North Arkansas Symphony Orchestra was founded in 1954 in Fayetteville, Ark., by its sponsoring organization, the North Arkansas Symphony Society, with the purpose of spreading music to all of northern Arkansas. This orchestra, conducted by Dr. Carlton Woods, consists of 75 musicians, including student and faculty members of the University of Arkansas and community citizens of northern Arkansas. Their program consists of 8 full concerts, 12 childrens' concerts, and in June, 3 "Pops in the Park" events.

My home district, is extemely fortunate to have two such orchestras in their midst. Under the brilliant direction of both Walter Minniear and Dr. Carlton Woods, these orchestras have surpassed our wildest expectations. Their success has been the result of a partnership between trained professionals and dedicated volunteers all committed to providing the finest concert music for their communities. It is only fitting that Congress recognize these contributions through this tribute.

The orchestral arts which were once the province of an elite class of Americans, are now available to everyone. As a result of these two orchestras, families in rural towns, who might not have had the chance to hear a symphony, have been afforded this wonderful opportunity.

The orchestra members do not only perform, they also nurture young talent in these rural areas. In addition, their outreach programs provide the chance for conductors to promote American musical compositions.

I have long recognized the precarious financial condition of the arts, and know that unless action is taken, hundreds of colleges, community theatres, and music companies will be forced to reduce their programs or cease to operate.

Therefore, in an effort to restore the historic role of private individual and corporate support in these key areas, I have sponsored legislation (H.R. 4932) in the last two Congresses which provides for the collection of individual voluntary donations to support the arts and education. In brief, the bill places donation boxes on the Federal income tax form, enabling taxpayers to make tax deductible contributions via the National Endowment for the Arts and/or the National Endowment for the Humanities. Contributions would be made in addition to tax payments or would be deducted from refunds. No portion of the funds could be used by the Endowments for Administrative purposes. Polls taken have indicated that this approach would receive positive reactions from the general public and result in substantial contributions to the arts.

The orchestral arts are too important to our society to be threatened by budgetary constraints. Congress must explore creative vehicles, such as H.R. 4932 to insure they will not be jeopardized.●

THE NINTH ANNUAL STAN MIKITA HOCKEY SCHOOL FOR THE HEARING IMPAIRED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO), is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, I rise to bring the attention of my colleagues to the Ninth Annual Stan Mikita Hockey School for the Hearing Impaired which is in session June 14-20 in Northbrook, Ill.

The school has been held each year for the last eight summers at an ice rink in the Chicago area. More than 250 boys and young men ages 9 through 24 have participated in rigorous training sessions coached by Chicago Blackhawk star Mikita, his former teammates Elmer "Moose" Vasko, and Gene Ubriaco along with Chicago Blackhawk power skating coach Wally Kormylo and other professional players from throughout the National Hockey League.

The Mikita Hockey School was not founded to produce professional quality athletes; it goal, instead, is to bring into the lives of the hearing-impaired a new confidence and understanding of their own abilities and those skills needed to prosper in their educations and in their careers.

On June 19, 1982, the Chicago Park District in cooperation with the American Hearing Impaired Hockey Association and the McFetridge Parents Hockey Association will present the U.S. National Deaf Hockey Team versus Chicago McFetridge Patriots at the McFetridge Sports Center in memory of Tommy White, a young man who excelled at hockey despite his hearing handicap before he lost his life to cancer.

I congratulate the young players, their coaches, and all of those who are instrumental in the success of this program, and I send to all of them my warmest best wishes for many more years of success.

A poem in tribute to Tommy White follows along with the names of the team members of the 1982 Stan Mikita Hockey School for the Hearing Impaired, the names of members of the Chicago varsity team, and the Chicago freshman team:

TOMMY WHITE

(By Jim Parker)

A deaf young lad watched a hockey game
and asked himself in fear,
Is it a fact that I can't play because I cannot hear,
I know I can, his answer was and he bought a pair of skates.
Then Tommy White took to the ice with a smile upon his face
He learned that Stan Mikita, a former Blackhawk star,
Had a program for the deaf who came from near and far
To learn the game of hockey, its rules and discipline.
Soon young Tommy traded shots with the best of them.
Professionals saw a future for this determined boy,
For Tommy White had all the moves in the sport he so enjoyed.
And just as it seemed to certain that a dream would now come true,
Tommy fell to cancer, and the lingering pain ensued
Slowly hope was shattered and slowly life was drained.
One last wish, he asked his Dad, was "one more hockey game."
And he played once more, and the players knew the courage of Tommy White,
And they remembered that last goal he scored the last in a gallant fight.
The irony of death was Oh, so sure, for his namesake and his pal, Uncle Tom,
At this very age had died, in the Battle of Guadalcanal.
Yes, Tommy's gone, but his dreams live on for others who cannot hear,
And in the night his star shines bright and we know that he is near—
Watching, guiding, hearing; skates gliding over ice—
Feeling our feelings with a smile upon his face.
A deaf young lad watched a hockey game—
then he said to you and me
"If you desire something badly enough you can be what you want to be."

1982 STAN MIKITA HOCKEY SCHOOL FOR THE HEARING IMPAIRED

Brett Belzer, Glenview, Illinois.
Dennis Benden, St. Louis, Missouri.
Craig Burgesen, Wausau, Wisconsin.
Phil Cachey, Oak Lawn, Illinois.
Jim Cammarata, Mt. Prospect, Illinois.
Bobby Cisluycis, Staten Island, New York.
Michael Collins, St. Louis, Missouri.
Zachary Cook, McChaniesburg, Pennsylvania.
John Dalton, Hull, Massachusetts.
Jim Danielson, Minneapolis, Minnesota.
Sean Dee, Buffalo, New York.
Michael DeVries, Madison, Wisconsin.
Michael DuBowe, Broomall, Pennsylvania.
Edward Gleason, St. Paul, Minnesota.
Elijah Gold, Ithaca, New York.
Larry Goldstein, Huntington Valley, Pennsylvania.
Joseph Hartge, Bloomingdale, Illinois.
David Hegarty, Newburyport, Massachusetts.
John Hickey, Medford, Massachusetts.
Ken Johnson, Eau Claire, Wisconsin.
Robert Knox, Brunswick, Maine.
Bill Kwarciany, Jr., Gladstone, Michigan.
Michael Lambie, Erie, Pennsylvania.
Jeffrey LeRoy, Erie, Pennsylvania.
Kevin LeRoy, Erie, Pennsylvania.
James Liebrecht, DeWitt, Michigan.
William Loftus, Summit, New Jersey.
Paul Malaney, Norwell, Massachusetts.
Daniel Martin, Manchester, New Hampshire.
Michael Maynard, Madison, Wisconsin.
Bill Mellen, Lowell, Massachusetts.
Tony Meister, Buffalo, New York.
Keith Mischo, Green Bay, Wisconsin.
Robert Modafferi, Brooklyn, New York.
Gary Montalbano, Framingham, Massachusetts.
Rick McGaughey, Holbrook, Massachusetts.
Mick McLaren, Londonberry, New Hampshire.
Kenneth Newman, Plymouth, Minnesota.
Daniel Newman, Plymouth, Minnesota
Robby Norton, Action, Massachusetts.
David Officer, Hanover, New Hampshire.
Anthony Pietraniello, Staten Island, N.Y.
Mickey Pilson, Ardsley, New York.
Ron Player, Cape Vincent, New York.
Tom Robbins, Cincinnati, Ohio.
Jim Siciliano, Longmeadow, Massachusetts.
Ken Stehle, Florissant, Missouri.
Andrew Tepper, Glenview, Illinois.
Lex Tiahnybik, Lincolnwood, Illinois.
James Tourangeau, Gladstone, Michigan.
Jason Vendola, Orland Park, Illinois.
Wendell Waldroup, Jr., Lowell, Michigan.
Jason Weaver, Knoxville, Tennessee.
John Whelan, Bolingbrook, Illinois.
Steve Young, Florissant, Missouri.
David Zimmerman, Minot, North Dakota.

CHICAGO TEAM—VARSITY

Bob Groholski, Jim Sanchez, James Parker, Doug Vasilevich, Danny Ilkich, Steve Halter, Brian Wahnon, Peter Riding, Jim Dahlin, Norbert Hesseln, David Nubani, John Mousseau, Mondo Torrance.

Paul Theiss, Jim Nubani, Mike Waldron, Chuck Wood, Art Rudnicki, George Nukuto, Stan Dubici, Steve Bauer, Phil Grace, Brock Hanna, Coach Jack Cieslak, Assistant Coach Al Salecker.

CHICAGO TEAM—FRESHMAN

Andrea Gasior, Dennis Smart, Pat Looney, Josh Weil, John Praznowski, Joe Wood, Tom McKenna, John Cisnerous, Eric Klutke, Burke Stocker.

Ernie Dugo, Tony Gasior, Chuck Pembieton, Chris Falor, Tony Urgo, Rob Corrigan, Peter Reyes, Dave Pearson, David Wahnon, Coach Jack Wahnon, Assistant Coach Mike Sullivan.●

A BILL FOR THE RELIEF OF VICTIMS OF THE LOVE CREEK DISASTER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. PANETTA) is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, last January, Santa Cruz County, Calif., suffered one of the worst natural disasters in its history. Massive rainfall caused tremendous flooding and mudslides which took many lives, and destroyed businesses and homes. Property damage in the county has totaled nearly $20 million, and it will certainly take many years before the county can return to normal. But for those families that lost a loved one, there will never be a return to normal.

While five counties in central and northern California were declared disaster areas and received Presidential declarations, the most significant damages caused by the storm were located in Love Creek in Santa Cruz County. Ten lives were lost along with nine homes which were destroyed due to the heavy rains which caused mudslides in the Love Creek area. The slide in Love Creek affected not only those residents who experienced direct physical damage but also many residents of this area who have been faced with a unique and highly dangerous situation.

The drenching rains and mudslides of January led the Army Corps of Engineers to conclude after a study of the Love Creek slide that the mountain area adjacent to the actual slide was unsafe. Therefore, the residents were told that they could not return to their homes, which were perfectly intact, because of the unstable mountain. Following this situation, the Santa Cruz County supervisors issued an abatement notice requiring the residents of Love Creek to either relocate their homes or remove the existing structures; 29 families have been confronted with the sad and dreadful situation of virtually having their residences—ranging in value from $100,000 to over $400,000—become economically worthless.

In response to this situation, the Love Creek residents have become eligible for loans which are offered to other disaster victims. They are eligible for loans of up to $55,000 from the Small Business Administration to help find another residence. While the Small Business Administration and other Federal agencies are to be commended for providing some assistance in response to the disaster, the sad fact is that the $55,000 loan limit offered by SBA does not even begin to provide adequate compensation to assist the residents of the Love Creek area in replacing the properties which they have lost because of the disaster. In addition, the interest rates tied to the SBA loans range from 8 percent to 16 percent. Many of the residents of this area are elderly persons and are living on fixed incomes. To require these persons to pay such high rates of interest would simply make these loans unaffordable for them. The fact is that these residents have invested their lives and their hard labor in these homes, and to be forced to demolish their residences, which have been directly destablized by the disaster is the ultimate disaster for these families.

Mr. Speaker, I think it is clear that the disaster assistance offered to these families in this instance has fallen far short of aiding them to replace their lost property at another location. The very purpose of disaster assistance is to try to give families the opportunity to repair their damage and become whole again. That will not happen in Love Creek.

Today, therefore, I am introducing legislation to provide a direct grant to residents of Love Creek to assist in the purchase of another residence. Under this legislation, residents would become eligible for additional assistance that, when combined with other disaster aid, will not exceed 75 percent of the value of their home in Love Creek.

I think the extraordinary circumstances which exist in Love Creek merit extraordinary assistance being offered to these residents. This is not just a case of repairing the damages from a storm. This is the tragedy of telling families to destroy homes untarnished by the storm itself. The legislation I am introducing is confined solely to the unique disaster of 29 residents that have been affected in the Love Creek area. It was my hope that some existing program would be able to provide measurable assistance to these residents and not require the legislation that I am introducing today. After extensive review of all Federal disaster assistance programs, however, there is no such relief potentially available.

The unique situation facing these residents is clear. It is only appropriate that we try to fulfill the same promise to these families that we make to others damaged by such storms—that they be given a chance to survive—a chance to continue their lives in another home. Surely, a nation that has bestowed its great charity on the afflicted of other nations will not deny that same charity to its own. Love Creek is a test of the depth of our concern for our fellow man.

Following is the text of this legislation:

H.R. 6599

A bill to provide assistance to individuals under the Disaster Relief Act of 1974 for the purchase of new homes in Santa Cruz County, California, in cases in which existing homes are required to be relocated or removed as a result of the major disaster declared on January 7, 1982

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the President is authorized, from funds appropriated after the date of enactment of this Act to carry out the Disaster Relief Act of 1974, to make a grant to any individual for the purchase of a new principal residence in any case in which the existing principal residence of such individual is located in the area of Santa Cruz County, California, known as Love Creek, and is required to be relocated or removed as a result of the major disaster declared on January 7, 1982, pursuant to the abatement notice issued by Santa Cruz County, California, on April 27, 1982.

(b) The amount of any grant made to an individual under subsection (a) shall not exceed an amount which, when added to all other Federal assistance provided to such individual as a result of the major disaster referred to in subsection (a) and relating to such individual's existing principal residence or the purchase by such individual of a new principal residence, is equal to 75 percent of the fair market value of such existing principal residence immediately before the onset of the major disaster referred to in subsection (a). For purposes of this subsection, the term "Federal assistance" shall include, but shall not be limited to, the amount by which an individual's Federal income tax is reduced by reason of any loss incurred with respect to an existing principal residence as a result of such major disaster.

(c) No amount of any grant received under this Act shall be considered as income for purposes of the Internal Revenue Code of 1954 or for purposes of determining the eligibility or extent of eligibility of any person for assistance under the Social Security Act or any other Federal law.●

ELECTIONS IN HONDURAS

(Mr. JEFFORDS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. JEFFORDS. Mr. Speaker, in the last 2 years our country has focused a great deal of attention on political developments in Central America. The turmoil in that region is of great concern to all of us and I have long felt that it is important for us to show more interest in Latin America.

If there is one flaw in our foreign policies that stands out more than all others, it seems to me that it is our lack of a long-term approach. As we look at our policies in Central America with respect to the different countries there, this failing is abundantly clear.

Mr. Speaker, under the partners of America program, my State of Vermont is alined with Honduras. The fine work of the Partners in that country and in my State have helped to heighten my awareness of Honduras and its problems. Honduras has been fortunate to avoid the violence that has plagued the bordering countries of El Salvador, Nicaragua, and Guatemala, but how long it can remain peaceful is open to question.

I believe it is very important that we pay more attention to this country before it becomes a trouble spot like its neighbors. Last year, I traveled to Honduras with an international delegation to observe the presidential elections there. I came away with a feeling of the urgent need for increased attention to Honduras and of the fragility of democracy there. I would like to share with my colleagues a copy of the report, which was edited by David Wilson of my staff:

ELECTIONS IN HONDURAS

(A Report by an International Observer Delegation to the Honduran Elections, November 29, 1981)

Between November 24, 1981, and November 30, 1981, a seven member international team was present in Honduras, Central America to observe the national elections at the invitation of the Honduran National Electoral Tribunal and the Honduran government. The invitation was extended to the Washington Office on Latin America (WOLA), an ecumenical organization dedicated to the monitoring of human rights conditions in Latin America and the policies of the United States in that region.

The delegation included political scientists and representatives of public and ecumenical organizations.[1] The seven members were:

[1] The composition of the delgation evolved through a series of meetings between a variety of human rights organizations including: the Disarmament Educational Fund, WOLA, the Center For Development Policy, Oxfam-America and the Church World Services.

Ramsey Clark—Former Attorney General of the United States in the Johnson Administration. Presently an attorney in New York City and President of the Disarmament Educational Fund.

William Crotty—Professor of Political Science, Northwestern University.

James Jeffords—Republican Congressman from Vermont.

Theresa Kane—President of the Sisters of Mercy, Washington, D.C.

Raul Manglapus—Former Foreign Minister and Senator in the Philippines. Presently at the Center for Development Policy in Washington.

Adolfo Aguilar Quevedo—International Lawyer, formerly President of the Mexican Bar Association

John Plank—Professor of Political Science, University of Connecticut.

The delegates were accompanied by several persons who provided advisory and staff assistance:

Leyda Barbieri—WOLA staff and coordinator of the mission.

Robert Girling—Professor of Management, California State University at Sonoma.

Frieda Silvert—Board member, Council on Hemispheric Affairs.

David Wilson—Legislative Assistant to Congressman Jeffords.

ACKNOWLEDGMENTS

As a delegation, we wish to express our appreciation to all of those who helped make our work so rewarding. One of the most memorable aspects of our trip was the overwhelming hospitality, openness and respect shown to us by the people of Honduras throughout our stay. The cordial reception we received from officials of the Tribunal, the government, the political parties and all others with whom we met was extremely impressive. We were made to feel welcome among the Honduran people during a significant moment in their political history.

INTRODUCTION

The delegation spent the five days prior to the election gaining an understanding of Honduran electoral laws and processes. We met with leaders and spokespersons of political parties and other groups: students, peasants, women, families of disappeared persons, labor leaders, the media, and civilian and military government officials. A complete list of contracts is included in the appendix to this report.

While we were based in the capital city, Tegucigalpa, we did extensive travelling in the countryside. On election day, we dispersed and visited polling stations in all areas of the country. We were received openly everywhere and found election officials willing and even eager to explain election procedures.

As a delegation, we concluded that the November election constituted a definite step toward a more democratic society in Honduras. The degree of popular enthusiasm was extremely impressive. The festive atmosphere was one of the many indications that Hondurans truly want a democratic, civilian government. Our observations indicate that it is possible to hold a meaningful election in a poor, rural, highly illiterate country that faces desperate economic problems and tensions due to perceived external security threats

However, the electoral processes in Honduras is not without problems. Even after the election, it is clear that the preeminent power in Honduras is still the military. Those who choose to oppose the military do so at their own peril. The delegation would also like to express concern over many election procedures. Technical and administrative problems, as well as allegations of fraud, served to undermine the otherwise positive atmosphere surrounding the election. Finally, choices were somewhat restricted in this election because of a lack of discussion of meaningful issues by the major candidates and institutional and non-institutional factors that worked against minor party candidates.

THE SETTING

The November 29 election was Honduras' first popular presidential election since 1971. In April, 1980, a National Consitutent Assembly of 71 deputies was popularly elected and charged with writing a new constitution (which supercedes the 1965 constitution) and the laws for conducting the presidential election. The TNE was formed and given the authority to implement electoral laws. This election was significant not only in the political history of Honduras but also in the context of the turmoil in the surrounding countries of Central America.

THE COUNTRY OF HONDURAS

Honduras is a mountainous country largely populated by peasant farmers. The per capita income is $565, the second-lowest of any nation in the western hemisphere. It has one of the highest levels of infant mortality in Latin America, and malnutrition and illiteracy (47 percent) are also serious problems.

The fragile Honduran economy is built largely on exports of bananas and coffee. U.S. private direct investment in Honduras in 1980 was estimated to be $190 million, about 90 percent of total direct foreign investment. These investors are predominantly banana, mining, petroluem refining, fishing and meat packing companies as well as banks.

U.S. government aid also plays a significant role in the Honduran economy. Since 1962, the U.S. Agency for International Development has provided $493 million to Honduras, one of the largest AID programs in Latin America. In fiscal year 1981, total U.S. aid was about $45 million, of which about one quarter was military-related.

For generations, Honduras has been viewed as the stereotypical "Banana Republic." The orderly transfer of power has been a rare occurence. Between 1824 and 1900, there were more than 40 changes of power. Since 1900, Tegucigalpa has been ruled by 21 different regimes.

The most stable period in recent history was the 22 year tenure of Tiburcio Carias Andino, who acceeded to the presidency in 1932. He was ousted in a military coup in 1954 and Ramon Villeda Morales was installed as a constitutional president three years later. Villeda Morales was overthrown in a bloody 1963 coup led by Col. Oswaldo Lopez Arellano, who governed until 1971. Lopez Arellano surrendered office to an elected successor, Ramon Ernesto Cruz, a power transition that lasted only 18 months when the Colonel regained the presidency.

Lopez lost the office for good in 1975, when the United Brands Company (the nation's largest banana producer) paid his government a bribe believed to be about $2 million to reduce the banana export tax. The ensuring coup brought Col. Juan Alberto Melgar Castro to power, but he was ousted in 1978 by a tiumvirate of generals led by Policarpo Paz Garcia. Paz Garcia was the prime mover in the latest transfer of formal political authority from military to civilian hands.

Corruption and incompetence on the part of government officials have been as prevalent as changes in regimes. Several observers of Honduras remarked to us that the only reason the military government was willing to hold elections was that there was nothing in the government coffers left to steal.

The November election came at a time when Honduras desperately needed a responsible, trustworthy and capable government to deal with severe economic and political problems. Officials at the U.S. Embassy in Tegucigalpa claim that Honduras could face an "economic Dunkirk" in 1982, largely due to the worldwide recession and an alarming dearth of foreign exchange attributable to the rising cost of imported oil and plummeting prices for coffee and bananas.

THE REGION

As much as the Honduran people wanted to shed the image and the realities of the "Banana Republic" label, equally fervent was their hope of establishing a democratic path toward political change that would allow them to avoid the violence that plagues the Central American region. There was a strong awareness of the events in the surrounding countries, and many of the people we spoke with expressed the view that developments in Honduras would have implications throughout the region.

In contrast to the other nations of Central America, Honduras has had a tranquil history, especially in recent years. While there have been frequent changes in regimes, these transitions have been relatively peaceful. There is comparatively little political violence in the country, although security forces periodically raid alleged hideouts of terrorist groups. Honduras is far less developed and integrated than was Batista's Cuba of 1958. It has never had a regime as singlemindedly committed to personal aggrandizement as the Somoza dynasty in Nicaragua. It lacks the rigid class structure and vast disparities of wealth that characterize El Salvador, and it is not divided by the racial, animosities and terror that are evident in contemporary Guatemala.

As a delegation, we viewed our role solely as observers of the November 29 election. We avoided commenting on U.S. policy in the region and on events in surrounding countries. However, it would have been impossible to be unaware of the regional significance of the election in Honduras. Elections have been scheduled in El Salvador, Guatemala and Costa Rica for 1982. The Sandanista government in Nicaragua has announced that elections will take place there in 1985. With the exception of Costa Rica, however, patterns of political repression are more prevalent in the recent histories of these countries than are democratic traditions.

The election was important as an example of non-violent transfer of power in the region. Without exception, all Hondurans expressed an understanding of the violence in other Central American nations and a fervent determination to avoid such circumstances in their country. They often echoed the views of outside observers—if democracy fails in Honduras, it may be doomed in all of Central America.

CRITERIA FOR EVALUATION

In our work as observers, we developed a set of criteria for evaluating our observations. These criteria were based on those established by international observers of elections in Bolivia, Zimbabwe-Rhodesia and

the Dominican Republic and we adapted them to Honduras' particular circumstances. These standards were:

1. Adequate media access for all political parties in terms of both advertising and news coverage.[2]

2. A fair and open system of voter registration without evidence of substantial false registration or exclusion.

3. Understandable voting procedures that facilitate voter access to polling places.

4. Equal treatment by the government, the military and election officials of all parties in the pre-election period and on election day.

5. Absence of voter intimidation on or before election day.

6. Sufficient quantities of well-designed ballots.

7. A well-established, honest system of counting votes.

8. Freedom of access for official observers to polling tables.

9. Evidence that election results will be respected.

10. Existence of a political climate conducive to free expression.

PARTIES AND CANDIDATES

The 1981 election marked the first participation in the electoral process of two minority parties—the Christian Democrats (PDCH) and the Innovation and Unity party (PINU). The election of April, 1980 was a two-way race between the Liberal and National parties, which have long dominated the Honduran political process. The Honduran Patriotic Front (FPH), a coalition of the Soviet-leaning Honduran Communist Party, the Maoist Marxist Leninist Communist Party, and the Honduran Socialist Party, also participated. The FPH constitutes a legal coalition of illegal parties.

It was clear at the outset that the Liberals or the Nationalists would capture the presidency. However, the minor parties hoped to head off a simple majority in the 78-plus seat House of Deputies that was being proportionally elected on the same day.[3] The FPH was the only one of the five parties not to field a presidential hopeful, running independent candidates for Deputy in only three departments (districts).

Few Hondurans expressed enthusiasm for the presidential candidates of the two major parties despite the country's overall excitement about the election. Bitter factional strife among the Liberals had nearly ended in a split of its most liberal wing, the Popular Liberal Alliance (ALIPO), from the party regulars. ALIPO had threatened to leave the party and build a swing-vote coalition with the PDCH and the PINU, but were dissuaded from doing so by intra-party pressures and the prospect of a National Party victory. The Liberals nominated a country doctor with a folksy style, Roberto Sauzo Cordova. Many Hondurans conveyed admiration for his style and personality, but few expressed confidence in his skill to lead their country through the troubled times ahead. The most optimistic observers hoped that he would grow in office.

For many Hondurans, the National Party candidate, Ricardo Zuniga, perpetuated their image of the Nationalists as corrupt and strongly tied to the military. A lawyer by trade, Zuniga had served as counsel to several sectors of the military and was believed to be linked unofficially to General Paz Garcia. Zuniga had also been named frequently in connection with a variety of questionable activities.

The two minor party presidential candidates were evidence of the tendency of those parties to be made up of disaffected members of the major parties. the PINU ran one of its founders, Miguel Andonie Fernandez, a former Liberal and successful businessman. The Christian Democratic candidate was a former member of the National Party and once an ambassador to the United States, Hernan Corrales Padilla.

Few pressing national issues were debated during the campaign, particularly between the Liberals and the Nationalists. Zuniga portrayed himself as a strong leader and his opponent as soft on communism, a charge that seemed to have no basis in fact. The Liberals used the appeal of Suazo's image as a simple man and contrasted that to Zuniga's reputation as a corrupt wheeler-dealer. Some of the more cynical viewers we encountered suggested that the Liberals had an image of greater honesty only because they had been out of power and without access to the government coffers.

Several Hondurans expressed concern about the reliance of the major parties on the oldest campaign tactic of them all—making promises that can never be fulfilled. Both major candidates harped on the theme of bringing prosperity to the country through private investment and government cooperation. They promised lavish social, nutritional and infrastructural benefits. As one rural Honduran remarked about his commitment to voting Liberal, "When the Liberals win, my town will finally get the water system it needs." Yet neither party offered clear programs as to how the promises could be achieved. Furthermore, left undebated were issues such as how to cope with a stagnant economy, a depleted treasury, an unfavorable balance of trade and increasing inflation. None of the parties addressed military and foreign relations with El Salvador, Nicaragua or Guatemala, the most pressing external threats to the nation's stability. The issue of Salvadoran refugees, whose treatment is a matter of intense international concern, was not raised at all during the campaign.

Such limits on debate are clearly not in the best interests of cultivating democracy in Honduras. Also, given the desperate economic problems the country faces, it is unlikely that the campaign promises can be fulfilled. This could be particularly deleterious to a country that is trying to go from military to civilian rule and avoid the violence that characterizes its neighbors.

TREATMENT OF MINOR PARTIES AND INDEPENDENT CANDIDATES

While the more clearly articulated positions on major issues, several legal, economic, institutional and incidental factors worked against the minor parties in this election.

One strong factor in the election was tradition. Certain areas of the country and certain families have always been affiliated with a particular party. This is certainly not unique Honduras, but it clearly works against new parties breaking into the political system in terms of both votes and funds.

More serious obstacles to raising funds were election law and government policy. The Christian Democratic Party, the most liberal of the four, but centrist by Western European standards, was frustrated by he government in many ways. It had been barred from the April, 1980 election because it received funding from sources outside of Honduras, which is forbidden under Honduran law. In 1981, the PDCH was promised $15,000 in government funds but was believed to have received less than $10,000. Although the PINU got $350,000, each of the major parties received over $1 million. The FPH received no funds.

A shortage of funds created several roadblocks for the minor parties. The most obvious was an inability to advertize as much as the National and Liberal parties. (We heard no complaints about an imbalance in news coverage.) Possibly more significant was the inability of the minor parties to compete in some of the oldest party functions in Honduran politics—transporting voters to the polls, providing housing for those who have travelled far from home, and feeding voters one or more meals.

One aspect of the election procedures that worked to the disadvantage of minor parties was the need to cast a straight party ballot. Although the ballots were very clear and we saw no problems of short supply, voters could not vote for individual candidates for any office. They marked their ballots below the name and flag of their choice, which was provided in color on a ballot about 5"X7". As detailed above, the parties controlled who would actually serve in the House of Deputies and in local offices based on their vote totals. Clearly, this worked to the disadvantage of independent and minor party candidates who might seek office only in certain areas of the country.

Intimidation and harassment was also a factor. We heard no allegations of harassment of Liberals, Nationalists or PINU officials, but the Christian Democrats claimed that some of their supporters had been intimidated during the campaign and that several of them had disappeared in previous years. We were unable to verify these allegations.

However, there was no doubt that some harassment was used against the FPH. Several days before the registration deadline for candidates, Marco Virgilion Carias, a Socialist who intended to run for Deputy on the FPH ticket, was kidnapped and held for two weeks. It was never clear who was re-

[2] There are five daily newspapers in Honduras. The private papers have circulations of 30,000-45,000 each; the government's La Gaceta carries governmental decrees and speeches. Radio plays the most important media role in Honduras, largely due to the low literacy rate. There are about 140 radio stations in the country 600,000 radios in use and 2.5 million average weekly listeners, according to the U.S. Embassy. There are three television stations, all owned by the same company. This audience is estimated at 450,000 for about 150,000 sets.

[3] The system of proportional representation for the House of Deputies is somewhat complex. Seventy-eight Deputies were directly elected at large by department (district) on the basis of population. Each department has at least one deputy. In determining the apportionment of seats, the total number of votes cast in the department is first divided by the number of deputies to be elected there. The resulting figure is the "electoral quotient." The first seat is awarded to the party which receives the most votes and to the top ranking candidate on that party's list. The vote total of that party is then reduced by the electoral quotient. The next seat is awarded to the party with the plurality of the remaining votes. This may be the same party that received the most votes initially. The process is repeated until all seats are allocated.

When this process is completed, the entire national vote is divided by 78, producing a "national electoral quotient." This number is used to calculate the extra seats, using the "remainder" votes for each party. The number of extra seats equals each party's remainder divided by the national quotient. Thus, the total seats in the House of Deputies is about 85.

sponsible, but he had missed the filing deadline and could not run.

Eight days before the election, local Communist Party candidate Anibal Delgado Fiallos was detained at his party's headquarters by the Department of National Investigations (DNI), the most feared branch of the Honduran armed forces. The DNI allegedly ransacked the party office, taking lists of supporters and campaign funds. The military officers later explained that they had made a mistake.

We heard other reports of detainments which we did not have time to investigate. Such a pattern indicates that some choices were denied in this election in a variety of ways. Considering the relative lack of strength of the Left in Honduras and the fact that nearly the entire population favored elections, it is difficult to understand why such practices should be thought necessary.

THE MILITARY

As a delegation, we viewed the role of the armed forces in Honduras as a serious obstacle to the establishment of a secure, democratic political system. Clearly, the military is the most important in the nation's political make-up. It has its own chain of command, its own recruitment procedures, its own rules and regulations, and its own system of justice. It is not responsible to any civilian authority. Elections took place only at the permission of the military, and during the campaign there was speculation that each of the major parties had made independent deals with the armed forces to share power in the event of an election victory. As a price for allowing the election, military leaders received commitments that they would retain control over foreign and military policy.

There were persistent rumors that a coup would take place either before the election or shortly thereafter. On September 6, 1981, the Honduran Bishops Conference issued a pastoral letter warning of the threat of a military coup and raising fears that the election would not be carried out as promised. This uncertainty was finally quelled on November 25, four days before the election, when President Paz Garcia appeared on national television and radio to guarantee an orderly election. In what was seen as an effort to fulfill this pledge, troops were visible throughout the country on election eve and on election day, particularly at military installations, bridges, major roads and official election offices where votes were being counted. However, soldiers did abide by the law forbidding them from being closer than 100 meters from polling places.

It may well have been necessary, as the armed forces claimed, to show a strong military presence on election day in order to ensure the safety of voters. Although the election day activities of the armed forces did not seem to have a strong impact on the voters, they did introduce an element of tension that is best avoided. A decentralized local police under civilian control could preclude the need for the military to perform functions that are best left to a civilian entity. Such a strong military presence both before and during the election does seem to be incompatible with the full exercise of democracy.

ELECTORAL LAWS AND PROCEDURES

Some of the procedures and rules governing the election seemed unusually and needlessly complex. These regulations were not always fully understood by officials in charge of local districts and some of the more elaborate procedures were open to different interpretations and applications. Many of the resulting problems can be attributed to Honduras' lack of experience with elections and that the November plebiscite was conducted under an entirely new set of electoral laws.

Problems we observed included:

Early closing of registration (six months before election day);

About 40,000 exclusions due to legal technicalities;

The inability of a voter to change his place of registration from one town to another, necessitating a great deal of travel to get to the polls;

Alphabetical assignment of voters to voting tables within districts regardless of place of residence, also necessitating travel;

Long lines at some polling places and no lines at others;

Long delays in reporting results.

With the exceptions noted here, the delegation concluded that electoral laws and procedures were exercised fairly smoothly during the pre-election period and on election day. In a somewhat crude sense, this is illustrated by the fact that registration was about 90 percent of the voting age population and over 80 percent of the registered voters participated. However, the problems we noted do merit attention in the interests of ensuring maximum participation and confidence in the electoral process. Our recommendations include:

1. Keeping registration open longer, at least until one month before the election.

2. Decentralizing registration so that each area and town, no matter how small, has a convenient place to register voters.

3. Decentralizing the mesas to minimize travel difficulties for voters. One of the major problems in the election was getting the voters to the mesas. A greater effort should be made, instead, to bring the mesas to the voters.

4. Decentralizing reporting points and training more district officials to accept and certify results.

5. Modernizing the national communications system for registration and vote counting. This is a problem in Honduras that transcends elections. However, many people who were not among the 40,000 exclusions mentioned earlier appeared at polling places expecting to vote and found they were not listed as registered voters. This was often attributed to the computer system used to record registrations and the inexperience of the election officials using it. With a modern system a citizen could easily shift his registration from one city to another.

SUMMARY AND CONCLUSIONS

Within the limits described in this report, the November election represented a good faith effort to conduct a fair and open election in Honduras. There was impressive citizen support for the electoral process and for a transition to a democratic, civilian government. The vast majority of Hondurans, citizens of all economic classes and political persuasions, wanted this election and participated with enthusiasm.

The democratic procedures used were in large part experimental as a presidential election had not been held since 1971. Many of the problems we have described could have been eased with experience. Such difficulties, along with the limits within which the minor parties operated, hindered the atmosphere of the election.

The delegation detected no evidence of overt military interference or intimidation in the electoral process. However, persistent rumors of a coup before or after the election and the highly visible presence of the armed forces did influence the atmosphere. The role of the military in the lives of Hondurans was particularly evident in our meetings with the families of disappeared persons and Salvadoran refugees. Clearly, the military set the limits within which the election took place. These observations cast some doubt about how meaningful that transition from military to civilian rule will be. Democracy and civilian government will be possible only when the power of the military is, in fact, subordinate to law. Nevertheless, the election represented a step in a democratic process and an example of peaceful change—and unusual and commendable event in an area of the world torn by violence and civil war.

In a wider context, this election indicates that it is possible to devise procedures that will draw the participation of the vast majority of citizens in a poor, rural and largely illiterate country controlled by the military and burdened with thousands of refugees. With this election, Honduras has established itself in a model in several ways. Conditions for effective electoral choice were established during the preelection period and were respected, with only limited lapses, throughout the campaign. Freedom of expression was generally respected. While there was some harassment of the center and the Left, it was minimal in contrast to the gross abuses evident from press accounts and the documented reports of human rights organizations in El Salvador and Guatemala.

This election can also serve as a model in the protection of the citizen's right to vote in confidence and peace. The Honduran voter associated no danger with the act of voting, and the result was a voter turnout of greater than 80 percent. This is in stark contrast to the situation in Guatemala where fear and violence has resulted in widespread abstention in past elections and threatens the validity of the March 1982 election. Honduras can continue to serve as a model for the region with the elections scheduled in 1983 for congressional and municipal offices and in 1985 for the presidency.

Finally, we wish to conclude by expressing our common concern. Our experience as observers leads us to conclude that democracy is a fragile institution that requires a pervasive climate of trust. Such trust requires peace. Continued peace in Honduras will, in turn, require a commitment to developing an atmosphere conducive to open exploration of a wide range of political, social and economic options without fear of repression. This will require international cooperation and a reversal of the growing trend toward seeking military solutions to the problems of Central America.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SCHEUER (at the request of Mr. WRIGHT), for June 15 through June 17, on account of official business.

Mr. AUCOIN (at the request of Mr. WRIGHT), for today and June 16, on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the

legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. KENNELLY) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 60 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. COELHO, for 5 minutes, today.
Mr. PANETTA, for 5 minutes, today.

(The following Members (at the request of Mr. DREIER) to revise and extend their remarks and include extraneous material:)

Mr. KEMP, for 40 minutes, today.
Mr. HAMMERSCHMIDT, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. JEFFORDS, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $1,428.

Mr. KEMP, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $2,618.

(The following Members (at the request of Mr. DREIER) and to include extraneous matter:)

Mr. BETHUNE.
Mr. CLINGER.
Mr. VANDER JAGT.
Mr. SCHULZE.
Mr. MILLER of Ohio in three instances.
Mr. DENARDIS.
Mr. WORTLEY.
Mr. PARRIS.
Mr. EMERY in two instances.
Mr. LUJAN.
Mr. MOORHEAD.
Mr. LEBOUTILLIER.
Mr. DORNAN of California.
Mr. WOLF.
Mr. PAUL in two instances.
Mr. PETRI in two instances.
Mr. MCGRATH.
Mr. MCCLORY.
Mr. SNYDER.
Mr. ROUSSELOT.

(The following Members (at the request of Mrs. KENNELLY) and to include extraneous matter:)

Mr. RANGEL.
Mr. MAZZOLI.
Mr. PEPPER.
Mr. GAYDOS.
Ms. FERRARO.
Mr. FASCELL in three instances.
Mr. FLORIO in three instances.
Mr. FUQUA in two instances.
Mr. HIGHTOWER.
Mrs. BYRON.
Mr. WOLPE.
Mr. AUCOIN.
Mr. ROE.
Mr. MOFFETT.
Mr. FRANK.
Mr. SWIFT.
Mr. OTTINGER in two instances.
Mr. MOAKLEY.
Mr. OBERSTAR in two instances.
Mr. BONKER.
Mr. SHANNON.
Mr. HEFTEL.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAWKINS from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 4. An act to amend the National Security Act of 1947 to prohibit the unauthorized disclosure of information identifying certain U.S. intelligence officers, agents, informants, and sources;

H.R. 5432. An act authorize the presentation on behalf of the Congress of a specially struck gold medal to Adm. Hyman Rickover;

H.R. 5566. An act authorizing appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes;

H.R. 5659. An act to authorize the Smithsonian Institution to construct a building for the National Museum of African Art and a center for Eastern art together with structures for related educational activities in the area south of the original Smithsonian Institution Building adjacent to Independence Avenue at 10th Street SW., in the city of Washington; and

H.R. 6132. An act to amend section 5590 of the revised statutes to provide for adjusting the rate of interest paid on funds of the Smithsonian Institution deposited with the Treasury of the United States as a permanent loan.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 48 minutes p.m.), the House adjourned until tomorrow, Wednesday, June 16, 1982, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4153. A letter from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting notice of a decision to convert the Servmart function at the Naval Supply Center, Charleston, from performance by Department of Defense personnel to private contractors, pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

4154. A letter from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting notice of a decision to convert the grounds maintenance and agricultural pest control function at the Naval Construction Battalion Center, Port Hueneme, Calif., from performance by Department of Defense personnel to private contractors, pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

4155. A letter from the Chairperson, U.S. Architectural and Transportation Barriers Compliance Board, transmitting the annual report of the Board for the fiscal year 1980, pursuant to section 502(g) of Public Law 93-113; to the Committee on Education and Labor.

4156. A letter from the Secretary of Health and Human Services, transmitting the fourth annual report on drug abuse prevention, treatment, and rehabilitation, covering fiscal year 1981, pursuant to section 405(b) of the Drug Abuse Office and Treatment Act of 1972, as amended (92 Stat. 1268); to the Committee on Energy and Commerce.

4157. A letter from the Chairman, President's Commission for the Study of Ethical Problems in Medicine and Biomedical and Behavioral Research, transmitting a report on compensating for research injuries; to the Committee on Energy and Commerce.

4158. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Air Force's intention to offer to sell certain defense equipment and services to the Government of Korea (Transmittal No. 82-64), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

4159. A letter from the Acting Assistant Legal Adviser for Treaty Affairs, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

4160. A letter from the Deputy Assistant Secretary of Defense, transmitting notice of proposed new records systems for the Defense Criminal Investigative Service, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

4161. A letter from the Clerk, U.S. Court of Claims, transmitting a copy of a judgment in the case re *The Navajo Tribe* v. *The United States*, No. 353, pursuant to title 28, United States Code; to the Committee on Interior and Insular Affairs.

4162. A letter from the Secretary of Transportation, transmitting a quarterly report for the first quarter of fiscal year 1982 on the obligations, commitments, and reservations made under authority of the Urban Mass Transportation Act, pursuant to section 4(h)(1) of Public Law 88-365, as amended; to the Committee on Public Works and Transportation.

4163. A letter from the Assistant Secretary of the Army (Civil Works), transmitting notice that specific authorization for the Cazenovia Creek Watershed project is no longer needed as a result of an increase in the cost limit on section 205 projects, pursuant to Public Law 97-140; to the Committee on Public Works and Transportation.

4164. A letter from the Clerk, U.S. House of Representatives, transmitting the annual compilation of personal financial disclosure statements filed with the Clerk of the House of Representatives, pursuant to the Ethics in Government Act of 1978 (H. Doc. No. 97-197); to the Committee on Standards of Official Conduct and ordered to be printed.

4165. A letter from the Comptroller General of the United States, transmitting a report on construction of a separate Consumer Price Index for retirees; jointly, to the Committees on Government Operations,

Armed Services, Education and Labor, Energy and Commerce, Post Office and Civil Service, and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MOAKLEY: Committee on Rules. House Resolution 501. Resolution providing for the consideration of H.R. 4326, a bill to amend the Small Business Act to strengthen the role of the small, innovative firms in federally funded research and development, and to utilize Federal research and development as a base for technological innovation to meet agency needs and to contribute to the growth and strength of the Nation's economy (Rept. No. 97-606). Referred to the House Calendar.

Mr. LONG of Louisiana: Committee on Rules. House Resolution 502. Resolution waiving certain points of order against the conference report on H.R. 5922, a bill making urgent supplemental appropriations for the fiscal year ending September 30, 1982, and for other purposes (Rept. No 97-607). Referred to the House Calendar.

Mr. DERRICK: Committee on Rules. House Resolution 503. Resolution providing for the consideration of H.R. 6094, a bill to authorize appropriations for the U.S. International Trade Commission, the U.S. Customs Service, and the Office of the U.S. Trade Representative for fiscal year 1983, and for other purposes (Rept. No. 97-608). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BIAGGI:

H.R. 6589. A bill to amend title XVIII of the Social Security Act to exclude medicare reimbursement for costs of anti-union-organizing activities; jointly; to the Committees on Ways and Means and Energy and Commerce.

By Mr. ROSE (for himself, Mr. WHITLEY, Mr. JONES of North Carolina, Mr. HATCHER, Mr. NAPIER, Mr. HEFNER, Mr. JOHNSTON, Mr. DAN DANIEL, and Mr. FOUNTAIN):

H.R. 6590. A bill to provide for the operation of the tobacco price support and production adjustment program in such a manner as to result in no net cost to taxpayers, to limit increases in the support price for tobacco, and for other purposes; to the Committee on Agriculture.

By Mr. CLINGER (for himself, Mr. EDGAR, Mr. BUTLER, Mr. OBERSTAR, Mr. FISH, Mrs. KENNELLY, Mr. FRENZEL, Mr. LUNDINE, Mr. BEREUTER, Mr. LEACH of Iowa, Mr. LIVINGSTON, and Mr. PRITCHARD):

H.R. 6591. A bill to amend the Budget and Accounting Act, 1921, to require the President's budget to separately identify and summarize the capital investment expenditures of the United States, to amend the Public Works and Economic Development Act of 1965 to require the Secretary of Commerce to conduct an inventory and assessment of the Nation's public facilities, and for other purposes; jointly, to the Committees on Government Operations and Public Works and Transportation.

By Mr. DANIEL B. CRANE:

H.R. 6592. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. DYMALLY:

H.R. 6593. A bill to amend title 38, United States Code, to restore veterans' burial benefits terminated by the Omnibus Budget Reconciliation Act of 1981; to the Committee on Veterans' Affairs.

H.R. 6594. A bill to repeal the change made by the Omnibus Budget Reconciliation Act of 1981 in the eligibility requirements for receipt of unemployment benefits by ex-service members; to the Committee on Ways and Means.

By Mr. ROSTENKOWSKI:

H.R. 6595. A bill to provide for a temporary increase in the public debt limit, and for other purposes; to the Committee on Ways and Means.

By Mr. FAZIO (for himself and Mr. MATSUI):

H.R. 6596. A bill to modify the mandatory sentence structure for the use of a firearm in the commission of a Federal felony, to establish a mandatory sentence for the use of a cutting or stabbing weapon in the commission of a Federal felony, and for other purposes; to the Committee on the Judiciary.

By Ms. FERRARO:

H.R. 6597. A bill to amend title 5, United States Code, to provide permanent authorization for Federal agencies to use flexible and compressed employee work schedules; to the Committee on Post Office and Civil Service.

By Mr. OTTINGER:

H.R. 6598. A bill to provide for the development of repositories for the disposal of high-level radioactive waste and spent nuclear fuel, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, Energy and Commerce, and Rules.

By Mr. PANETTA:

H.R. 6599. A bill to provide assistance to individuals under the Disaster Relief Act of 1974 for the purchase of new homes in Santa Cruz County, Calif., in cases in which existing homes are required to be relocated or removed as a result of the major disaster declared on January 7, 1982; to the Committee on Public Works and Transportation.

By Mr. ROYBAL:

H.R. 6600. A bill to amend the Older Americans Act to 1965 to provide for expanded counseling assistance for older persons; to the Committee on Education and Labor.

By Mrs. SCHNEIDER (for herself, Mr. GILMAN, Mr. PRITCHARD, Mr. BROWN of California, Mr. DYMALLY, Mr. MATSUI, Mr. FAUNTROY, Mr. LEACH of Iowa, Mr. DENARDIS, Mrs. CHISHOLM, Mr. WON PAT, Mr. AUCOIN, Mr. BINGHAM, Mr. EDGAR, Mr. LOWRY of Washington, Mr. BONKER, Mr. BARNES, Mr. STUDDS, Mr. SEIBERLING, Mr. JEFFORDS, Mrs. FENWICK, Mr. MOFFETT, and Mr. BEDELL):

H. Con. Res. 360. Concurrent resolution expressing the sense of the Congress concerning continuing U.S. participation with respect to a comprehensive Law of the Sea Treaty; to the Committee on Foreign Affairs.

By Mr. SHANNON (for himself and Mr. DOUGHERTY):

H. Con. Res. 361. Concurrent resolution calling upon the Government of the United Kingdom to ban the use of plastic and rubber bullets against civilians; to the Committee on Foreign Affairs.

H. Con. Res. 362. Concurrent resolution calling upon the Government of the United Kingdom to outlaw the Ulster Defense Association, its membership, activities, and any like terrorist organization; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

409. The Speaker presented a memorial of the Assembly of the State of New York, relative to support for children with handicapping conditions; to the Committee on Education and Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AUCOIN:

H.R. 6601. A bill for the relief of Menno Swart; to the Committee on the Judiciary.

By Mr. MCKINNEY:

H.R. 6602. A bill for the relief of Gertrude Cizanckas; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 248: Mr. ANTHONY.

H.R. 375: Mr. ERTEL.

H.R. 769: Mr. BLANCHARD, Mrs. BOUQUARD, Mr. BROWN of California, Mr. CLAY, Ms. COLLINS of Illinois, Mr. DELLUMS, Mr. DWYER, Mr. FAUNTROY, Mr. FISH, Mr. FORD of Michigan, Mr. FRANK, Mr. FROST, Mr. GILMAN, Mr. HATCHER, Mr. HOWARD, Mr. LEACH of Iowa, Mr. LENT, Mr. MARKEY, Mr. BIAGGI, Mr. MAVROULES, Mr. OBERSTAR, Mr. OTTINGER, Mr. PATTERSON, Mr. PRITCHARD, Mr. RINALDO, Mr. RODINO, Mr. ROE, Mr. SIMON, Mr. STOKES, Mr. WAXMAN, Mr. WEISS, Mr. WORTLEY, Mr. YATRON, Mr. YOUNG of Florida, and Mr. ZEFERETTI.

H.R. 1918: Mr. BONIOR of Michigan and Mr. DYMALLY.

H.R. 1937: Mr. NELLIGAN.

H.R. 2052: Mr. WYLIE.

H.R. 2832: Mr. WALGREN.

H.R. 3039: Mrs. FENWICK.

H.R. 3116: Mr. PATTERSON.

H.R. 3596: Mr. DORNAN of California, Mrs. HOLT, Mr. PARRIS, Mr. Wolf, and Mr. PEYSER.

H.R. 3760: Mr. DE LUGO.

H.R. 3794: Mr. MITCHELL of New York.

H.R. 3921: Mr. MCKINNEY.

H.R. 4147: Mr. LAFALCE, Mr. WORTLEY, and Ms. OAKAR.

H.R. 4309: Mr. VENTO.

H.R. 4325: Mr. MOTTL.

H.R. 4554: Mr. SMITH of Alabama.

H.R. 4829: Mr. MARTIN of New York.

H.R. 4833: Mr. DICKS, Mr. MADIGAN, and Mr. PRICE.

H.R. 5133: Mr. YATES, Mr. BROOMFIELD, Mr. SCHEUER, and Mr. HOWARD.

H.R. 5163: Mr. YATRON.

H.R. 5238: Mr. BIAGGI, Mr. GOODLING, Mr. BRODHEAD, Mr. SHANNON, and Mr. RALPH M. HALL.

H.R. 5254: Mr. FISH and Mr. RALPH M. HALL.

H.R. 5437: Mr. GRAY, Mr. WASHINGTON, Mr. HANSEN of Idaho, and Mr. ROE.

H.R. 5555: Mr. WYDEN, Mr. GEJDENSON, Mr. FISH, Mr. FAUNTROY, Mr. EDGAR, Mr. D'AMOURS, Mr. FAZIO, Mr. EDWARDS of California, Mr. VENTO, Mr. JEFFORDS, Mr. SEIBERLING, Mr. ADDABBO, Mr. ROSENTHAL, Mr. LOWRY of Washington, Mr. STOKES, Mr. MAVROULES, Mr. MATSUI, Mr. DELLUMS, and Mr. YATES.

H.R. 5583: Mr. MARKEY.

H.R. 5584: Mr. CORCORAN, Mr. ROBERT W. DANIEL, JR., Mr. JOHNSTON, and Mr. PORTER.

H.R. 5752: Mr. SYNAR, Mr. OBERSTAR, Mr. KOGOVSEK, and Mr. PORTER.

H.R. 5760: Mr. MORRISON and Mr. MCKINNEY.

H.R. 5868: Mr. PICKLE, Mr. JENKINS, Mr. DAUB, Mr. LEATH of Texas, and Mr. SHUMWAY.

H.R. 5918: Mr. RAILSBACK.

H.R. 5924: Mr. SIMON and Mr. TAUKE.

H.R. 6003: Mr. TRAXLER.

H.R. 6061: Mr. DORNAN of California.

H.R. 6111: Mr. DOWNEY.

H.R. 6135: Mr. ROBERTS of South Dakota.

H.R. 6154: Mr. WASHINGTON, Mr. TAUKE, Mr. EMERY, Mr. FLORIO, and Mr. DAUB.

H.R. 6155: Mr. WASHINGTON, Mr. TAUKE, Mr. EMERY, Mr. FLORIO, and Mr. DAUB.

H.R. 6311: Mr. KOGOVSEK.

H.R. 6356: Mr. PEPPER, Mr. OBERSTAR, Mr. FORSYTHE, Mr. OTTINGER, Mr. WILSON, and Mr. SIMON.

H.R. 6457: Mr. MOLINARI.

H.R. 6497: Mr. DE LUGO.

H.R. 6538: Mr. FUQUA, Mr. SIMON, Mr. IRELAND, Mr. BARNARD, and Mr. CORCORAN.

H.J. Res. 172: Mr. HEFTEL and Mr. JACOBS.

H.J. Res. 465: Mr. SYNAR and Mr. PORTER.

H.J. Res. 485: Mr. FLORIO, Mr. FISH, Ms. FERRARO, Mr. COELHO, Mr. SHAMANSKY, Mrs. BOUQUARD, Mr. MOTTL, Mr. SIMON, Mr. BEDELL, Mr. PEYSER, Mr. RUDD, Mr. BAILEY of Pennsylvania, Mr. HAGEDORN, Mr. HOYER, and Mr. SCHEUER.

H.J. Res. 486: Mr. LEBOUTILLIER and Mr. HAGEDORN.

H.J. Res. 500: Mr. COATS.

H. Con. Res. 216: Mr. FAZIO and Mrs. SNOWE.

H. Con. Res. 341: Mr. RUDD, Mr. DONNELLY, Mr. FORD of Tennessee, Mr. LELAND, Mr. DUNCAN, Mr. MURPHY, Mr. HATCHER, Mrs. BOGGS, Mr. CARMAN, Mr. HUGHES, Mr. MARKEY, and Mr. ROEMER.

H. Con. Res. 354: Ms. MIKULSKI, Mr. ROE, Mr. AUCOIN, Mr. CORRADA, Mr. ALBOSTA, Mr. WEAVER, Mr. BINGHAM, Mr. ROSENTHAL, Mr. YATES, Mr. EDWARDS of California, Mr. SOLARZ, Mr. SMITH of Pennsylvania, Mr. STARK, Mr. MITCHELL of Maryland, Mr. WALGREN, Mr. FOGLIETTA, Mr. PEYSER, Mr. SCHEUER, Mr. EDGAR, Mr. FASCELL, and Mr. GUARINI.

H. Res. 367: Mr. STATON of West Virginia, Mr. FRENZEL, Mr. SIMON, Mr. ROBERTS of South Dakota, Mr. WILLIAMS of Ohio, and Mr. SPENCE.

H. Res. 421: Mr. BARNARD, Mrs. BYRON, Mr. DONNELLY, Mr. GARCIA, Mr. HOYER, Mr. LEACH of Iowa, Mr. LEVITAS, Mr. KASTENMEIER, and Mr. WIRTH.

H. Res. 456: Mr. DWYER, Mr. SIMON, Mrs. FENWICK, Mr. EVANS of Delaware, Mr. ANDERSON, Mrs. BOGGS, Mr. NEAL, and Mr. MCKINNEY.

H. Res. 473: Mr. SOLARZ, Mr. LEHMAN, Mr. OBERSTAR, Mr. MARKEY, Mr. BINGHAM, Mr. ERDAHL, Mr. SCHEUER, Mr. NAPIER, Mr. CORRADA, Mr. HOYER, Mr. KILDEE, Mrs. CHISHOLM, Mr. WEAVER, Mr. HUBBARD, Mr. TRAXLER, Mr. LEBOUTILLIER, Mrs. COLLINS of Illinois, Mr. LELAND, Mr. SIMON, Mr. DECKARD, and Mr. BROWN of California.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

481. By the SPEAKER: Petition of the Kenton-Boone Board of Realtors, Inc., Erlanger, Ky., relative to the Federal Deficit; to the Committee on Government Operations.

482. Also, petition of the city council of Hammond, Ind., relative to steel import limitations; to the Committee on Ways and Means.

483. Also, petition of the city of Calumet, Ill., relative to a bilateral nuclear weapons freeze; jointly, to the Committees on Armed Services and Foreign Affairs.

484. Also, petition of the city council of University City, Mo., relative to a bilateral nuclear weapons freeze; jointly, to the Committees on Armed Services and Foreign Affairs.

485. Also, petition of the city council, New York, N.Y., relative to a nuclear weapons reduction and freeze; jointly, to the Committees on Armed Services and Foreign Affairs.

486. Also, petition of the city council, New York, N.Y., relative to a nuclear weapons moratorium; jointly, to the Committees on Armed Services and Foreign Affairs.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R.5922

By Mr. FAZIO:

(An amendment to Senate amendment 62.)

—At the appropriate place insert:

SEC. 217A. (a) The last sentence of section 162(a) of the Internal Revenue Code of 1954 (relating to trade or business expenses) is amended by inserting ", but amounts expended by such Members within each taxable year for living expenses shall not be deductible for income tax purposes in excess of $3,000" after "home".

(b) Paragraph (4) of section 280A(f) of such Code (relating to coordination with section 162(a)(2)) is amended to read as follows:

"(4) COORDINATION WITH SECTION 162(a)(2).—Nothing in this section shall be construed to disallow any deduction allowable under section 162(a)(2) (or any deduction which meets the tests of section 162(a)(2) but is allowable under another provision of this title) by reason of the taxpayer's being away from home in the pursuit of a trade or business (other than the trade or business of renting dwelling units).".

(c) Subsection (a) of section 139 of the Act of October 1, 1981 (95 Stat. 967), is hereby repealed.

(d) The amendments made by this section shall apply to taxable years beginning after December 31, 1981.

SEC. 217B. (a)(1) Except as provided by paragraph (2), no Member may, in any calendar year beginning after December 31, 1981, have outside earned income attributable to such calendar year which is in excess of 30 per centum of the aggregate salary as a Member paid to the Member during such calendar year.

(2) In the case of any individual who becomes a Member during any calendar year beginning after December 31, 1981, such Member may not have outside earned income attributable to the portion of that calendar year which occurs after such individual becomes a Member which is in excess of 30 per centum of the aggregate salary as a Member paid to the Member during such calendar year.

(b) For purposes of subsection (a), honoraria shall be attributable to the calendar year in which payment is received.

(c) For the purposes of this section—

(1) "Member" means a United States Senator, a Representative in Congress, a Delegate to Congress, or the Resident Commissioner from Puerto Rico;

(2) "honorarium" means a payment of money or any thing of value to a Member for an appearance, speech, or article, by the Member; but there shall not be taken into account for purposes of this paragraph any actual and necessary travel expenses incurred by the Member to the extent that such expenses are paid or reimbursed by any other person, and the amount otherwise determined shall be reduced by the amount of any such expenses to the extent that they are not paid or reimbursed;

(3) "travel expenses" means, with respect to a Member, the cost of transportation, and the cost of lodging and meals while away from his residence or the greater Washington, District of Columbia, metropolitan area; and

(4) "outside earned income" means, with respect to a Member, wages, salaries, professional fees, honorariums, and other amounts (other than copyright royalties) received or to be received as compensation for personal services actually rendered but does not include—

(A) the salary of such Member as a Member;

(B) any compensation derived by such Member for personal services actually rendered prior to the effective date of this section or becoming such a Member, whichever occurs later;

(C) any amount paid by, or on behalf of, a Member to a tax-qualified pension, profit-sharing, or stock bonus plan and received by such Member from such a plan; and

(D) in the case of a Member engaged in a trade or business in which the Member or his family holds a controlling interest and in which both personal services and capital are income-producing factors, any amount received by such Member so long as the personal services actually rendered by the Member in the trade or business do not generate a significant amount of income.

Outside earned income shall be determined without regard to any community property law.

H.R. 6030

By Mr. EMERY:

—Page 26, after line 22, add the following new section:

SELECTED ACQUISITION REPORTS TO THE CONGRESS

SEC. 902. Section 811 of the Department of Defense Appropriation Authorization Act, 1976 (Public Law 94-106; 10 U.S.C. 139 note), is amended—

(1) in subsection (a)—

(A) by inserting "(1)" after "(a)";

(B) by inserting "and ending with the first calendar quarter which ends not less than 30 days after the date of the enactment of the Department of Defense Authorization Act, 1983," in paragraph (1) after "December 31, 1979,"; and

(C) by adding paragraph (1) the following new paragraphs:

"(2) Beginning with the first calendar quarter which begins not more than 30 days after the date of the enactment of the Department of Defense Authorization Act, 1983, the Secretary of Defense shall submit to the Congress each calendar quarter a written selected acquisition report for all defense systems which are estimated, in the estimate used in planning each such defense system, to require a total cumulative financing for research, development, test, and evaluation of the defense system in excess of $200,000,000 or a cumulative production investment for the defense system in excess of $1,000,000,000. The report for the calendar quarter ending on December 31 of any fiscal year shall be submitted not later than 20 days after the President transmits the Budget to the Congress for the following fiscal year, and the reports for the other three calendar quarters of any fiscal year shall be submitted not later than 30 days after the end of the calendar quarter. If a preliminary report is submitted for any calendar quarter, then the final report for such calendar quarter shall be submitted to the Congress not later than 15 days after the submission of such preliminary report.

"(3) The requirement contained in paragraph (2) to report on a particular defense system may be waived by a majority vote of the members present and voting, a quorum of the committee being present, of both the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives."; and

(2) by striking out "major" in subsection (c) both places it appears in paragraph (1) and paragraph (2).

H.R. 6094

By Mr. FRENZEL:

—On page 3, line 18, strike the figure "$568,801,000" and insert in lieu thereof the figure "$530,524,000".

—On page 4, strike lines 8 through 12 and insert in lieu thereof:

"(c)(1) No part of any sum that is appropriated under the authority of subsection (b) may be used—

"(A) for administrative expenses to pay any employee of the United States Customs Service overtime pay to an amount exceeding $25,000; or

"(B) to implement any procedure relating to the time of collection of estimated duties that shortens the maximum 10-day deferment procedure in effect on January 1, 1981.

SENATE—*Tuesday, June 15, 1982*

(Legislative day of Tuesday, June 8, 1982)

The Senate met at 9:15 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

The PRESIDENT pro tempore. The opening prayer this morning will be delivered by the Reverend Father W. T. Fitzgerald, Christ Church, Frederica St. Simons Island, Ga. Father Fitzgerald is the pastor of Senator MATTINGLY.

PRAYER

Rev. Father Fitzgerald offered the following prayer:

In the name of the Father and of the Son and of the Holy Ghost, amen.

Blessed art Thou, O Lord God, King of the universe. Grant us in our deliberations this day Your guidance, that in all our works begun, continued, and ended in Thee, we may glorify Thy name through Christ our Lord. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

Mr. STEVENS. Mr. President, before making my comments, I yield to the distinguished Senator from Georgia.

REVEREND FITZGERALD'S MESSAGE

Mr. MATTINGLY. Mr. President, I thank the Reverend Fitzgerald for delivering the morning prayer today.

His message, which has meant much to me in my church, will mean a great deal to the Senate and to the people who listen.

On this day, on which peace has come to the Falkland Islands and on which we attempt to encounter difficult legislation, he has given the message of Him with Whom we begin the day and with Whom we end the day.

THE JOURNAL

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

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

ORDER FOR ROUTINE MORNING BUSINESS

Mr. STEVENS. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order and the special orders for Senator SCHMITT, Senator KASTEN, Senator PRYOR, and Senator CHILES, there be a period for the transaction of routine morning business, not to exceed 30 minutes, with speeches therein limited to 5 minutes each.

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

VOTE ON CLOTURE MOTION AT 3 P.M. TODAY

Mr. STEVENS. Mr. President, it is my understanding that at 3 p.m. today, there will be a vote on the motion to proceed to consider S. 1992. The quorum call under rule XXII has been waived.

I make that announcement for the information of all Senators' offices. I hope the Members of the Senate will take notice.

The PRESIDING OFFICER. It is the understanding of the Chair that the vote will be on the cloture motion.

Mr. STEVENS. It will be on the cloture motion, on the motion to proceed.

VITIATION OF ORDER FOR RECOGNITION OF SENATOR KASTEN

Mr. STEVENS. Mr. President, I ask unanimous consent that the special order for the recognition of Senator KASTEN this morning be vitiated.

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

ADDITIONS TO SENATE FAMILIES

Mr. STEVENS. Mr. President, we all noted yesterday a unique smile on the majority leader's face, and we discovered the reason for that smile. While he was in China on official business, Senator BAKER became a grandfather. This is Senator BAKER's first grandchild, a grandson—Daniel Dirksen Baker.

I am certain that Senator BAKER now realizes what my good friend, Senator ROBERT C. BYRD, meant when he said to me that becoming a grandfather brings an awareness of the true meaning of the word "immortality." It is an interesting experience.

I think mention should be made, at the same time, that the Senator from Utah, JAKE GARN, and his wife, Kathleen, have a new baby daughter, Jennifer Kathleen Garn, who was born Sunday morning.

I congratulate both of them, because I have something in common with each. Having just had a grandson and a daughter, I think I have some awareness of the feelings each of them has at this time.

VOTING RIGHTS ACT EXTENSION

Mr. STEVENS. Mr. President, sometime today, I will offer amendments to the Voting Rights Extension Act. I have tried to explain these amendments to the Members of the Senate and to those who are consulting with the Senate about the passage of the Voting Rights Extension Act.

The first amendment deals with the question of the bill's exclusion of any mention of the power of the Attorney General to enter into a consent decree, and I feel that the past act having specifically mentioned the powers of the Attorney General, we must have an amendment to this act to make certain that the courts do not interpret the repeal of the provision that deals with the authority of the Attorney General to be an indication that Congress no longer wishes the Attorney General to have any role in a consent procedure under the Voting Rights Act.

The second amendment deals with the interpretation of section 4(a)(1)(F)(i), and I call attention of the Senate to the report of the Judiciary Committee accompanying S. 1992. It has this to say about this new subsection:

> A jurisdiction must demonstrate to the Court that it has eliminated voting procedures or methods of election which inhibit or dilute equal process. In determining whether procedural methods "inhibit or dilute equal access," the standard to be applied is the "results" standard of the committee amendments to Section 2.

I wish to repeat the last sentence of the new subsection. It reads as follows:

> In determining whether procedural methods "inhibit or dilute equal access," the standard to be applied is the "results" standard of the committee amendments to section 2.

Mr. President, I have emphasized the last sentence for the RECORD because what the committee said was the courts should look to the new language, the Dole amendment, section 2, for the standard of interpreting this new subsection in section 4. Yet if we examine the language, the two provisions cannot be interpreted the same.

What my amendment would do is take the language of the Dole amendment from section 2 and put it directly into the new subsection in section 4.

That would have the result of insuring that the court would do what the committee says it wants to do, use the same standard looking backward to bailout as it does in looking forward to inclusion of any political subdivision or State under the act in the future under the results test.

The consequence of not having that language will be that we must rely solely upon those two sentences that I have read for an interpretation of this new subsection to be the same as the standard set in section 2.

The new language in section 2 was worked out by Senator DOLE. It was agreed to by everyone as being a fair standard. It is a fair standard. There is no reason the standard should not be explicitly stated in the new subsection in section 4 in terms of the bailout procedure. If it is, there can be no misunderstanding by any court or by any person as to what it means.

We are setting a new standard for future coverage under the Voting Rights Act. It makes no sense at all to say that in terms of looking backward that conduct that led to inclusion under the Voting Rights Act in the past should be viewed under this new standard, but then write the language so it cannot be viewed under this new standard.

I have sort of argued myself until I am blue in the face as a Senator from a State that each time Congress has amended the Voting Rights Act, my State has gone back under the act. We have had to go to court each time to get out and the last time the act was amended, we were not able to do so. We think the act should be written this time so it does not inadvertently cover counties and States from the West and Northwest which were not involved in procedures that should lead to inclusion under the Voting Rights Act.

In each instance that we gained an exemption from the act, we have had to carry the burden of proving that we did not discriminate as the State of Alaska, and we have done that. The difficulty is when we get into technicalities in terms of interpreting the standards and this last time we were included we were not removed because of a provision in the State constitution that was repealed by the State's voters in 1972. I believe we will eventually be removed from the act's preclearance provision. We have minority languages that are not printed; they are not written; and yet the act may require us to print the ballots in those minority languages for those minority people, unless the amendment I will offer later today is accepted.

I do believe we will have success in an amendment to eliminate that technicality in consideration of this bill this time, but I appeal to the Senate to think about this bill and not be snowballed into passing a bill that is going to lead to further litigation and further inconvenience to those people who we never intended to include under the act in the first place.

That is what is going to happen in the next few days if those who manage this bill take a no-amendment posture that no amendment makes any sense because they reported out a bill and they are not going to consider any amendments at all.

I am beginning to get that feeling and it is going to become even harder once we have a cloture motion and the vote is so overwhelming to get consideration for amendments. As the acting majority leader, I realized that was coming and I was trying to get some understanding of the problems that were in this bill as they affect some of our States before we have this overwhelming vote that is going to lead everyone to the conclusion that the bill is just perfect as it stands and no one need to consider any amendments.

I am not one to use the postcloture procedure for any dilatory action and I do not intend to do it. I am going to file amendments and I hope the Senate will take a good look at them because they will be meaningful in all States and political subdivisions if we set the standard correctly for section 2 and for section 4. It should be the same standard, Mr. President. We should not have one standard for bailout and another standard for future inclusion under the act, because to do so would mean that we will not include some in the future who would have been included in the past, and vice versa. The standard should be the same. We have tried to do that in the past and we should do no less this time.

BIRTHDAY GREETINGS TO FORMER SENATOR GEORGE MURPHY

Mr. BAKER. Mr. President, today I would like to call to the attention of this body the upcoming 80th birthday anniversary of a friend and former colleague, Senator George Murphy.

George Murphy was born, appropriately, on July 4. The date proved truly significant when one thinks of George Murphy today, the word that immediately comes to mind is "patriot."

George Murphy ended his service in this body in January of 1971. He left his imprint in many ways, and he managed to leave with us a reminder of his service which is still real and vivid today.

Let me quote his own words on the eve of his departure:

> Misfortune is sometimes attended by good fortune. A few years ago, I had the misfortune to suffer an operation which imparied my voice, but through the kindness and courtesy of my colleagues here, I was permitted to bring this mechanical device (a portable microphone) into the Chamber, which I think made it possible for everyone to hear me, even in the galleries. So, as the years roll on . . . this entire Chamber will be amplified so that everyone can hear what everyone else is saying. I think that will be a great boon. So, if I have done nothing else while I have been in the Senate, I can leave that as an accomplishment.

As George Murphy predicted, we do now have an amplifying system. Unfortunately, we do not now have George Murphy—and I say this as an expression of our regard for George Murphy, certainly not as a comparison, in any sense, with others who serve or have served with the distinguished delegation from California.

I could speak at length about my memories of George Murphy, most of which are still remarkably fresh. In fact, as I have said in the past, George Murphy played a part in my decision to seek my party's nomination to the U.S. Senate and ultimately, I hoped, to become the nominee of my party in Tennessee for the Senate seat I now hold. But memories, especially pleasant ones, tend to improve with time. The fond recollections of today are not always the reality of more than a decade ago. Therefore, I thought it would be interesting to review the comments of George Murphy's colleagues—those who worked with him.

In page after page after page of the CONGRESSIONAL RECORD at the time of his departure, the words of colleagues from all sections of this Nation and from both sides of the aisle described for posterity a Senator with one of the most varied backgrounds ever witnessed by this body. Senator Cotton summed it up as follows:

> The facts of the matter are that he has been outstanding in all of the varied fields in which he has been engaged—in the field of entertainment . . . ; in the labor movement, as head of the Screen Actors Guild; in the area of politics, as chairman of our party in the State of California; in the field of management, as the vice president of a major corporation, and finally, of course, as a U.S. Senator from the most populous State in the Nation.

One could expand on Senator Cotton's summary almost endlessly—in the field of entertainment, more than three dozen movies and an honorary Oscar from the Academy of Motion Picture Arts and Sciences for "services in correctly interpreting the film industry to the country at large"; in the area of politics, his active participation in Republican National Conventions in the 1940's, 1950's and 1960's, his service as chairman of the Republican Senatorial Campaign Committee, and more.

George Murphy was interested, intensely active, and remarkably effective in many areas, largely because, in the words of one of his colleagues, Senator Ervin, from the other side of the aisle:

> He had an uncanny capacity to distinguish between the things which are real and the things which appear to be plausible. As

a Senator, he was always trying to do something about the things which are real and to assign to their proper insignificant position the things which are merely plausible. . . .

The thing that has appealed to me about George Murphy most, outside of his genial companionship, is the fact that he can rightly be characterized as a stouthearted man. By that I mean that George Murphy has had the fortitude to take stands which he believed to be right regardless of the probable effect upon his political fortunes.

Those are not the casual sentiments of a person who might have felt obliged to release a perfunctory statement about a departing fellow Senator. They are the obviously deepfelt views of a man who, at the time, was a respected, veteran Member of this body—and, not so incidentally, the views of an east coast Democrat about a west coast Republican. Moreover, they reflect a common thread which runs through all of the statements made when George Murphy left this body.

I know of no better way to end this tribute to George Murphy as his 80th birthday approaches than to continue, to quote from those who were his colleagues, and mine, when he left.

First, Senator Griffin:

I will always think of him, in the words of William Wordsworth, as a man of "cheerful yesterdays and confident tomorrows."

And finally Senator Pastore:

In these farewell remarks, I would like to borrow Senator Murphy's own words in speaking in this Senate of another star of the entertainment world, Irving Berlin. Senator Murphy said:

"His was a patriotism to be proclaimed unashamedly, accompanied by blares of trumpets and ruffles of drums, to all lands.

"His was a patriotism neither too sophisticated to shed tears nor too faint-hearted to shed blood.

"It is the kind of patriotism which the purveyors of alien philosophies among us try by ridicule and innuendo to kill.

"Such patriotism seems to find less acceptance in these strange days of ultrasophistication, noninvolvement and dissent.

"But thanks to men like Irving Berlin, it is not dead—and I can prove it. Just listen, once again . . . to 'God Bless America.'

"You will see what I mean."

We see what you mean, Senator Murphy, and we know that you mean it from your heart of hearts.

So said Senator Pastore. And so say I. The description of patriotism which George Murphy applied so eloquently to another fits George Murphy himself like a perfectly tailored suit.

From all of us, George Murphy, happy 80th birthday.

RECOGNITION OF SENATOR PRYOR

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

TURNING BACK THE CLOCK ON NURSING HOMES

Mr. PRYOR. Mr. President, today I rise to express my grave opposition to recent administration proposals which, if implemented, could have a very serious and very adverse effect on more than 1.3 million Americans currently residing in nursing homes throughout the United States. I refer to the recently published proposed changes relating to the survey and certification procedures for nursing homes and other health care facilities and suppliers participating in the medicare and medicaid programs.

It was only a few short months ago that Secretary of Health and Human Services Richard S. Schweiker announced intentions to abandon planned deregulation of the health and safety rules for the more than 8,000 nursing homes participating in medicare and medicaid. This decision was due, in large part, to expressions of widespread concern that came from people in all walks of life throughout America. They expressed a fear that the expected proposals would jeopardize the protections currently given to one of our most vulnerable populations—our Nation's nursing home residents. We were all relieved when the Secretary announced that he would not "turn back the clock" by removing these essential protections.

Then, on May 24, Secretary Schweiker proposed a series of changes for the procedures for enforcing health and safety standards that would weaken the Federal and State roles in defending the rights of these patients.

Mr. President, until the early 1960's, most of the nursing homes throughout the United States were little better than the public almshouses from which they had descended. Personal care and attention, let alone medical services, were hardly known at all. State licensing, which began only in the 1950's, was uneven at best.

Through the efforts of a small group of concerned and very, very committed people, and through many years of struggle against almost insurmountable odds, we have been marginally successful in establishing some minimum standards for long-term care facilities. We now face the possibility that the Federal Government will turn its back on its responsibility for protection of these citizens confined to nursing homes throughout the country.

Among current requirements the administration has proposed for change are the following: Elimination of periodic staffing reports for all facilities except those with a history of poor compliance; elimination of the annual survey requirement for those facilities in compliance with health and safety standards—these facilities would be required to go through the survey process only once every 2 years; third, permitting the privately run Joint Commission on Accreditation of Hospitals to conduct facility surveys—rather than maintaining the requirement for State agency conducted inspections; and finally, elimination of the mandatory resurvey for facilities which were found to be out of compliance as a result of an initial survey.

Mr. President, because of my concern about these and other proposed changes, I am today submitting a resolution expressing the sense of the Senate that these proposed regulations not be issued. Congresswoman MARY ROSE OAKAR has introduced an identical resolution in the House of Representatives. I urge my colleagues to join me in sponsoring this resolution.

I also ask unanimous consent that the text of this resolution be printed in the RECORD.

I send to the desk this sense-of-the-Senate resolution, Mr. President.

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

S. RES. 411

Whereas there is a need to ensure quality nursing home care in the United States;

Whereas current rules of the Secretary of Health and Human Services ensure quality nursing home care in nursing homes participating in medicare and medicaid by requiring such nursing homes to be surveyed to monitor compliance with certain health and safety standards;

Whereas on May 24, 1982, the Secretary of Health and Human Services issued proposed rules (47 Fed. Reg. 23407-23414) which, if adopted as final rules, would cause a decline in the quality of nursing home care in such nursing homes by easing survey and certification requirements for such nursing homes and, thereby, increasing the incidence of noncompliance with such health and safety standards;

Whereas such proposed rules, if adopted as final rules, would permit such nursing homes to go unsurveyed for periods of up to two years and would result in rapid deterioration of the quality of care in even the most compliant of such nursing homes;

Whereas such proposed rules, if adopted as final rules, would eliminate the requirement that nursing homes violating such health and safety standards be resurveyed after ninety days and would increase the risk that such violations would go uncorrected;

Whereas such proposed rules, if adopted as final rules, would further weaken survey and certification requirements by allowing accreditation by the Joint Commission on Accreditation of Hospitals, a private accreditation body having no public accountability and no clear enforcement authority, to serve as sufficient evidence of compliance with such health and safety standards;

Whereas the issuance of such proposed rules indicates an insensitivity to the needs and rights of residents of nursing homes; and

Whereas the Senate disapproves the substance of such proposed rules: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Secretary of Health and Human Services should not—

(1) adopt as final rules, proposed rules issued on May 24, 1982 (47 Fed. Reg. 23407-23414), relating to survey and certification requirements for nursing homes and other health care facilities and suppliers participating in medicare and medicaid, or

(2) issue proposed rules or adopt final rules identical in substance to such proposed rules.

RECOGNITION OF SENATOR SCHMITT

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

SENATOR DENNIS CHAVEZ

Mr. SCHMITT. Mr. President, the year 1982 marks the 20th anniversary of the death of Senator Dennis Chavez, a former Member of this body, a friend of some who still serve here. Senator Chavez represented the State of New Mexico with distinction for 39 years, first as a member of the State legislature, later as a Congressman, and finally as a U.S. Senator. I personally serve in the seat once occupied by this distinguished citizen of New Mexico. Recently his two daughters, Ymelda Dixon and Gloria Tristani, designated the University of New Mexico General Library as the official depository for the Senator's papers.

It is also my pleasure to have so designated the University of New Mexico Library for the same purpose. It was my pleasure to have participated in the special ceremony held June 4, 1982, during which University President William E. Davis accepted the Chavez collection.

At that ceremony Mrs. Ymelda Dixon, a friend to many, if not most, in this body, spoke on behalf of the Chavez family. Other family members attending were Mrs. Tristiani and her husband, Jorge of Puerto Rico, and three of the Senator's grandchildren, Jorge E. Tristiani, Jr., of Albuquerque, Maria Gloria Cox, also of Albuquerque, and Dennis Tristiani of Washington, D.C.

Ymelda Dixon's remarks are an important statement on the nature of this body as well as on the distinguished career of her father, and I ask unanimous consent that her remarks be printed in the RECORD.

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

REMARKS OF YMELDA DIXON

President Davis, Dean Vassallo and friends of my father, the late Senator Dennis Chavez. I speak today on behalf of my sister Gloria Tristani and all our family when I express our enormous gratitude to those who made it possible for us to present Dennis Chavez's papers to the University of New Mexico General Library.

There is no question that this is where the Chavez papers belong. During a distinguished career of public service spanning thirty-nine years, his influence reached global proportions and the legislation he guided affected Americans in every state, but his greatest pride always was in being a New Mexican. He was the first Spanish-American to serve in the United States Senate and he was proud of that honor. He talked with kings and presidents and oversaw budgets of millions of dollars. But he never changed—he never forgot his roots or the people he represented.

This is not the place to detail his accomplishments, however I would like to touch on some of the areas covered in the collection which must interest scholars for generations to come. The record begins in 1923 when he was elected to the New Mexico state legislature. He was the first member of that body to introduce a bill to provide free text books to the state's schools. The collection ends with his death in 1962, when he was fourth in seniority in the Senate and ranking member of the Senate Armed Services Committee.

He brought to public service the iron of his self-made life and a compassion for the less fortunate, born of his early struggle out of poverty. His views were enriched by a profound self-education through reading and formal education in the law.

Dennis Chavez entered the U.S. Congress during the depression and his papers include many letters to and from him during that period that will interest researchers—letters from ranchers, farmers and miners that are poignant glimpses of suffering and fear. Many are sadly like accounts of America's poor and unemployed today.

The papers chronicle his strong support of the New Deal, his firm advocacy of civil rights, and his positive voice for national defense and a national public health system.

During his years in Washington he influenced legislation on issues ranging from Indian land problems and western water claims to broader concerns such as freedom of human rights. More specifically, he guided legislation on the interstate highway systems and prescribing water pollution. He was the promulgator and supporter of a Fair Trade Employment Commission to combat job discrimination. (In fact, I remember he was late to Gloria's wedding because he remained on the Hill to lead the fight on the vote for the Fair Employment Practice Act.)

We see his influence in New Mexico today in the bases at Sandia, Roswell and Clovis, and in the Navajo Dam, Cochiti Dam and the transmountain water diversion system.

The first Chavezes came to this country about 1598 as foot soldiers and except for the period of the Indian Pueblo Revolt from 1680 to 1692, they've been here ever since, active participants in the political and economic life of the state. The one Chavez who returned after the Revolt was a direct ancestor of the Senator's, and he furnished his own troops and equipment to help de Vargas in the Reconquest.

Our family is proud of its deep roots, of course, but I mention this background for a more important reason. Because Dennis Chavez had a Spanish heritage, he became an important link in helping our government deal with Latin countries. I miss his insights especially during troubled times like these. His direct communication in Spanish with General Franco of Spain was instrumental in enabling this country to obtain military bases in Spain.

His papers show a man who could be remembered for many achievements, but Dennis Chavez himself chose a concern for civil rights as his fittest memorial. During the McCarthy era he was one of the first to stand on the Senate floor and denounce McCarthy's tactics.

"I should like to be remembered," he said, "as the man who raised a voice—and I devoutly hope not a voice in the wilderness—at a time in the history of this body when we seem bent upon placing limitations on the freedom of the individual. I would consider all the legislation which I have supported meaningless if I were to sit idly by, silent, during a period which may go down in history as an era when we permitted the curtailment of our liberties, a period when we quietly shackled the growth of men's minds."

It is the hope of the Senator's family that the Chavez collection will be catalogued for use by scholars and will become the nucleus for a collection of New Mexican and Southwestern history.

Our warmest thanks to Paul Vassallo, Dean of Library Services, whose dreams include the establishment of a Center for Southwest Research within the University.

And our thanks to President and Mrs. Davis for their warm welcome today.

We are grateful also to our good friend and lawyer Lorenzo A. Chavez (no relation though we would claim him happily) for his part in today's ceremony. And a special word of appreciation to the Senator's grandson, Jorge E. Tristani, Jr. who initiated and spurred the lengthy process that brought the collection to the University. Jorge was born in Puerto Rico but has chosen to practice architecture in the land of his maternal grandparents.

I would be remiss if I closed without mentioning the Senator's lifelong love and gentle guiding spirit; the lady he referred to always with old-fashioned courtesy. Even in his letters to us she was "your mother, Mrs. Chavez."

Imelda Espinosa Chavez had forebearers who came to New Mexico even earlier than the Chavezes and she was equally proud of her heritage. Her contribution to the Senator's career may not be noted in documents, but it was immeasurable. And important to both the Senator and Mrs. Chavez was the devotion of their only son, the late Dennis Chavez, Jr.

I would like to close with a quote. It comes from the inscription at the base of the statue of the Senator which was placed in the rotunda of the United States Capitol in 1966. He is the only New Mexican thus honored.

Dennis Chavez's cultural heritage is exemplified by the statue's inscription which is in three tongues—English, Spanish and Navajo. It reads:

"We have lost our voice; our voice is gone forever."

Today's ceremony ensures that Dennis Chavez's voice will indeed never be lost.

Thank you.

ORDER OF PROCEDURE

Mr. SCHMITT. Mr. President, I have no further need for the time of my special order, and I would be happy to have it remain available for anyone who might use it pending the start of morning business.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. I thank the Senator from New Mexico for offering to yield his time which was not utilized.

It is my understanding, I will say to the Presiding Officer, that we are waiting on two Senators, Senator CHILES from Florida and Senator NUNN from Georgia, who do have special orders, and not seeing them present on the floor at this time I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant secretary proceeded to call the roll.

Mr. PROXMIRE. 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. PROXMIRE. Mr. President, I understand that all of the Democratic leader's time has not been used, and I am free to use some part of it. I will use a small part of it now.

NO ARMS CONTROL DEMONSTRATIONS IN THE SOVIET UNION

Mr. PROXMIRE. Mr. President, reaching an enforceable and effective nuclear arms control agreement with the U.S.S.R. has become the most important mission of this Government. But for this free, open, democratic country, it will also be painfully difficult. How difficult was dramatized last Saturday and Sunday. On Saturday in New York City, several hundred thousand Americans marched and demonstrated in a powerful public appeal to our Government to negotiate an end to the nuclear arms race with the Soviet Union. On Sunday in Moscow, the Soviet police moved in to crack down on an independent disarmament meeting by Russians.

The almost incredible hypocrisy of this action by the Soviet Communist Government was highlighted by the fact that on Saturday Pravda and the rest of the Soviet press—all absolutely controlled by the Soviet Government—had carried glowing accounts of the people's protest against what they called "the U.S. Government's policy of war preparations."

How ridiculous, how transparently hypocritical, when the American people march by the hundreds of thousands to protest our nuclear buildup, the Russian Communist dictators hail it as a resolute disagreement with U.S. war preparations. But when a pitiful remnant, a handful of Russians try to gather in a small apartment in Russia to call for world arms control and disarmament, the police move in, and it is "Siberia here we come."

For several weeks now I have been speaking on the floor of the Senate every morning on the nuclear buildup and the terrible threat it represents to life on Earth. I expect to continue to do so. But one dimension of our dilemma that we must not neglect is the Russian buildup, and the Russian closed society and the Russian crackdown on even the beginnings of dissent by their people with their military policies.

This situation is likely to make the negotiations with Soviet Union especially difficult. Certainly it reinforces the absolute necessity in any such agreement that we insist on adequate and reliable inspection on both sides and full verification that both superpowers do in fact abide constantly by the terms of any agreement.

Mr. President, in subsequent weeks I expect to devote considerable time to the nuclear buildup on the side of the Soviet Union as well as on our side.

I ask unanimous consent that an article from yesterday's New York Times, headlined: "Soviet Police Bar Disarmament Meeting" be printed at this point in the RECORD.

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

SOVIET POLICE BAR DISARMAMENT MEETING

(By Serge Schmemann)

Moscow, June 13—The Soviet police moved in today to seal off the apartment where a fledgling independent disarmament group was planning to meet. The action came after the police had warned the group's members that their movement was provocative, antisocial and illegal.

The crackdown on the group, whose objective was to be as free of official control as disarmament movements in the United States and Western Europe, was accompanied by glowing accounts in the Soviet press of the huge protest Saturday in New York against nuclear war.

Tass reported that more than a million Americans marched in the demonstration and described this as an expression of "resolute disagreement with the U.S. Government's policy of war preparations."

In Moscow, plainclothes officers turned away people trying to enter the apartment of Sergei Batovrin, a 25-year-old artist, where he and 10 other members of the unofficial movement had planned to gather.

An officer explained that the entryway was closed because of "police activity." It was not clear what had happened to Mr. Batovrin.

The group's members, in addition to Mr. Batovrin, include a doctor, a philologist, a dental technician, two mathematicians, two engineers and three physicists.

MEMBERS PICKED UP BY THE POLICE

During the last two days, members of the group reported that they had been taken to police stations and warned against persevering. Mr. Batovrin told reporters he had been threatened with prosecution for violating laws against unregistered groups. He also said that he had been lectured against equating the Soviet Union and the United States as military powers "even while the American government supports Israeli aggression in Lebanon."

"The Soviet Government and people are fighting for peace," Mr. Batovrin said he had been told in regard to his movement. "And this kind of activity can only be provocative and antisocial."

Other members reported much the same treatment.

In two cases Saturday, while Western reporters were visiting the apartments of Mr. Batovrin and Sergei Rozenoer, a 29-year-old mathematician, policemen entered and tried to belittle the activities of the group.

At Mr. Rozenoer's home, a uniformed militia officer told two reporters that "these people are not solid, serious people—they're disseminating distorted information." The official added that "half the group wants to leave the Soviet Union to go to Israel."

ACTIVISTS NOT AMONG DISSIDENTS

Four members of the group have applied to emigrate to Israel but none of the members have taken part in any known dissident activity in the past.

At a June 4 news conference for Western correspondents, when the group announced its formation, members said their goal was to harness the "enormous creative potency" of the broad public in the search for disarmament and peace. Members said they would press for direct contacts between the American and Soviet peoples and open discussion on both sides of disarment proposals and other questions touching on peace and war.

Although the members took the position at the news conference that their group hoped to cooperate with the Soviet Government and that their objectives were in keeping with the Kremlin's professed support for peace activism, they seemed well aware that they were challenging the Kremlin's carefully guarded monopoly of all such activities.

On matters of peace and disarmament, the officially sanctioned organization in the Soviet Union is the mammoth apparatus of the Committee for the Defense of peace, which claims 41 million members and marshals support for the official position of the Government, with its emphasis on peaceful intentions of Moscow and aggressive designs of Washington,

The group has been vociferous in its support for antinuclear demonstrations abroad, including the one in New York. Tass reported that the committee had sent a message to the demonstrators in New York urging unity in the struggle for "the right to peace."

GOLDEN FLEECE OF JUNE

Mr. PROXMIRE. Mr. President, I am giving my "Golden Fleece" award for the month of June to the Commerce and Labor Departments for shelling out over $700,000 to a nonprofit corporation which was supposed to teach minority youth how to make tee shirts. Departmental auditors warned Commerce officials that the project was doomed to fail and fail it did. Not one tee shirt was produced for sale, not one minority youth found a job, but the taxpayer lost his shirt.

The story of this fleece is documented in an unpublished audit report completed in late March of this year. Here is the history spanning 5 years and two different administrations:

In July 1977, Giant Step, Inc. submitted to the Commerce Department

a proposal to demonstrate in five different metropolitan areas the possibility of successful youth-owned and operated manufacturing enterprises." These companies were to make tee shirts. Giant Step was a nonprofit corporation with a prominent board of directors who, as the grant application put it, "are a major ingredient towards insuring a successful operation of Giant Step, Inc."

In August 1977, Commerce Department auditors prepared an evaluation of this proposal. The auditors, who were not overly impressed by the nationally-known figures serving on the board, questioned the feasibility of the proposal. They recommended "that a contract not be awarded on the basis of the subject proposal."

The Commerce Department disregarded this advice and awarded a $443,570 grant in September 1977. In February 1978, the Labor Department chipped in another $260,100. It was not until March 1982 that the extent of the failure came home as the final Commerce Department audit was finished.

The project, as predicted, was a spectacular failure. Only 76 trainees enrolled and none of these received usable training.

Of the 13 trainees who were supposed to have "graduated":

A majority did not realize they had finished the program.

Over half had spent less than 4 months in the program. Some had been in the program less than 2 months—and these were the trainees who graduated.

Nine months after graduation, none had found a job related to his training.

This failure did not stop program administrators from spending the taxpayers money with abandon. Among the more outrageous expenditures are those for:

Hiring the nephew of a Commerce Department official as a plant coordinator even though the position was not in the grant proposal.

Hiring staff for plants at which no training or production took place.

Paying travel costs and telephone bills for employees who were apparently conducting private business.

Paying over $350 to buy tee shirts as presents for the board of directors and Commerce officials.

This is an especially painful fleece since the goals of the program—to reduce teenage unemployment and provide skill training—were so laudatory. It is now up to the Commerce Department auditors to pick up some of the pieces. They have recommended that Commerce try to recover about $450,000 of costs which were clearly unallowable. Here is one taxpayer who hopes that Commerce listens to its auditors this time.

GENOCIDE CONFERENCE TO BE HELD

Mr. PROXMIRE. Mr. President, on Sunday, June 20, at Tel Aviv University in Israel, an international conference on genocide will convene. The purpose of the conference is to examine the factors throughout history which led to genocide. Four hundred experts will listen to 150 papers, covering genocide against Armenians, Cambodians, Jews, Gypsies, Tibetans, and others. This, Mr. President, is simply another indication of the seriousness surrounding this critically important issue.

The preamble to the Convention on Genocide, approved by the United Nation's General Assembly in 1948 refers to this crime as an "Odious scourge." This "scourge" has tragically permeated our society in all periods of history. From the seventh and eighth centuries B.C., when Assyrian warfare inflicted great losses on whole populations, to the 1971 decimation of the Bengalis in the now independent state of Bangladesh, genocide has made far too great an impact on humanity. The possibility of genocide remains with us to this day.

The convention which will take place Sunday, is but another attempt to address this continuing problem. Since 1949 the U.S. Senate has had four opportunities not only to examine this problem, but to establish a firm position toward solving it. On each occasion the Senate has failed to take the necessary step and ratify the Genocide Treaty.

Arguments against the treaty's ratification have been consistently and successfully refuted. There remains no reason for the United States to turn its back on this very important human rights agreement.

Mr. President, I strongly request that the Senate join the world in condemning the awful crime of genocide. Our ratification of the Genocide Treaty would constitute substantial progress toward establishing genocide as an international crime.

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

The PRESIDING OFFICER. The clerk will call the roll.

The Assistant Secretary proceeded to call the roll.

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

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

CRIME CONTROL ACT OF 1982

Mr. CHILES. Mr. President, Senator NUNN and I have continued to speak out against crime over the past weeks because we feel distressed about this monstruous problem which plagues the citizens of our Nation. It is our responsibility as legislators to take this matter in hand and to curb the menace of crime. We have the opportunity to take big steps in this direction right now, with two crime-fighting bills before us on the Senate Calendar. On May 19, Senator NUNN and I introduced S. 2543, the Crime Control Act of 1982. We have been joined in sponsorship of this bill by 17 other Senators. S. 2543 could be called up for consideration at any time now, since we were able to have it placed directly on the Senate Calendar. Later in May, the chairman and the ranking member of the Senate Judiciary Committee, Senator THURMOND and Senator BIDEN, introduced another bill aimed at fighting crime, S. 2572. I have joined them as an original sponsor of this bill and I also worked with them to have S. 2572 placed directly on the Senate Calendar. Over 30 Senators have joined us as cosponsors since that time.

So today we have two crime-fighting proposals on the Senate Calendar, ready to be called up for consideration. I am pleased about this, but I also feel a deep concern, Mr. President. I am concerned because we have so little time remaining to us in the present Congress. As few as 52 legislative days lie between today and the day of our adjournment. If we are honestly determined to fight crime and drug smuggling, we must move quickly to call these bills up from the calendar, pass them, and give the House of Representatives the chance to consider and pass a package of crime-fighting bills. We must seize this opportunity, Mr. President. Too often nowadays, American citizens are placed in danger by criminals who take advantage of loopholes in our present criminal justice system. Any comprehensive attack on crime must include reforms in this system. A recent poll showed that 70 percent of the American people have little or no confidence in the ability of our courts to convict and sentence criminals. This figure may seem high, but when you look at the case of Abel Diaz, you understand why the public has so little confidence in our courts.

Weaknesses in our present criminal justice system allowed Mr. Abel Diaz literally to get away with murder in Florida last year. Mr. President, I would like to recount the story of Abel Diaz in order to demonstrate how urgently legislation is needed to bring a halt to the senseless inadequacy of our present crime laws.

One day in February of last year, in a Miami Beach hotel, a 20-year-old, 6-month-pregnant woman, Elvira Sanchez, was shot in the chest by her common law husband Abel Diaz. The wounded Elvira Sanchez struggled down the hallway, trying to escape Diaz, who pursued her while reloading his gun. Diaz commented to a bystand-

er that he was going to "finish her off." He threatened to shoot several women who were trying to help Sanchez by pulling her into their hotel room. These women, heroic bystanders, resisted him physically and narrowly missed being shot. Diaz continued to pursue Elvira, shooting her repeatedly in front of terrified guests until his last five shots at close range killed her. Police found her dead on a back stairway of the hotel after Diaz had fled.

About 10 days later, Diaz was arrested by Miami Beach police and charged with second degree murder. He confessed to his crime. A trial date was set but the State prosecutor had to ask for a delay because an important witness, the police officer who had arrested Diaz and taken his confession, was hospitalized with a back injury. The defense attorney said it would be unfair to his client to keep him in jail indefinitely, awaiting trial. Now, Mr. President, comes the part that is difficult to believe. The judge dismissed the case and released Diaz for what he called "lack of prosecution." Diaz disappeared and the prosecutor referred to the series of events as "just another tragedy of the system."

Several months later, Diaz was found, but, by then the 180 days of Florida's speedy trial law had long since elapsed. Another judge was to hear the case anyway and try to resolve the speedy trial issue. The prosecutor, through no fault of her own, was twice unable to make it to court. The second judge then dismissed the case and Diaz was again free, this time permanently. The prosecutor said:

Even if Diaz walked into this room right now and said "here I am." There is nothing we could do to him.

As a result, Abel Diaz is right back on the streets as free as a bird.

A Florida newspaper commentator posed the question: "Who speaks for Elvira Sanchez and her unborn baby?" Well, Mr. President, we in the Senate are in the business of speaking for our fellow citizens. Senator NUNN and I speak for Elvira Sanchez and her unborn child, and for the many other victims of violent crime, when we urge our fellow Senators to support the anticrime legislation which is before them. While it is true that State and not Federal law freed Diaz, we as Federal legislators are in a position to set an example to State lawmakers in the area of judicial reform. Time is running out for this Congress and the time to act is now. We have as few as 52 legislative days remaining in this Congress. Let us show the American people that we are responsive to their need for protection and to their demand for responsible justice.

Mr. President, yesterday I had a chance to have a colloquy with the distinguished majority leader (Mr. BAKER), and at that time I asked him about setting a time for these two anticrime bills. I am delighted that he said he considered them of the utmost importance, that he felt that the Senate should take them up, and that he would be happy to work and talk with Senator NUNN and me about arranging a time. I think that is very necessary to do.

CRIME CONTROL ACT OF 1982 TITLE II—BAIL REFORM

● Mr. NUNN. Mr. President, the Crime Control Act of 1982 which Senator CHILES and I have introduced, provides legislative assistance to law enforcement authorities via organized crime, bail, sentencing, and habeas corpus reform. The difficulties which daily hinder law enforcement efforts in those areas are not endemic to particular regions in this country; rather, they form significant and costly hurdles in the battles against crime all across the United States.

The critical impact of insignificant bail, particularly in narcotics cases, clearly shows the national extent of the problem. Senator CHILES and I have already cited numerous examples where major narcotics traffickers have escaped justice as a result of lenient bail on the East Coast. These types of cases are equally common and equally alarming in other areas of the country.

Take, for example, the case of the Lopera-Ochoa brothers. On October 22, 1980, the three brothers, all Colombian nationals, were arrested on Federal narcotics charges in the central district of California. Their arrests followed a 2-year Drug Enforcement Administration investigation which identified them as large suppliers of cocaine in southern California.

At their initial appearance before the Federal magistrate, the prosecutor asked that bail be set in the amount of $200,000 as to each of the brothers. The magistrate refused, instead setting bail at $50,000 each. All three defendants easily posted bail. They have not been seen or heard from since and today remain fugitives from American justice.

The real inequity in the decision to reduce bail can only be fully appreciated in light of the evidence before the magistrate at the time when the bail decision was made. Each of the Loper-Ochoa brothers was arrested under circumstances which certainly should have indentified them as likely candidates for bail jumping.

The first brother came before the court as an "alien in transit;" that is, an alien allowed to enter the United States only in transit to another country. He had violated American law by staying in the United States long enough to conclude the narcotics transactions with which be was charged. He gave a phony name upon arrest, providing as proof of identity a falsified California voting registration card, a counterfeit social security card, a false Puerto Rican statistical record and a false Puerto Rican birth certificate. The Puerto Rican documents were used to imply connection with the United States, although all the Lopera-Ochoas were Colombians. All the documents bore the false name given at the time of arrest.

The second brother entered the United States as an alien granted authority to stay for 24 hours solely for transit to another destination. In violation of U.S. law, he had remained in the United States from the date of arrival, March 10, 1972, until his arrest, on October 22, 1980, over 8 years later. He also provided a false name upon arrest, accompanying it with a social security card and an alien's "green card," both bearing the false name.

The third brother had entered the United States on a "transit visa," valid for a period of 10 days. In violation of American law, he had remained in the country for nearly 1 month at the time of arrest. Upon arrest, the third brother also provided authorities with a phony name.

In short, all three brothers, charged with major narcotics violations, appeared before the court as illegal aliens proffering false identification and fraudulent documents. Despite those facts, the magistrate refused to recognize the substantial risk of flight and set bail considerably lower than the Government's request. It is hardly surprising that all three brothers subsequently fled, given the circumstances detailed above.

In hindsight, it is unfortunate that the magistrate did not have the benefit of a clear statement of congressional intent such as title II of the Crime Control Act of 1982. The bill provides that bail shall be denied to narcotics offenders in certain cases, including those of illegal aliens and individuals possessing falsified identification upon arrest. In other words, all three of the Lopera-Ochoa brothers would have been specifically covered by the provisions in title II of the Crime Control Act of 1982.

Unfortunately, law enforcement may not have a second chance in the case of the Lopera-Ochoas. They have long since fled the jurisdiction of our courts. I suggest, however, that it is not too late for us to act now to prevent this type of situation from occurring again and again in the future. By passage of the Crime Control Act of 1982, Congress should register a determined and meaningful commitment to assist American law enforcement in the war against crime.●

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

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

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. There will now be a period for the transaction of routine morning business. Is there further morning business?

SURVIVORS OF SACRIFICE LEGISLATION

Mr. MITCHELL. Mr. President, I am pleased to be an original cosponsor of S. 2585, a bill introduced by the ranking minority member of the Senate Veterans' Affairs Committee, Senator CRANSTON, to restore certain widows' benefits and social security student benefits eliminated last year.

The omnibus reconciliation bill, enacted by Congress last summer, contained several changes in social security benefits to help insure the long-term solvency of the system. Among other things, the bill eliminated social security widows' benefits when a widow's youngest child turns 16—rather than 18—as under previous law. In addition, the bill eliminated students' benefits for those students not enrolled in college by May of this year and began to phase out benefits for those students between the ages of 18 and 22 currently enrolled.

Shortly after the passage of the reconciliation bill, it became apparent that not only was this benefit being eliminated for social security recipients, but for those widows whose husbands had died in the service of their country as well. Since 1965, veterans have been promised that in the event they die while on active duty, or from service-connected causes, their wives would receive social security benefits to help defray the cost of raising and educating one or more children. While these benefits could never replace the loss of a husband or father, they could help insure that a veteran's family would be cared for and that his children would be able to receive a college education. It is estimated that approximately 46,000 children of deceased veterans will no longer be eligible to receive student benefits as a result of this change.

These benefits were promised to our Nation's veterans at a difficult time in our history. If we are not willing to honor our obligations to these who have served our Nation in the past, we will not be able to summon those necessary to serve in times of crisis in the future. To me, it is unconscionable that we, as a government, as a people, would renege on this fundamental commitment to our Nation's veterans.

S. 2585 would address this problem by requiring the military to pay survivors of a service member who entered the service prior to August 13, 1981—the date on which the reconciliation bill went into effect—and who died from service-connected disabilities, the same benefits they would have received under social security. It is important to note that the Department of Defense and not the Social Security Administration, will be required to pick up the tab for this bill. I believe this is only fair and just. After all, it was the military which promised these benefits under social security initially.

We can never fully repay our Nation's veterans who fought and died to defend this great country. At the very least, however, I believe we have a moral obligation to honor the commitments made to those veterans and their families.

I urge my colleagues who share this belief to join me in cosponsoring this important legislation.

I ask unanimous consent that a column by Judy Mann from the March 10 issue of the Washington Post be printed in the RECORD at this time.

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

COMMITMENT

(By Judy Mann)

The seven women told their stories in a sunny living room near Lake Barcroft. All were widows with children to educate, all were victims of last summer's cuts in Social Security benefits for widows and orphans. But there was something special about these widows: They were widowed because their husbands died while serving in the military. Their children are without fathers because those men gave their lives for their country.

These were men, say their widows, who had the courage to serve their country during the Vietnam war when war wasn't popular. Many of them were pilots who could not get private insurance or young servicemen who could not afford it. But they believed their families would be taken care of if they were killed. They believed their widows would receive Social Security until the youngest child was 18. They believed their children would receive Social Security until the age of 22 if they were in school. The men believed that if they died, the government would help educate their children. It was part of the deal.

But as of May 1, the deal has been renegotiated. Widows' benefits will stop when the youngest child is 16, and orphans' benefits will stop when the child is 18. There was no grandfather clause for women who were military widows when the general cuts were made, and although these women do not know how many widows are affected, they say the Veterans Administration estimates some 46,000 youngsters will be.

Two of them are the youngest children of Evelyn Grubb, whose husband, Air Force Maj. Newk Grubb, was shot down in 1966 on what she calls a suicide mission: an unarmed, unescorted flight over North Vietnam. "The North Vietnamese said he lived nine days, but they perpetuated his life five years by publishing pictures of him and telling other POWs his name." For five years, Evelyn Grubb was sure her husband was alive. For the next four, she simply didn't know. "I'm one who was in the POW/MIA thing without a determination," she says. "It took nine years to get his body back and buried. I fought that battle and now I'm back in Washington fighting this. . . . Now the two who never knew their father are being punished by not getting an education.

"This does not pay for the children's education," she says. "What it does is provide a base so we can perhaps scrape together the rest from loans, scholarships and family help. But it's $360 a month. Without it there is no way my children could go to college.

Madeline Van Wagenen's husband, a Marine Corps helicopter pilot, was killed in a night training accident on Okinawa in 1973. She was left with a son who is now 13. When she found out about the benefit cuts, she sent the flag that covered her husband's coffin to President Reagan, along with a note suggesting that he could save money by using the flag on another serviceman's grave.

Van Wagenen, who says the average benefit per dependent is $265 a month, has taken this year off from school to work full-time for restoration of benefits. She and other widows have formed a group, called Survivors of Sacrifice, which has spread from California to dozens of other areas where military widows live. "It was such a slap in the face to my husband," says Van Wagenen.

"This commitment was made with him. His account number is on every one of those checks." And she points to the chief of naval personnel's message on an old Navy publication in which he says the benefits "belong" to the Navy personnel and were "earned."

Clair Leaver's husband, a Navy commander, was killed in a helicopter crash in the Gulf of Tonkin in 1972, leaving her with two small boys. She figures she will lose $32,000 in benefits that would have helped pay for their college education. She and Van Wagenen have persuaded their congressmen, Duncan Hunter (R-Calif.) and Robert Badham (R-Calif.) to sponsor legislation restoring the benefits through the Veterans Administration. A spokesman for Hunter said it would cost less than 1 percent of the old student benefit program.

Hunter, who was in the infantry in Vietnam, says he can remember being given assurances that in event of death the children would be educated. "They laid out everything that would be available to our families, and that included Social Security benefits." Hunter, a conservative supporter of Reagan, argues for restoring the benefits on the grounds that these families relied on government assurances and are not in a position to make alternative plans.

It is nice that doing what is right, for once, won't cost more than an F-14, as Clair Leaver put it. But that's not the point. The government made a commitment to men it sent out to die. To renege on a deal with men who gave the ultimate sacrifice would be, quite simply, the ultimate outrage.

CONCLUSION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. If not, morning business is closed.

VOTING RIGHTS ACT AMENDMENTS OF 1982

Mr. STEVENS. Mr. President, what is the pending business before the Senate now?

The PRESIDING OFFICER. The business before the Senate is a motion to proceed to S. 1992.

Mr. STEVENS. I will ask each of the cloakrooms to send a message to the managers that we are now on the motion to proceed to the consideration of S. 1992. 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. STEVENS. 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 OF PROCEDURE—CLOTURE MOTION

Mr. STEVENS. Mr. President, there will be an hour of debate between the time we resume at 2 p.m. and the vote on the cloture motion at 3 p.m. I ask unanimous consent that that hour be divided equally between the proponents and opponents of the motion to proceed.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

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

The PRESIDING OFFICER (Mrs. KASSEBAUM). Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 2 P.M. TODAY

Mr. STEVENS. Madam President, the distinguished minority leader wishes to make a statement. Following that statement, I ask unanimous consent that the Senate stand in recess until 2 p.m. today.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

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

The PRESIDING OFFICER. The clerk will call the role.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

THE TRAGEDY OF LEBANON

Mr. ROBERT C. BYRD. Madam President, the present fighting in Lebanon underscores the continuing tragedy of the Arab-Israeli dispute in the Middle East. The Israeli invasion of Lebanon was launched as an effort to end, once and for all, PLO terrorism against Israeli citizens and the shelling of northern Israel by long-range artillery and rocket fire.

However, any settlement in this latest round of fighting in the Middle East must address the root causes of the present conflict. The roots of the conflict stem from events arising out of successful Jordanian efforts to drive the PLO into Lebanon in the early 1970's and the Lebanese Civil War of 1975–76. Since that time, for all intents and purposes, Lebanon has ceased to exist as a free and sovereign country. In fact, the country has been the victim of a de facto partition comprised of a solidly entrenched PLO military presence, Christian and Moslem Lebanese enclaves, and a Syrian military occupation now estimated to include 39,000 troops. Under these conditions, Lebanon has been a source of significant instability in the region since 1976. Obviously, under these circumstances, the situation can only continue to deteriorate and undermine U.S. long-term interests in promoting stability in the Middle East.

Therefore, I welcome Secretary of State Alexander Haig's public statement yesterday on the television program "This Week with David Brinkley." In that program, the Secretary called for the withdrawal of all foreign forces from Lebanon and the restoration of the unity and full independence of that country.

The elements of a return to stability in Lebanon and a withdrawal of Israeli troops from that country must include the following—I have said this from the very beginning of the present conflict involving Israel and the PLO forces in Lebanon:

First, the dismantling of the PLO's ability to exercise military and political control over significant portions of Lebanese territory and the removal of the PLO's ability to threaten Israel from that territory.

Second, the complete withdrawal of all Syrian forces from Lebanon.

Third, the reestablishment of full control and sovereignty of the central Government of Lebanon through free and open elections which, incidentally, have already been scheduled for this summer.

A long-range negotiated settlement along these lines should be the ultimate objective of U.S. policymakers. Without such an agreement, the region will continue to be plagued by the kind of instability which has precipitated the present crisis.

Madam President, some have called into question the size of the Israeli operation in Lebanon. However, I think it should be pointed out that more than 1,000 artillery shells and rockets rained on settlements in northern Israel just 2 weeks ago.

The PLO shelling drove hundreds of Israeli citizens into bomb shelters and effectively shut down factories and shops. Farmers could not even tend their fields as a result of the shelling. Terrorist bombings against Israeli civilians continued despite the cease-fire negotiated some 10 months ago between Israeli and PLO forces.

On October 21, 1981, I announced my opposition to the proposed sale of AWACS to Saudi Arabia. In that speech, I pointed out that the administration's preoccupation with attempts to forge a strategic consensus among moderate Arab States and Israel to meet the preceived Soviet threat to the region was doomed to failure. I stated that, in the absence of addressing directly the potentially explosive Arab-Israeli issues, the administration could not hope to bring together potential adversaries in a loose strategic alliance to counter the threat of the Soviet Union and her proxies.

It has been nearly 8 months since I issued that warning. Since that time, every crisis in the Middle East has been the result of localized animosities and fears. The greatest threat to the Persian Gulf today is not the Soviet Union. The greatest threat is the Iran-Iraq war which threatens to spill over to the Arabian peninsula.

The Camp David process has been allowed to languish. Our Government has yet to appoint a high-powered representative to get the talks back on track. It is imperative that we move expeditiously to widen the peace process in an effort to avoid crises similar to the one in Lebanon from erupting again.

Madam President, the situation in Lebanon is a classic example of how a problem cannot be buried or allowed to lapse without resolution. The PLO in the mid-1970's effectively established a state within a state. It was from this territory that the PLO launched terrorist raids and artillery attacks on Israel. Lebanese Christians and Moslems alike were forced from their own villages and homes to accommodate the establishment of "Fatahland." The region is now reaping the seeds of destruction planted years ago in Lebanon.

Madam President, I think the opportunity is before us. I feel that the Israelis had no choice but to act as they did.

I think it is imperative now for the U.S. Government and the international community to come to grips with the reasons for instability in Lebanon. We cannot turn our backs on reality once again and return to the status quo. If we do, we risk repeating the mistakes of the past.

Madam President, Lebanon has to be returned to the Lebanese and the Syr-

ians should be gotten out of Lebanon. The PLO should cease to be a political and military force in Lebanon, and certainly its bases there should be eliminated.

In this way, Lebanon once again can become an independent, secure, and free government, controlling its own territory and providing security and stability to the Middle East. Lebanon again could become a peaceloving neighbor of Israel. It seems to me that this would be in the interest of world peace and certainly in the interest of the United States. Our policies as a government should pursue this goal without equivocation.

Madam President, I yield the floor.

RECESS UNTIL 2 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate will stand in recess until 2 p.m.

Thereupon, at 11:20 a.m., the Senate recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. LUGAR).

VOTING RIGHTS ACT AMENDMENTS OF 1982

The PRESIDING OFFICER. Under the previous order, there will now be 1 hour of debate on the cloture motion with the time equally divided between proponents and opponents of the motion.

Who yields time?

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum with the time charged to be equally divided.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATCH. 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. HATCH. Mr. President, I was reading an article in the Washington Post this morning, and the reporter mistakenly listed me as one who has been filibustering this matter. For the record, I am not filibustering the matter. I have never been filibustering this matter. I would be most anxious to have this matter brought to a vote as expeditiously as possible. I have said that from day one. I will vote for cloture today as I have always intended to do.

I have made the point that I disagree with section 2 and section 5 and that my primary objections lie with section 2. I have made the point that the constitutionality of this matter is not conclusively resolved, regardless of what the Senate or the House of Representatives do here. This matter will not be resolved finally until the Supreme Court speaks definitively. I believe that when it does, it will strike down the amended section 2.

Although I differ from a constitutional perspective with these two provisions, I strongly support the Voting Rights Act and strongly support its traditional goals and objectives.

My role in this debate has been to point out what I believe are the constitutional difficulties with regard to the bill.

I hope that all of our Members today will vote for cloture. I hope that my colleagues who are inclined to talk at length about this will not invoke fully their right to debate after cloture is invoked. I hope that we will be able to go directly to the substantive bill and have whatever amendments any body desires to bring up considered and disposed of in as expeditious a manner as possible.

To prolong this matter is a mistake. I believe we ought to bring up the amendments and resolve this matter one way or the other.

We all understand that considerable constitutional difficulties have been raised with this bill. We have made a record from the first day on these difficulties, and I believe they will have to be addressed at a later date by the Supreme Court of the United States. I believe they will be addressed. I believe that when that addressing comes, this bill, in its present form, will have to be modified because section 2, with or without the Dole "compromise," is unconstitutional. That is the point I have been making.

At the present time, all that I wish to do is proceed to make a record.

I hope everybody will cooperate in getting this bill resolved one way or the other. I personally hope that all of our colleagues will consider voting for cloture on this matter.

Mr. SPECTER. Mr. President, I join with the distinguished Senator from Utah in the hope that cloture will be voted and that we can proceed to the consideration of this important piece of legislation. I commend the distinguished Senator from Utah for the very extensive work which he has done in the Judiciary Committee and in the very extensive hearings which were held before the Subcommittee on the Constitution. I participated in those hearings, although not a member of that particular subcommittee.

Although I disagree with the conclusions of the distinguished Senator from Utah, I think that the Senate is itself in his debt for the numerous, extensive, and comprehensive hearings which were held on this bill.

My own sense, as I shall delineate, is that the bill is constitutional as it is written; that it is not necessary that the Voting Rights Act parrot the 15th amendment in terms of any constitutional requirement of an intent standard in order to be constitutional; that the Congress has full authority to have a different standard of proof, and that the results test will pass constitutional muster.

Since we have some 53 minutes remaining until the time for the cloture vote, I think this would be an appropriate time to elaborate briefly on my views.

Mr. President, in my view, it is vital to the welfare of our Nation that we proceed as promptly as possible to the reenactment of legislation to protect and secure for members of racial and language minorities their rights to vote and have their votes counted in full as participants in this political democracy.

I am pleased to have been an original cosponsor of S. 1992 and to have played a role in the hearings of the Committee on the Judiciary and in that distinguished committee's favorable reporting of S. 1992 after incorporating a "totality of circumstances" test for violation of section 2 of the act.

I am hopeful that the Senate will act promptly and favorably in considering S. 1992. I do not wish to slow that process but hope that a few brief observations may dispel some of the misconceptions being voiced by opponents of this measure and speed our favorable action of this most important matter.

First is the unfounded fear of "racial quotas" being invoked by some in opposition to the proposed amendment to section 2 of the Voting Rights Act. Arguments couched in terms of "logical consequences" and arithmetic extremes are entitled to little weight in the light of experience, clear legislative history of the amendment to section 2 and proven record of judicial restraint.

Mr. President, the amendment to section 2 of the act does not introduce proof of results of discrimination in a radical way; such a method of proof has always existed. Nor does the amendment to section 2 inject numbers with any new magic. Statistical evidence will remain what it has always been, a part of a showing from which a court might conclude that racial discrimination in the denial of abridgment of voting rights has been established.

In reapportionment cases not involving claims of discrimination no plaintiff is required to prove the unlawful "purpose" of the legislature in its uneven drawing of district lines. Numbers almost purely and simply have prevailed. In the context of charges of racial discrimination, numbers have always assumed and will likely continue to assume a less prominent role as one part of the fabric of the claim.

Neither I nor any of the other cosponsors of the perfecting language to

section 2 have spoken in favor of "racial quotas". Indeed, the bill passed by the House, the Senate bill 65 of us have cosponsored, and the compromise language accepted by the Committee on the Judiciary each expressly disavows the intention and result with which opponents seek to color the debate.

The House bill and the original language of S. 1992 proclaim:

> The fact that members of a minority group have not been elected in numbers equal to the group's proportion of the population shall not, in and of itself, constitute a violation of this section.

And the report of the House Committee on the Judiciary explained:

> The proposed amendment does not create a right of proportional representation. Thus, the fact that members of a racial or language minority group have not been elected in numbers equal to the group's proportion of the population does not, in itself, constitute a violation of the section although such proof, along with other objective factors would be highly relevant. Neither does it create a right to proportional representation as a remedy.

If that language left any doubt in others' minds, the bill reported by the committee leaves no room for misunderstanding when it says:

> The extent to which members of a protected class have been elected to office in the State or political subdivision is one "circumstance" which may be considered, provided that nothing in this section establishes a right to have members of a protected class elected in numbers equal to their proportion in the population.

Could there be a more direct denial of any intent to enact racial quotas? Could there be any more precise disavowal of that which incites the rhetoric of race? Let us not shrink from insuring the fundamental rights of racial and language minorities in the face of such an argument.

Indeed, let opponents of the totality-of-circumstances test come forward with cases in which the test led to proportional representation. Surely, in the years it governed lower court judgments, as shown most graphically by the reversals in Jones against City of Lubbock and McCain against Lybrand, there would have been a holding or some portent of the racial quotas opponents of the totality-of-circumstances test conjure forth. Let them point to an example of excess or quota making. They have not because, simply stated, they cannot. The courts have been most careful and restrained in this regard and declare at every turn that racial quotas are not the test nor goal.

As the committee report notes:

> This disclaimer is entirely consistent with the above-mentioned Supreme Court and Court of Appeals precedents, which contain similar statements regarding the absence of any right to proportional representation. It puts to rest any concerns that have been voiced about racial quotas.

The great value of reconfirming the working test of the courts over the past decade up to the Bolden litigation is its utility in distinguishing those cases in which a racial or language minority has been effectively fenced out of the political process from those in which a group has merely failed to participate given an equal opportunity or been unsuccessful in electing representatives of its choice given a fair chance.

In this regard, I think it important to note, if only briefly, why I favor the totality-of-circumstances test over the proof-of-purpose requirement recently enunciated by Justice Stewart in his plurality opinion in Mobile against Bolden.

In this civil law context, we are properly concerned with and focusing upon the harm to racial and language minority citizens. It is the injury to their fundamental political right, the right to vote, that we are seeking to prevent.

It is at least quizzical that so many of our colleagues who now contend a "purpose" test is needed in this civil law setting were supporters of a weaker, objective standard in connection with establishing a criminal violation for the release of information with reason to believe it would identify a covert agent of our intelligence forces. I submit we should pay closer attention to traditional legal standards and values. In a civil law setting, there has traditionally been a lesser standard or test consistent with a totality of circumstances or results test whereas, in a criminal context, there has traditionally been an intent or purpose standard.

In this setting, the objective totality of the circumstances test is especially fitting. The importance of the rights involved and difficulty of proving purpose in accordance with the plurality opinion in Bolden combine to demand this remedial legislation. Indeed, the test enunciated by Justice Stewart for three remaining members of the Court calls for proof not of intent but of the yet higher standard of purpose. This test seems to exceed even the traditional standard of intent used in the criminal law for proof of wrongdoing and requires the highest, most demanding test of subjective will.

Proving the intentions of an individual defendant is difficult enough; proving the collective, subjective purpose of a legislature or series of governing political bodies is a sociological, historical, and psychological enterprise of the most enormous scope. When the evidentiary record does not contain the crudest racial epithet or "smoking gun," the outcome may well depend on the availability of a century-long historical record, such as that which reinstated the Bolden holding of discrimination on remand. The rights of racial and language minorities should not be made to depend on the admission of racial motivation or availability of such extensive local, historical records.

The totality of the circumstances test, on the other hand, has much to commend it. It does not require the charge or, when proven, the brand of racism. It does not involve the Federal judiciary in probing the unexpressed motivations of State legislative or executive action. It does not reward sophisticated, well-disguised discrimination by erecting an onerous burden of proof. Nor should we engage in the vagaries of motivational analysis in a remedial statute to protect this fundamental right to participate in this society by voting for those who will govern.

Mr. President, this is not to say that countervailing governmental purposes and interests cannot be advanced. They, too, may be shown as circumstances to be considered. But elusive direct evident of discriminatory purpose should not be required to prevail. That is what may be required by the plurality in Bolden.

The nature and extent of the evidence necessary in accordance with Bolden has most recently and solicitously been characterized by the eighth circuit court of appeals as "fraught with ambiguity." In his dissent in Bolden, Justice White lamented the plurality's "leav(ing) the courts below adrift on uncharted seas." What is apparent is that traditional rules governing inferences from facts and circumstances, the rules that make it possible to prove most civil and criminal cases, do not pertain. The plurality demands not just proof of intent but proof of purpose and motivation.

That standard is, in my view, too onerous to prove sufficient protection to the voting rights of racial and language minorities, which rights are in turn their best source of protection from other forms of discrimination and oppression. Let us not forget what it is precisely that we are doing.

We are reestablishing a statutory standard by which to protect against discrimination in voting. The Congress power and authority is drawn from the enforcement clauses of the 14th and 15th amendments and our ability to enact remedial legislation as has been confirmed by the U.S. Supreme Court. Accordingly, I favor revising the Voting Rights Act to clarify its reach and expressly establish the totality of circumstances test as that governing section 2 cases.

The Judiciary Committee's actions are testimony to the high regard with which all voting rights and minority rights should be held. The committee bill is a most significant achievement expanding as it does the protection for the voting rights of racial and language minorities. With the President's strong, personal endorsement and the

extraordinary number of Senate cosponsors, this measure should now proceed to speedy passage. With the continued cooperation of our colleagues in the House, we should now be able to meet our August deadline and fulfill our legislative responsibility.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I want to thank the distinguished Senator from Pennsylvania for his kind remarks about me in his statement here today. His efforts themselves deserve high praise.

The gentleman has stated however that the opponents of the results test have failed to cite a single case in which there has been the imposition of proportional representation. Although I agree that this cannot easily be shown with respect to section 2 because the "results" test has never been the law there, at least in my opinion, perhaps I could give several examples of proportional representation under the section 5 "effects" test. The cases I would cite would include *City of Richmond* v. *United States* 422 U.S. 358 (1975), *City of Petersburg* v. *United States*, 354 F. Supp. 1021 (D.D.C. 1973), affirmed per curiam (without opinion) 410 U.S. 962 (1973), *United Jewish Organizations* v. *Carey*, 430 U.S. 144 (1977), *Bolden* v. *City of Mobile* 423 F. Supp. 384 (S.D. Ala. 1976), *City of Port Arthur* v. *United States* 517 F. Supp. 987 (D.D.C. 1981), *Kirksey* v. *Hinds County Board of Supervisors* 528 F. 2d 536 (5th Cir. 1976), the recent redistricting cases in Georgia and New York City and there are others. Those are cases where the "effects" test in my opinion actually resulted in proportional representation. At least, it looked to me like proportional representation.

I should point out that this is how the "results" or "effects" test has been used in the past. I have to presume that if the "results" test is incorporated in section 2, as this present bill would do, then it is very likely that these interpretations would be extended to the entire Nation, as well, through section 2.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. HART. Mr. President, I wonder if the Senator from Massachusetts would yield me 1 minute.

Mr. KENNEDY. Yes.

Mr. HART. Mr. President, I strongly object to any further delay in the Senate's consideration of S. 1992. The Voting Rights Act extension is one of the most important pieces of legislation to be debated by Congress this year. It represents the hope and promise on which this Nation is based—the right to vote, regardless of race or language.

The bill now before the Senate is supported by more than three-fourths of the Members of this body. It has been endorsed by the President. It passed the House of Representatives by an overwhelming vote. This crucial legislation has been discussed and debated for over a year now. The time has come to enact it.

The right to vote is powerful and precious. It is the foundation of a free society. As Lyndon Johnson said when speaking in support of voting rights legislation in 1957:

> The right to vote is the basic right without which all others are meaningless. It gives people—people as individuals—control over their own destinies. . .

The right to vote is explicitly protected by our Constitution, but it is Congress that is constitutionally charged with the responsibility to make sure that right is more than a promise.

In 1965, Congress took decisive steps to secure the franchise for all Americans by enacting the Voting Rights Act. These protections have been extended twice since then, in 1970 and 1975. They have also been extended to language minorities, particularly Hispanic Americans of the Southwest. Now, Congress must once again determine the fate of this historic legislation before its protections expire.

The Voting Rights Act has brought dramatic changes in minority registration and voting. The number of black Americans registered to vote in the Southern States, for example, has more than doubled since 1965. In my own State of Colorado, Hispanic voter registration increased 41 percent between the 1976 and 1980 Presidential elections, with actual turnout up by 23,000. Hispanics are participating in the political process not just as voters, but also as successful candidates for office, thanks to the Voting Rights Act.

Despite substantial progress, the protections of the act are still needed. The bill reported by the Senate Judiciary Committee reflects compromise and the thoughtful consensus of legislators across the political spectrum. It should be passed.

I urge my colleagues to support cloture, and oppose any further attempts to delay final action on the Voting Rights Act. The Senate should not consider any other business until we have fulfilled our responsibilities on the voting rights legislation.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, will the Senator from Massachusetts yield to me for 5 minutes?

Mr. KENNEDY. Five minutes.

Mr. ROBERT C. BYRD. Mr. President, I shall vote for cloture, and I urge the Senate to vote for cloture so as to proceed expeditiously with the motion to proceed to consideration of the Voting Rights Act, which I hope will be voted on expeditiously by an overwhelming majority following the cloture vote.

Mr. KENNEDY. Mr. President, in about 30 minutes the Senate will vote on the issue of cloture. The issue is whether we ought to consider and debate the Voting Rights Act which has been reported from the Judiciary Committee.

I am confident that the Senate will vote overwhelmingly in favor of cloture because the measure which will be voted on has the cosponsorship of Republicans and Democrats alike, fourth-fifths of the Members of the Senate. It was supported in the House by a margin of 20-to-1. This not surprising, overwhelming support is Mr. President, when we are talking about an issue which is as basic and fundamental as the Constitution of the United States and the fundamental values of this Nation, embodied in the right to vote.

Mr. President, I was here in 1964 when important civil rights measures were passed, and I was here in 1965 when we passed what I consider to be one of the most important and successful civil rights laws ever to pass this body, the 1965 Voting Rights Act.

Over the years, Republican and Democratic Presidents alike have supported that legislation, and now at last we have the support of this President.

The 1965 act gained new life as we marched through the late 1960's and the early 1970's. Bilingual election provisions and other strengthening provisions were added to the law.

To me, Mr. President, it is extraordinary that we are here on this day in June 1982 debating whether we should be bringing up the Voting Rights Act Extension. I thought this issue was resolved in our Nation in the Mid-1960's. We had in excess of 20 days debate before the passage of the 1965 act. We had several days of debate at the time that this legislation was extended in 1970 and 1975.

I am a member of the Judiciary Committee which listened to the leaders of the great religious associations of this country, the Catholic, Protestant, and Jewish leaders. I have listened to representatives of the trade union movement, the workers in the plants and factories. I have seen the statements of corporate officials. All voiced strong support of the bill ultimately voted out of the committee.

I have listened to members of the Bar Association, including some of the most distinguished constitutional authorities that this Nation has ever produced, discuss the complex legal issues and questions. They support the bill. Most important, I have listened to ordinary citizens who look at this piece of legislation as lifeline to their participation in our democratic process and a lifeline to the 15th amendment which was passed after one of the

bloodiest wars that this country ever fought, the Civil War, in order to guarantee the right to vote for the citizens of this Nation.

During 6 days of desultory discussion and debate, those who wanted to delay the Senate of the United States, the handful of Members who would like to delay, cripple, or destroy this measure, were unwilling, unable, or unprepared to debate this issue. Any fair reading of the CONGRESSIONAL RECORD during this period would substantiate that position.

We have not had a discussion about why we should take this measure up. Just an hour or so ago in the Democratic caucus we were each given a list distributed by the majority leader listing measures he hoped the Senate would address prior to the time the Senate goes into its nonlegislative period over the Fourth of July. These were matters of importance, matters of consequence, matters that affect many aspects of the quality of life of the American people.

This measure, however, is as important a measure as we will address in this Congress, and it is time we took action.

I have listened to the discussion during the last few days. The points that are being raised by those two or three Senators who have spoken in opposition to the consideration of the motion to take up this measure are tired, old amendments that we have discussed for hours and hours in the Subcommittee on the Constitution. Subsequently, they were the subject of very considerable debate and discussion before the full Judiciary Committee.

The Judiciary Committee considered these amendments and defeated them. The Senators have a right to bring them up and have them debated and considered. But a handful of Senators have denied the Senate the opportunity to do so by using the procedures of the Senate here to delay for 1 week consideration of this measure.

So, Mr. President, I think it is very clear what our responsibility is in this body this afternoon. We should vote in overwhelming numbers to proceed to the consideration of this measure, and we should remain on this measure until we have resolved it. That is what I believe the American people want and that is what I think the American people deserve.

Mr. President, I want to make a point, which I am sure my good friend and colleague, the Senator from Utah, will understand and respect; it is said in no disparaging way. It is imperative for those judges who read the legislative history of this particular measure to understand. that this proposal, which is known as the Mathias-Dole-Kennedy proposal, speaks for itself. If there is any question about the meaning of the language, we urge the judges to read the report for its meaning or to listen to those who were the principal sponsors of the proposal, not to Senators who fought against this proposal and who have an entirely different concept of what a Voting Rights Act should be.

That is important, Mr. President, because judges look to the language of a law and then to the debate, and it is imperative for them to understand what is the meaning of the words. If there is any question in their minds, they should read the report and read the words of the Senator from Massachusetts (Mr. KENNEDY), the Senator from Kansas (Mr. DOLE), and the Senator from Maryland (Mr. MATHIAS), and other Members of the Senate who support this legislative proposal.

Finally, Mr. President, in listening to this debate over the last several days, I would think that the opponents of this bill would be asking themselves: How are we going to basically make it easier for the citizens of this Nation to participate in the electoral process of our democracy?

I have listened in the subcommittee, in the full committee, and on the floor of the U.S. Senate to debate over whether there was a majority of judges in the circuit court who held this, whether a district court judge held that. Why are we not asking ourselves in 1982: How can we make it easier for citizens of this country to participate in the electoral process? That should be the issue before the U.S. Senate. That is the issue we should be addressing here.

Why are we not asking ourselves: Can we not find ways of breathing new life into this legislation to make it easier rather than more difficult for people to vote? That is what this democracy is all about, and that is what I think the American people want us to protect.

So, Mr. President, this is one Senator who hopes we will move toward the immediate consideration of this matter and start considering the amendments. Let the votes be called. That is what we are elected to do. Let the Senate make a judgment. Let the American people know where each of us stands on this most basic and fundamental right of all—the right to vote.

I urge my colleagues to support the cloture motion.

Mr. EAST addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. MATHIAS. On whose time?

The PRESIDING OFFICER. Does the Senator from Maryland yield time?

Mr. MATHIAS. How much time does the Senator from North Carolina wish?

Mr. EAST. May I have 5 or 6 minutes?

Mr. MATHIAS. Can we start with 4?

Mr. EAST. All right. Being a reasonable man, I will accept 4, and I thank the Senator.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. EAST. Mr. President, in response to the comments of the distinguished Senator from Massachusetts, it is valuable to read the report, but it is more important to read the bill, in order to see what the judges are going to do with this legislation in the long run.

I submit that my colleagues should keep in mind that, for the first time, the U.S. Congress, if it passes this bill, will introduce the quota concept as a test in elections. That is a revolutionary and radical idea, and any fair reading of the legislation will show that quotas will result.

The legislation not only guarantees the right to register and to vote and to have the vote counted, but also—and I read from the bill—"and to elect representatives of their choice."

That is a new concept, and it means that the quota concept is now introduced into the electoral process of voting in this country. Before Congress does that, it should think long and hard about the nationwide implication of such a change the bill will jeopardize at-large elections, annexations. Any kind of proposed change in the election process will now be suspect in the United States.

The distinguished Senator from Massachusetts said we should make it easier to vote. I do not quarrel with that. I am willing to support any reasonable legislation based upon the 15th amendment, which guarantees the right to register and to vote and to have the vote counted. The bone of contention is, should we guarantee results? That is the nub of the problem. That is the new concept.

I find it alien to the democratic tradition in this country to say that, beyond saying I as a Senator or you as an individual have the right to register and to vote and to have that vote counted, you have a right to see that candidates of your choosing are elected. That, we should not do. That is ill-conceived and ill-considered, and I submit that a fair reading of the legislation—not the report—will show such a requirement to be a logical result.

So I end on this note, Mr. President: It is simply a misconception of the public and some of our distinguished colleagues that we are merely extending the 1965 Voting Rights Act. We are going way beyond that. We are adding a wholly new dimension to the law—quotas, results in evaluating whether a particular election is free from alleged discrimination.

I ask my colleagues to think long and hard before they vote in the affirmative for that proposition. This

drastic alteration of the law will be the main issue before this Chamber as it gets into the heart of this bill, the so-called extension of the 1965 Voting Rights Act.

I suspect that my 4 minutes are up.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. MATHIAS. Mr. President, I yield 3 minutes to the distinguished Senator from Kansas, a cosponsor of the Dole-Kennedy-Mathias bill.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. DOLE. I thank the distinguished Senator from Maryland.

Mr. President, I will state briefly now, because we are about to vote on the cloture motion, the motion to proceed, and I thought I would wait to get into the heavy stuff until we do proceed, and I hope that will be very soon.

I suggest, as has been said earlier on this floor, that there is strong bipartisan support for this legislation. There are those who, for good reason, have reservations and want to offer amendments, and certainly they should have that opportunity. But I hope we can proceed with the bill and take it up as quickly as possible, with a reasonable time for debate, any amendments, dispose of the amendments through rejection, adoption, or agreement or whatever.

I know that a number of Senators have amendments. I know that the Senator from Alaska (Mr. STEVENS) has what I consider to be technical amendments, a couple of technical amendments, which, in effect, may clarify some of the language in the bill, and he is now discussing his amendments with various people.

Both Senators from North Carolina have amendments. I recall the distinguished junior Senator offering a series of amendments in the committee in the period of an hour. I do not suggest that we move that quickly on the floor, but the RECORD should indicate that there was no effort to delay consideration of the bill in the committee, and I do not really believe there has been much effort on the floor.

The Senator from Kansas is one who attempted to clarify some of the language because of the very questions raised by the Senator from Utah (Mr. HATCH) and others about "proportional representation." I join the Senator from Massachusetts in the hope that when the judges look at the legislative history, they will look at those who supported vigorously and enthusiastically the so-called compromise.

I hope that before this debate ends on the bill itself, the Senator from Utah and others will agree that we did strengthen the legislation; that we did, in effect, shoot down the myth of proportional representation.

It is stated clearly in the report time after time, and it will be stated clearly on this floor dozens of times before final passage, but as this Senator understood at the time, that was the one area that caused the greatest concern to Members of this body—Members on that side and Members on this side—and that was the principal area we sought to address in the amendment offered by the principal cosponsors—the Senator from Massachusetts, the Senator from Maryland, the Senator from Kansas, the Senator from Iowa (Mr. GRASSLEY), and others on the committee.

Mr. President, this matter has broad support, broad bipartisan support, obvious support from civil rights organizations, business, and professional organizations. It seems to me that it is in our interest to move as quickly as we can. It is my understanding that approximately 80 Senators are cosponsors of the bill.

I would guess the vote on the motion to proceed will be at least overwhelming. I hope that we could dispose of this legislation this week. We still have, as the majority leader pointed out yesterday, the debt ceiling, the urgent supplemental, the budget resolution conference report, and other important pieces of legislation before what is now scheduled as a July 2 break.

Again, this Senator believes that can be done and at the same time preserve the rights of any one or any two or any three or any half dozen in this Chamber who may have different views than those of us who obviously are in the majority on this issue. So I am very proud to be a cosponsor of the bill now before the Senate. It would be my hope that we could move very quickly, that at least we could move to the bill itself and then get into serious debate. But we hope we can make a record so that when courts in the next 10 years or 20 years or 50 years look at the history and the intent of those of us who were principally involved that they will understand very clearly our intent.

Mr. MATHIAS. Mr. President, I yield 2 minutes to the Senator from Iowa.

Mr. GRASSLEY. Mr. President, every time that there is a lengthy debate on any issue, there is a time when a legislative body has to move ahead. Now is the time to move ahead for the discussion of the amendments and the issues that have got to be decided by this body before this legislation is passed, as it will be passed. That time has now come.

I am going to support the motion to proceed and cut off the debate on this motion. I think that we ought to compliment the Senator from Utah, who, even though he has been very deliberate in discussing this issue in the subcommittee and the full committee, has made the motion to proceed.

Last week I discussed some of the issues in debate here on the floor of this body with the Senators from North Carolina, Senator HELMS and Senator EAST. Senator EAST is a member of that committee. All of these issues have been raised. But I think basic to the entire discussion is the necessity for expanding the opportunities to participate in the democratic process in this country.

I may disagree with the Senator from Massachusetts on the role of the Federal Government in education or what the defense policies of this country ought to be, but he stated it as best as it should be stated in his closing remarks when he suggested that we ought to be looking for ways to expand participation in the democratic process, not narrowing it.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. MATHIAS. Mr. President, I yield myself 4 minutes.

Mr. President, I take pride in this legislation, I take pride in having been associated with the voting rights legislation which was first conceived and enacted in 1965 and which has been in force in this country since that date.

Very few Americans will doubt the value—indeed, Mr. President, the necessity—of the great agenda of civil rights legislation of the 1960's. That body of law has transformed America. That body of law has done so much to make good the promise of America of equality under the law, of justice for every American citizen. That body of law has not perfected our society but has moved us closer to the goals that we have sought since the American Revolution.

Now I believe that the keystone of that agenda was the Voting Rights Act of 1965. Among a number of statutes that made a difference, I believe the Voting Rights Act made the greatest difference. But today, incredibly, we are debating merely the motion to proceed on the Kennedy-Dole-Mathias bill—the motion to proceed, not the motion to go forward to enact the bill, but to proceed. I feel sad that in merely refining and extending the bill we cannot get beyond the point that is normally passed mechanically without a motion for cloture and a rollcall vote on cloture in the Senate.

Percy Sutton, a politician in New York, once said that he was afraid of short meetings. I understand the danger of short meetings and I understand the danger of short debates. I think it is useful to have a comprehensive debate in which all points of view are exposed to study. But, Mr. President, the time has come to close this debate. I urge every Member of the Senate to vote for the cloture motion

and to move rapidly to the motion to proceed.

The PRESIDING OFFICER. Who yields time?

Mr. MATHIAS. I believe my time is exhausted.

The PRESIDING OFFICER. Both sides have approximately 2 minutes remaining.

Mr. MATHIAS. I yield 2 minutes to the Senator from North Carolina.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, I thank my friend from Maryland.

I will discuss this matter in somewhat fuller detail later on. But this morning I had about a 30-minute conversation with a former distinguished Member of this body, the Honorable Sam Ervin, Jr., who is now doing well in Morganton, I might report.

Senator Ervin said that he has written to every major newspaper in North Carolina explaining the flaws in this piece of legislation and he said, "Not one of them has been willing to print my letter."

And I mention that, Mr. President, because it is illustrative of what exists in this Chamber today, now, 3 minutes before we proceed to vote on a cloture motion with reference to calling up this piece of legislation.

I dare say, Mr. President, that there are not 10 Senators, if that many, who have read this report. Because I still hear in this Chamber the talk about extending the Voting Rights Act of 1965. We are doing no such thing. The Voting Rights Act of 1965—and let the press take note of this—is permanent legislation. What we are asked to consider are amendments to a permanent law which does not expire.

Now I will go into detail about the defects, the misunderstandings, and the misrepresentations as time goes by. But I am here to say that very few, if any, Senators understand what really is being proposed. And haste is not a virtue in this Chamber. Our duty is to take our time.

And I will say to the Chair that during the past week, I have had at least 15 Senators come to me and say, "I did not understand the legislation, but now I understand what you are talking about." And before we are over, Mr. President, I hope even more Senators will understand.

I thank the Senator for yielding to me.

● Mr. DODD. Mr. President, I believe it is imperative that Congress act expeditiously to approve S. 1992 and extend the Voting Rights Act of 1965. I will accordingly vote in favor of invoking cloture and urge that my colleagues do likewise.

There can be little question, Mr. President, that of all the values which underpin a democracy and give it meaning, none are more essential than the right of citizens to participate in the election of those who will govern them. It is that fundamental principle which we will affirm by acting promptly to pass S. 1992.

The record of discussion concerning the need for this legislation and how it might best be fashioned is immense. But it all boils down, in my judgment, to two simple propositions.

The first of these is that the Voting Rights Act of 1965 has been one of the most successful pieces of civil rights legislation in our history. In the deep South alone, for example, the number of registered black voters has grown by more than 230 percent since this landmark bill was passed. Prior to its adoption, there were 72 elected black officials in the 11 Southern States. Today there are over 2,500. That record secures the place of the Voting Rights Act in our history.

The second proposition is that we still need this legislation. Progress has been made but much remains to be accomplished. As the chairman of the House Judiciary Committee has noted, the residue of bigotry that remains in part of our society has been matched only by their ingenuity in designing ways to prevent citizens from exercising their right to vote. The list includes dual registration, gerrymandering, at-large elections, intimidation, manufactured inconveniences, and many others.

The provisions of this legislation require "pre-clearance" by the Justice Department or U.S. district court of provisions affecting voting in jurisdictions with a history of discriminatory practices. That seems to me a practical way to protect the rights of potential voters. At the same time, it allows such jurisdictions to earn their way free of such requirements by maintaining a blemish-free record in this regard for 10 years. That appears to me equitable as well.

Finally, Mr. President, I wish to add that the bilingual provisions in this legislation are essential. We are a society whose strength reflects the infusion of people of many nationalities, cultures, and histories. Today, as often before in our national life, many of our new citizens speak a language other than English. That makes them no less valuable as fellow country men and women and no less deserving of the protections of basic rights and liberties which all Americans should expect.

I hope that the Senate will keep faith with all those Americans who ask no special favor but only to participate as voting members in the greatest democracy the world has known. We can do so by moving quickly to make S. 1992 law.●

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. KENNEDY. As I understand it, at the hour of 3 o'clock, we vote on the cloture motion.

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. And a vote in the affirmative is to invoke cloture.

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. And a vote in the negative is to vote not to act to take up the Voting Rights Act.

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. Mr. President, I also understand that the yeas and nays are automatic.

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. I thank the Chair.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the hour of 3 p.m. having arrived, pursuant to rule XXII the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of S. 1992, a bill to amend the Voting Rights Act of 1965 to extend the effect of certain provisions, and for other purposes.

Howard Baker, Ted Stevens, Arlen Specter, Slade Gorton, William Proxmire, Mark Andrews, Lowell Weicker, Charles McC. Mathias, Jr., Richard G. Lugar, John C. Danforth, William V. Roth, Jr., Dan Quayle, Robert Dole, John H. Chafee, Edward M. Kennedy, Robert C. Byrd, Roger W. Jepsen.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the motion to proceed to the consideration of S. 1992, a bill to amend the Voting Rights Act of 1965 to extend the effect of certain provisions, and for other purposes, shall be brought to a close. The yeas and nays are automatic under the rules. The clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Texas (Mr. TOWER) is necessarily absent.

I also announce that the Senator from Illinois (Mr. PERCY) is absent on official business.

I further announce that, if present and voting, the Senator from Illinois (Mr. PERCY) would vote "yea."

Mr. CRANSTON. I announce that the Senator from North Dakota (Mr. BURDICK), the Senator from Ohio (Mr.

GLENN), the Senator from Louisiana (Mr. JOHNSTON), and the Senator from Massachusetts (Mr. TSONGAS) are necessarily absent.

I further announce that, if present and voting, the Senator from North Dakota (Mr. BURDICK), the Senator from Ohio (Mr. GLENN), the Senator from Louisiana (MR. JOHNSTON),and the Senator from Massachusetts (Mr. TSONGAS) would each vote "yea."

The PRESIDING OFFICER (Mr. ANDREWS). Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 86, nays 8, as follows:

[Rollcall Vote No. 172 Leg.]

YEAS—86

Abdnor	Ford	Melcher
Andrews	Garn	Metzenbaum
Armstrong	Goldwater	Mitchell
Baker	Gorton	Moynihan
Baucus	Grassley	Murkowski
Bentsen	Hart	Nickles
Biden	Hatch	Nunn
Boren	Hatfield	Packwood
Boschwitz	Hawkins	Pell
Bradley	Hayakawa	Pressler
Brady	Heflin	Proxmire
Bumpers	Heinz	Pryor
Byrd, Robert C.	Hollings	Quayle
Cannon	Huddleston	Randolph
Chafee	Humphrey	Riegle
Chiles	Inouye	Roth
Cochran	Jackson	Rudman
Cohen	Jepsen	Sarbanes
Cranston	Kassebaum	Sasser
D'Amato	Kasten	Schmitt
Danforth	Kennedy	Simpson
DeConcini	Laxalt	Specter
Dixon	Leahy	Stafford
Dodd	Levin	Stevens
Dole	Long	Thurmond
Domenici	Lugar	Wallop
Durenberger	Mathias	Weicker
Eagleton	Matsunaga	Zorinsky
Exon	Mattingly	

NAYS—8

Byrd, Harry F., Jr.	East	Stennis
	Helms	Symms
Denton	McClure	Warner

NOT VOTING—6

Burdick	Johnston	Tower
Glenn	Percy	Tsongas

The PRESIDING OFFICER. On this vote, the yeas are 86, the nays are 8. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized. The Senators will clear the well.

ORDER OF BUSINESS

Mr. BAKER. Mr. President, it is my hope, now that cloture has been invoked to limit further debate on the motion to proceed to the consideration of the bill, that we might get on with the bill itself. I wonder if the parties are in a position now to yield back their time as provided for under rule XXII and to proceed directly to the motion to proceed.

Mr. President, I see no one uttering any disclaimer of that. I do observe that not every Member seemed to light up with enthusiasm for the suggestion. I really hope we can get on the bill itself this afternoon.

As I said earlier, there are a number of amendments that I know of that will be offered. They are not frivolous amendments. I have consulted with Senators who feel very deeply, very keenly, about some proposals, some aspects of the bill as reported, and who will exercise their right to offer amendments.

I support them in their right to offer those amendments, but I also want to get on with the business of letting the Senate work its will on this measure.

Once again, Mr. President, I hope that Members would not object to proceeding immediately to the consideration of the motion to proceed.

Mr. President, I would be so bold as to ask unanimous consent that we may now proceed, notwithstanding the time limitations of rule XXII, to consideration of the motion.

The PRESIDING OFFICER. Is there objection?

Mr. TSONGAS. Reserving the right to object——

The PRESIDING OFFICER. The Senator reserves the right to object.

Mr. TSONGAS. Mr. President, if I may, I would like to inquire why it was necessary to close out the vote, when some of us were coming over and indicated to the floor that we were coming, on an issue of this significance. If we are going to have a policy of cutting it off, then it ought to be the case consistently.

Mr. STEVENS. I inquired and was told the votes were in.

Mr. GLENN. Will the Senator yield?

Mr. TSONGAS. I had called over, indicating I was coming. Apparently the Senator from Ohio did the same thing.

Mr. GLENN. Mr. President, I was in exactly the same situation. I am all for keeping 15-minute votes in this body. In fact, several years ago I suggested that we stick with this and cut out running 5 minutes over on every vote.

On a vote of this magnitude, to cut us off, when I was on my way to the floor I find inexcusable. I do not go along with it. This was a vote that I wished to be recorded on. I called as did the Senator from Massachusetts, and we were cut off from the vote, which I do not appreciate.

Mr. STEVENS. That was my error.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BAKER. Mr. President, just a minute. Let me say, first of all to my friend from Ohio, that I do not know whether it is inexcusable or not, but I accept full responsibility.

Mr. GLENN. It is not your fault for me not being here.

Mr. BAKER. Mr. President, I accept full responsibility for having established the principle that we are going to abide by the 15-minute rule.

I should also point out, however, that no instructions were given on this vote that I am aware of. I inquire of the Chair, was the full 15 minutes allocated for the call of the vote?

The PRESIDING OFFICER. The Chair would point out that the full 15 minutes were not only allocated, we went 3 minutes over, so there were some 18 minutes.

Mr. BAKER. There was no effort to cut anybody off. I apologize to any Senator who is discommoded by it. As far as I am concerned, I am perfectly willing on this vote to permit a unanimous-consent request that they be recorded. If that is the case, then we can do that.

I think this RECORD should clearly show that there was no effort to cut off any Senator, that indeed there were 18 minutes allocated to the rollcall vote instead of 15, and no instructions given to terminate the vote.

Mr. GLENN. Mr. President, I would appreciate it if my vote could be recorded. Whether that can be done or not, I do not know. It was my fault for not being here; I agree with that, but I would ask this: I would say that maybe we can use this as a precedent and we set the 15-minute vote from now on and we will have them for all of us. We are all guilty of the same thing. We stay in our offices too late, and we come to the floor expecting it will be held open as it is, and we quite often have more votes occur at about the 15-minute mark than we have before.

If we are going to do this in this particular case, I suggest that we all live by a 15-minute vote and be here for a 15-minute vote and not extend it over for other people. We all can leave our offices, wherever we are, early enough to get here, unless it is a most unusual circumstance. I suggest we stick with the 15-minute voting period.

Mr. DOMENICI. Mr. President, I think we ought to let the Senator vote and not get carried away.

Mr. GLENN. The Senator is not carried away, and the Senator knows it.

Mr. DOMENICI. I did not say the Senator was. I just said the Senate should not get carried away. I do not know that we need to reestablish the 15-minute rule because of what happened. I am for letting the two Senators vote. We have a pretty good system going, and I do not think we ought to change now.

Mr. STEVENS. I inquired and they did not say they were waiting for anybody else.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, I do not think I ever in my life tried to be more agreeable. I have tried to tell the Senator I am willing for him to be on the roll. Now, he does or he does not. If he will make the unanimous-consent, I will not object to it.

Mr. GLENN. I make a unanimous-consent request that the Senator from Massachusetts and the Senator from Ohio be permitted to register our votes.

The PRESIDING OFFICER. The Chair must rule that it is against rule XII of the Senate to even entertain a unanimous-consent request to ask to vote out of order.

Mr. GLENN. I withdraw the request.

Mr. RANDOLPH. Mr. President, will the majority leader yield?

Mr. BAKER. Yes; I yield to the Senator from West Virginia.

Mr. RANDOLPH. Members, I feel, are trying very diligently to answer rollcalls. I make an observation in which all of us could agree.

Especially at this time of the year the Halls are crowded with visitors from our States. We are in a season when the conveyances that bring Senators from their offices to the Capitol Chamber are often very difficult to board. There are conferences in which Senate and House Members are busy.

I am sure that the majority leader is conscious of extenuating circumstances. We share good intent on both sides of the aisle.

Mr. BAKER. Mr. President, once again I want to make it clear——

The PRESIDING OFFICER. Will the majority leader suspend and the Senate come to order. We are dealing with an important matter having to do with the voting privileges of the Members of the Senate and the rules of the Senate that respect their right to vote.

The majority leader.

Mr. BAKER. Mr. President, once again, I want to make it clear that no one in the leadership on this side requested that the rollcall be concluded or closed. I did not do that. As far as I am aware, at 18 minutes the rollcall was concluded. It certainly was not done on my request.

I have previously said, Mr. President, that if we are going to have a 15-minute rule, we ought to abide by it. In this particular case, under the provisions if rule XII—and the Chair is absolutely right, of course, that it cannot even entertain such a request, and I had neglected to remember that—the only alternative I can think of would be to make a motion to reconsider the vote and permit Members to vote again. If they want to do that, I am willing to make that motion.

Mr. GLENN. Mr. President, if the Senator will yield, I think we have gone on long enough on this. All I would like to do is have the record show that had I been here and voted, I would have voted in favor of cloture, and we will let it go at that. But I suggest that we all abide by the 15-minute rule and get here to the floor so we do not have to extend it and that we make that a hard and fast rule.

Mr. TSONGAS. Will the majority leader yield?

Mr. BAKER. Yes, I yield.

Mr. TSONGAS. I would like to express my appreciation for his attempt to be accommodating. I will not and do not wish to have another vote just to accommodate myself and the Senator from Ohio. As someome who presided a great deal for 2 years and used to sit up there waiting for people to show up 10 minutes late, I find the situation to be very unfortunate. I hope that the Chair would be more sensitive in the future or else set up a rule that we all live by and not a selective implementation of the rules.

I would also like to state that were I here, I would have voted for cloture.

I thank the majority leader for his consideration.

VOTING RIGHTS ACT AMENDMENTS OF 1982

The PRESIDING OFFICER. There is pending the request——

Mr. BAKER. I withdraw the request, Mr. President—what request is pending?

The PRESIDING OFFICER. The request is withdrawn.

Mr. BAKER. No, Mr. President. Would you state the request?

The PRESIDING OFFICER. There has been a request for a vote on the motion to proceed. Is that request rescinded?

Mr. BAKER. I would like the request still to be pending.

Mr. HELMS. Mr. President, I cannot hear.

Mr. KENNEDY. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order, and the majority leader will restate his request.

Mr. BAKER. Mr. President, all I can say is that if we have this much trouble before we get to the merits of this bill, we have a rotten time ahead of us. [Laughter.] I urge that we get on with the business at hand.

My request, I say to my friend from North Carolina, is that now, having voted cloture, and notwithstanding the provisions of rule XXII which allocate 100 hours for debate—that is to say, an hour for each Senator, postcloture, plus certain other arrangements—we go directly to the vote on the motion to proceed, so that we can proceed with the bill.

Mr. HELMS. Mr. President, reserving the right to object, I think the request by the distinguished majority leader may be premature. I have to object.

The PRESIDING OFFICER. Objection is heard.

Mr. BAKER. Mr. President, I fully understand the position of the Senator from North Carolina, but I do hope that sometime today, before this day is out, we can exhaust the remaining debate on the motion to proceed and that we may be able to get to the bill.

So I say to my friend from North Carolina that later in the day, I should like to discuss this matter with him and perhaps renew that request.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. BAKER. I yield.

Mr. HELMS. I thank the Senator.

The PRESIDING OFFICER. The Senate will be in order. Those Senators wishing to converse will please retire to the cloakroom. It would be much easier to hear what the Senator from North Carolina has to say.

Mr. HELMS. Mr. President, I say to the distinguished majority leader that in all the time up to now, I have consumed less than 25 minutes.

I say to the Senate again, as I have said earlier, and I say to my friend from Tennessee that if we could work out some accommodation on a couple of amendments and have some assurance that there would not be intractability, I would be willing to vote at 5 o'clock this afternoon. But I have explored that possibility, I know that the distinguished majority leader has explored that possibility, and we seem to have made no headway. So I think perhaps it would be well, in view of the nature of the legislation, if we discussed it a little.

However, I want the majority leader to know that if there can be a little give and take on both sides, I will give and I will take.

Mr. BAKER. I thank the Senator.

Mr. President, I have nothing further.

Mr. STEVENS. Mr. President, while it would make no difference in terms of the hundred hours—that is, a limitation on the proposed cloture procedure—I point out that each Senator is at liberty to yield back the time that would be allocated to that Senator under the postcloture procedure, and it is my hope that some will proceed to do so.

Mr. HARRY F. BYRD, JR. Mr. President, the Judiciary Committee recently reported a bill, S. 1992, which would extend for 25 years the burden unjustly laid upon a few States, including Virginia, by the passage of the Voting Rights Act of 1965.

The Voting Rights Act applies to only nine States and parts of a few others.

A so-called compromise was approved by the Judiciary Committee and endorsed by President Reagan.

Mr. President, S. 1992 is in fact no compromise at all. It would perpetuate the unfair preclearance provisions of the original act for another quarter-century. And, through the "results test" in section 2, the bill would open the door to the pernicious doctrine of proportional representation.

This bill for the first time introduces a quota system to American politics.

And it lays the foundation for the political segregation of our society.

The bill is a perfect example of the sort of legislative morass that politicians create when they bow to pressure groups.

S. 1992 is bad law and unsound public policy. I cannot support it. Its stated objectives are confused, ambiguous and contradictory.

Indeed, the bill is worse than a simple extension of the 1965 act.

For 17 years now, Virginia and other covered jurisdictions have been forced to clear even the most trivial electoral changes—such as extending voter registration hours—with the U.S. Attorney General.

To take another example, should a community decide to shift a polling place from one building to another, it would have to secure the blessing of the Attorney General in Washington, D.C.

Thus, do Virginia and a few other areas operate under the dictates of the Federal Government insofar as any electoral decision is concerned.

This preclearance provision, meant to be temporary, is found in section 5 of the act and has been twice extended, in 1970 and 1975.

Under this new bill, Virginia and other covered areas would remain subject to Federal dictates until the year 2007, or nearly a half century since the enactment of the original legislation. It is totally unreasonable.

I will reiterate what I have said many times in this Chamber: The preclearance provisions of the Voting Rights Act constitute unwarranted and unreasonable Federal intervention in the electoral processes of the States and localities.

Not content to simply extend this meddlesome and onerous provision, the House passed a bill which also changed a permanent provision of the act, section 2. The effect of this change is to allow private voting rights suits and to invite further interference by the courts in local elections.

For 17 years, section 2 has stood as an uncontroversial codification of the 15th amendment of the Constitution, which forbids jurisdictions from denying anyone the right to vote on account of race or color.

The U.S. Supreme Court has ruled that to prove a violation of the law, it must be shown that a local election procedure was adopted with the intent to discriminate.

More specifically, the Court held, in its landmark ruling in city of Mobile against Bolden, that in areas without a history of discrimination, court-mandated changes in election laws are warranted only when an intent to discriminate is proven.

Indeed, proving intent is central to many, if not most, court proceedings, whether they be criminal or civil.

Nonetheless, civil rights groups argue that unequal results—namely, the election of minority candidates in disproportionately small numbers—constitute de facto evidence of discrimination.

So the quota enthusiasts pushed for an easier standard, and the House duly included in its bill the so-called effects or results test. Thus, it would only be necessary to prove that a law had discriminatory results to strike it down.

In other words, an election procedure—such as at-large voting—could be found discriminatory if minorities were not elected in proportionate numbers.

Mr. President, the effects test has nothing to do with protecting the right of American citizens to vote. It has everything to do with insuring proportional representation.

This fact was repeatedly underscored during extensive hearings on the House bill held earlier this year by the Judiciary Committee's subcommittee on the Constitution. I commend the subcommittee, and its able chairman, the Senator from Utah (Mr. HATCH), for its meticulous scrutiny of the bill and the results test in particular.

The subcommittee's report, which I strongly urge my colleagues to read, plainly exposes the purpose of the results test. I quote:

> The fundamental observation is that the results test has absolutely no coherent or understandable meaning beyond the simple notion of proportional representation by race, however vehemently its proponents deny this.

Mr. President, proportional representation would subvert the fundamental precept that the individual—not racial, ethnic or religious groups—is the basic unit of the American political system.

I believe it is vitally important that our political system, which relies on broad consensus-building, not become prey to narrow factionalism based on race.

The subcommittee heard astute testimony to this point from Prof. Edward Erler of the National Humanities Center. He said:

> Nothing could be more alien to the American political tradition than the idea of proportional representation. Proportional representation makes it impossible for the representative process to find a common ground that transcends factionalized interests. Every modern government based on the proportional system is highly fragmented and unstable. The genius of the American system is that it requires factions and interests to take an enlarged view of their own welfare, to see, as it were, their own interests through the filter of the common good.

Now, the House bill, evidently to deflect criticism of the results test, includes a disclaimer which states that section 2 does not create a right to proportional representation.

This disclaimer strikes me as contradictory at best, and disingenious at worst.

In order for a court to strike down an election law as having a "discriminating result," it will obviously have to examine the election outcome. If it finds that a minority group is disproportionately represented, then the presumption will be that local election procedures are discriminatory.

Thus, the circular logic of the results test leads invariably to proportional representation as the remedy in voting discrimination suits.

In testimony before the Constitution subcommittee, Prof. Henry Abraham of the University of Virginia put it succinctly:

> Only those who live in a dream world can fail to perceive the basic thrust and purpose and inevitable result of the new section 2: it is to establish a pattern of proportional representation, now based upon race—perhaps at a later moment in time upon gender or religion or nationality.

Mr. President, each and every American citizen has the right to vote, but not the right to be elected. The Federal Government has no business trying to guarantee certain election results.

The administration was under no illusion about section 2. The subcommittee's leadoff witness, Attorney General William French Smith, stressed the dangers inherent in the results test.

The nationwide results standard, he said, would make long standing election procedures in communities across the country vulnerable to legal challenge if election results failed to mirror the local population mix.

The Attorney General predicted that communities with at-large elections and multimember districts would come under attack, as would many redistricting and reapportionment plans.

He also predicted that passage of the results test would further embroil the courts in local elections across the land. I quote:

> To entertain this kind of amendment to the Act's permanent provision is inevitably to invite years of extended litigation, leaving in doubt the validity of longstanding state and local election laws in the interim and inviting the federal courts, on no more than a finding of disproportionate election results, to restructure government systems that have been in place for decades.

In light of the administration's earlier objections to the results test, it was disheartening to hear President Reagan recently give his blessing to the Judiciary Committee's version of S. 1992.

What has happened to bring about the administration's change in mind?

The Senate version of the bill—the so-called compromise—attempts to mollify critics of the results test by adding a dash of legal jargon to section 2.

Specifically, the bill retains the results test, but goes on to state that a violation can be proved "if, based on the totality of circumstances, it is shown that the political processes subdivision are not equally open to participation" by minority groups.

The bill does not spell out what is meant by "totality of circumstances." However, disproportionate representation would be one such circumstance, and the court apparently would only need to find another, such as a history of segregated housing or racial bloc voting, to strike down a local election law.

The phrase "totality of circumstances" is so nebulous that the courts will have wide latitude in deciding all voting rights suits.

Aside from this key element of the compromise, the Judiciary bill extends the life of the section 5 preclearance provisions another 25 years and alters the bailout language.

In reality, this bill is not a compromise; it rather constitutes an abdication of congressional responsibility.

It enshrouds congressional intent in the misty language of political expediency. Its inevitable result will be a flurry of litigation since the task of divining congressional intent will fall to the courts.

And it is certain that the courts will take a long time interpreting this misbegotten legislation. In the meantime, local elections will be challenged and delayed as the legal wheels grind on and on.

The bill's most insidious effect will be to undermine the people's faith in their own political system. A cardinal tenet of American democracy is that citizens have the right to determine the kind of government they want to run their local affairs.

This bill abrogates that right in favor of the special interests of certain pressure groups.

The right to vote is the basic guarantor of all our democratic rights. It should not be compromised by politicans seeking to curry favor with this group or that at election time.

Furthermore, Mr. President, this bill embodies a thrust toward proportional representation which could lead to the creation of what some have called "political ghettoes" in our society.

I do not see how the establishment of federally mandated segregated voting districts will help minorities in the long run. Indeed, the disappearance of mixed voting districts, where coalition-building is possible, may actually diminish minority voting power.

I believe it should be pointed out that the assumption underlying the push for proportional representation is a racist assumption. It is that whites will not vote for blacks, that blacks cannot be fairly represented by whites, that only Hispanics should represent Hispanics, and so on.

The election of blacks and other minority members to prominent offices throughout the country belies these assumptions. Whites certainly voted for the mayor of Los Angeles and blacks certainly voted for the Governor of Virginia.

In summary, Mr. President, the alleged "compromise" has three key features.

It provides a new bailout section to take effect in 1984. Covered jurisdictions theoretically will be able to bail out from the preclearance provisions if they can show a court here in Washington, D.C. a clean voting rights record for the preceding 10 years.

However, the definition of a "clean" record—in conjunction with the results test—will permit frivolous complaints to keep any jurisdiction chained indefinitely to the act.

Second, the bill extends the preclearance mechanism for 25 years, rather than making it permanent, as in the House bill.

But this prolongs for a quarter century the humiliating and unnatural condition of Federal oversight of local elections: A condition which violates the constitutional authority of the States to prescribe electoral procedures.

Last, and most ominously, the bill overturns the Supreme Court's Mobile decision and, through the results test, may well result in proportional representation.

Proponents may call this bill a "compromise" if they choose.

But the compromise in the language of the legislation is cosmetic and without substance.

As to the 25-year extension, I ask this: How is it a compromise to sentence an innocent man to 25 years in prison, instead of life?

If, indeed, there was justification for passage of the Voting Rights Act of 1965, I am convinced it is totally unreasonable to assert that now, 17 years later, its enforcement provisions need to be extended for an additional 25 years.

Are minority voters in imminent danger of being disenfranchised? There is no evidence to support this view.

In Virginia, there has been no evidence whatsoever that anyone has been denied the right to vote.

Yet passage of this legislation would cast insulting and thoroughly unjustified reflection on the people of Virginia, who have been scrupulous in protecting the right of all citizens to vote.

This is a vindictive piece of legislation.

I shall not vote to keep my own State in undeserved subservience to the whims and dicates of the Federal Government.

Mr. HELMS. Will the Senator yield to me on my time?

Mr. HARRY F. BYRD, JR. I am glad to yield to the Senator from North Carolina.

Mr. HELMS. Mr. President, I commend the able Senator from Virginia for this careful and precise analysis of this very bad legislation.

As I have said earlier in the discussion of this motion to call up, this legislation has not one thing to do with whether somebody's right to vote will be protected—not one scintilla of a relationship exists. And yet it has been presented by the proponents and pressure groups and the major news media as drawing the line between whether you favor voting rights or whether you do not.

I would ask the Senator from Virginia if he is aware of how 40 North Carolina counties come under this umbrella?

Mr. HARRY F. BYRD, JR. I am aware that they do come under the act.

Mr. HELMS. North Carolina, Mr. President, has 100 counties. Forty of them are covered by this pre-clearance provision, meaning that 40 counties have to come to Washington with hat in hand to beg the mercy of some bureaucrat in the Justice Department. If the county wants to move a precinct down the street or across the street, regardless of what may be desired in terms of operating the election process, they have to come to Washington. They do not have their day in court, I say to the Senator. They have to come and deal with the bureaucrats.

All this Senator is asking is to let those 40 counties have their day in court. Under the present permanent law they will soon get their day in court. But the proponents of the proposed changes say, "No; we are going to punish you. We are going to strip the court of jurisdiction to hear your case."

And why are they punishing the 40 counties in North Carolina? Because sometime in the distant past a literacy test requirement was in effect in those counties, except one. Thirty-nine counties had the literacy test; the 40th county involved in this preclearance morass is the county of Jackson over in the western part of the State, which has a substantial Indian population, and in one election year had a relatively small voter turnout. So, ipso facto, there was discrimination

The Senator from Virginia will recall that in 1974 in the national election only 38 percent of the eligible voters of this country participated in the electoral process, meaning by that sort of reasoning that the whole country was ipso facto guilty of discrimination.

Now I have repeatedly said, I say to my friend from Virginia, let us get on to more important things. I collected the other day the reports on 130 pieces of important legislation, includ-

ing the constitutional amendment to balance the Federal budget or to require a balanced Federal budget by the Federal Government. Now, that amendment is a lot more important than this piece of legislation, that does nothing but act in a punitive way, unfairly and inequitably, against the State of Virginia, the State of North Carolina, and 20 other States.

Now, if this act expired and had to be reenacted to stay on the books, that would be one thing. The media continue to say the Voting Rights Act must be extended or it expires. But that is not so. The Voting Rights Act is permanent legislation. What is not permanent are the features to which the Senator from Virginia alluded and which deny equity and fairness to his State and mine and others.

I commend the distinguished Senator from Virginia for his statement, and I hope that the public will take note of his wise counsel.

Mr. HARRY F. BYRD, JR. I thank the Senatcr from North Carolina.

Mr. DENTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. DENTON. Mr. President, I voted against the cloture motion earlier this afternoon because the real issues involved in this bill have been generally misrepresented and oversimplified. I believe more time is required to achieve objectivity and perspective on the overall context and farflung implications involved here.

Mr. President, the Voting Rights Act and other civil rights laws have played a major role in implementing this country's commitment to protect the fundamental rights of all Americans. The civil rights struggle that produced the Voting Rights Act also left a legacy of freedom and equality which is unparalleled in the history of nations. I know that Alabama is a better place because of the civil rights movement but that much more remains to be done before the vestiges of racial prejudice are totally eradicated in my State and in others.

As a boy, I saw the consequences of racial prejudice and can still vividly recall scuffling with the few bullies in my school who would throw stones at the black women who stood at bus stops, usually returning home from work as maids. Those were sad and tragic days. I, therefore, am particularly pleased to participate in this year's consideration of extension of certain provisions of the Voting Rights Act.

Clearly, the right to register and to vote is one of the essential fundamental requisites for citizenship in a democracy. The denial of that right, as practiced in the South and elsewhere before the enactment of the Voting Rights Act in 1965, was inexcusable and morally reprehensible.

Today, however, the Senate and the Nation face a different world than that of 1965. Tremendous advances have been made in assuring members of minority groups of the right to vote. There has been a shift in both attitude and actions by local officials and by ordinary citizens. The dramatic increase in black voter registration and turnout in the South in the last 17 years is evidence of the success of the act.

That is not to say there is no room for improvement in many areas. Throughout my campaign for election and since, I suggested that country clubs and other social, civic, and private organizations in my State should change their established policies and voluntarily admit members of racial minorities. To show how far my State has come, it made news a few days ago that a local chapter in Alabama of a nationwide civic organization still had a policy against according membership to members of minority groups. In 1965, it would have made news if such an organization had a policy admitting minority members. I am pleased to say that the board of directors of this particular organization promptly and unanimously voted this week to change its policy. The earlier adverse vote was 120 to 90. In 1965 it would have been more like 210 to 0, or perhaps 205 to 5.

Do we not run the risk of impeding or even reversing the astounding progress that has been made in recent years in voting rights? However well intended, an effort based too much in legalisms and not enough in humanity may well make the situation worse instead of better. It could easily feed and fan to flames the smouldering embers of resentment, or anger, and sometimes even of hatred, that for so long marked the political and social life of this country.

We are dealing with human nature, not insensitive objects. Many people, human being, in many States and political subdivisions strenuously resisted implementation of all civil rights legislation in the early sixties. But recognizing that, legally and morally, they had to comply with the law, they have substantially done so—with admirable results. The progress they, and we, made is incarnate not only in legal rights and opportunities but also in attitudes and human relationships.

Mr. President, we are perilously close to turning our backs on the progress that has been made. Our objective should, must, be progress, not just prescription, and our task is continuing and encouraging the progress promoted by earlier legislation and produced by the efforts of the American people. The measure before us suggests that there should now be more stringent, more harsh, more downright punitive provisions than were contained in the original act.

Mr. President, I am convinced that our goal as legislators must be to make all the laws of the United States color blind, whether those laws pertain to voting, or to housing, or to employment practices or to other areas in which Government has a legitimate interest and responsibility. I do not believe that approving this measure in its current context would be a step toward reaching that goal.

For this reason and others, I hope that Senators from States that do not have jurisdictions covered by the section 5 preclearance provisions of the act will consider carefully the consequences of adopting the committee bill to extend that part of the Voting Rights Act. Many States and jurisdictions are becoming increasingly dissatisfied as they realize that their good faith and largely successful efforts to end voter discrimination are not to be recognized by the establishment of a reasonable bailout provision.

Moreover, responsible leaders at the State and local levels are opposed to the establishment of a results or effects standard in section 2, which would transform the act. The committee amendment to section 2 would institute in parts of this country a system of proportional representation, and proportional not by political party but by racial and ethnic classification. I cannot imagine anything more inimical to the ideals on which this country was founded, or to the philosophy and ethic that have prevailed throughout its history. Under the amended section 2, any election outcome that produced a group of elected officials not completely reflective of the ethnic and racial proportions of the electorate would be suspect. It could even be overturned if, based on the totality of circumstances, it is shown that the political processes leading to nomination or election are not equally open to participation by members of a class of citizens protected by the act.

Mr. President, I must ask my colleagues, is this the color blindness to which I have referred, or is this not itself discrimination? Are we now to conduct elections not on the basis of free citizens of a democracy but on the basis of representation of protected classes?

The central case in the debate over retention of the current intent test is the 1980 Supreme Court decision in City of Mobile against Bolden. Mobile, of course, is my birthplace and my hometown. In that case, the High Court upheld the intent test as the standard under section 2. Supporters of the committee and House bills have argued that Mobile must be overturned and an effects test established because intent is impossible to prove.

But in April, on remand to the district court, the court itself found that the requirements of the intent test

were satisfied because the plaintiffs were able to demonstrate, to the court's satisfaction, a discriminatory intent in the establishment of Mobile's at-large elections and to mandate the establishment of racially safe districts to guarantee the election of officials on the basis not of competence but of membership in a protected class.

During the early stages of consideration of the bill now before us, I was impressed by the almost total disappearance of the exceptional circumstances that existed in covered jurisdiction in 1965 and that originally justified the Voting Rights Act. The subcommittee's report emphasizes that remarkable change by pointing out that minority voter registration rates in such covered States as Alabama, Louisiana, Mississippi, and South Carolina exceed the average national minority registration rate. The report also suggests, with reference to the Supreme Court's holding in South Carolina against Katzenbach, that the proposed in perpetuity extension of the preclearance obligations in section 5 contained in the House bill may well be unconstitutional. I believe that the Subcommittee on the Constitution was correct to question whether Congress has the authority or the right to enact legislation requiring permanent preclearance.

Moreover, from the standpoint of equity and good national policy, it is objectionable to argue that a State like Alabama, with a 62.2-percent rate of black registration, should be covered by section 5, while a State like Massachusetts, with a 43.6-percent rate of black registration, should not be. This same objection arises when one examines the number of black elected officials in covered States. In 1979, Alabama, with 208 elected black officials, ranked 10th in the Nation in its election of black individuals to public office.

Mr. President, several of my colleagues and I have argued that, if we must have the preclearance requirements of section 5 at all, they should be applied nationwide to emphasize the importance of protecting voting rights in every jurisdiction where they are or may be threatened or denied. It is, however, apparent that the existing preclearance procedure itself is both politically intrusive and bureaucratically burdensome. Although I still insist that there should be nationwide application, I suggest that the present preclearance procedures should be modified.

Although Congress originally designed the section 5 process to provide covered jurisdictions with a rapid method for preclearing electoral changes, it is not functioning that way.

In Allen against Board of Elections, the Supreme Court expanded the scope of the act by holding that its preclearance provisions were applicable not only to new laws which might tend to deny members of minority races their rights to register and vote, but also to any State enactment which altered the election law of a covered State in even a minor way.

As a result, the volume of submissions required from States, counties, cities, towns, and other local governmental organizations, such as school boards, has reached excessive proportions. The intrusive and unnecessary burdens created by the section 5 preclearance procedure are illustrated by recent Justice Department statistics showing that, although it receives four submissions per day, some with multiple changes, the objection rate for section 5 submissions is currently only 0.2 percent.

Clearly, the preclearance procedure has evolved into a mere inventory of voter registration systems. As stated in Chief Justice Burger's dissenting opinion in U.S. against Board of Commissioners, "it is a trivial, though burdensome, administrative provision" for both the covered jurisdictions and the Attorney General. The function of section 5 as a purported remedy goes far beyond the scope of the arguable violations ascertained. When the onerous burden of compliance is weighed against the small percentage of actual objections, the procedure as now constituted is even less supportable.

Perhaps worse, the administrative preclearance process is actually not a process at all but, rather an administrative imposition of the will of any given Attorney General, or his staff. There is no provision for a hearing and there are no written standards of review; the confidential file is unavailable to the submitting jurisdictions; and there is no requirement for findings of fact. Indeed, there is not even a necessity to reach the conclusion that a change is discriminatory. As Justices White, Powell, and Rehnquist observed, in dissent, in Georgia against United States:

> Why should the State be forced to shoulder the burden where its proposed changes are so colorless that the country's highest legal officer professes his inability to make up his mind as to its legality?

Notwithstanding the breadth of the power of the Attorney General, his discretion is not subject to judicial review. It is difficult to imagine a process that is more offensive to the principles of federalism than one that determines the efficacy of a State's law without either basic due process protections or judicial supervision.

I agree with President Reagan's statement on November 6, 1981, that:

> As a matter of fairness, I believe that States and localities which have respected the right to vote and have fully complied with the act should be afforded an opportunity to "bailout" from the special provisions of the act.

Toward that end, I may offer an amendment which would establish a more reasonable "bailout" provision for States and other political subdivisions. Under the current provisions of the Voting Rights Act, August 6, 1982, is the date on which covered jurisdictions such as Alabama would have the first real opportunity in 17 years to achieve "bailout" from the section 5 preclearance provisions.

The first opportunity in 17 years, Mr. President, would have occurred on August 6, 1982. But S. 1992 includes so many overly stringent and artificial obstacles to "bailout" that, for practical purposes, Alabama would be denied "bailout" forever.

Mr. President, if you think the people of Alabama, with that kind of onus on them, as unfair, as unreasonable, and probably inapplicable as it is, can feel good about the intent of the Federal Government and can, with comfort, proceed at their own rate in improving attitudes, I would question the process by which we expect to arrive at an acceptable bill. I believe it is unfair to deny any covered jurisdiction a reasonable opportunity to "bailout" and thereby regain equal sovereign status within the Federal system.

In conclusion, I say only that I do not and will not support any proposed changes to the act that attempt to undo the good that has been done in the last 17 years. The protection of the rights of members of minority groups is foremost in my mind, because racial prejudice and discrimination are abhorrent to me both personnally and politically. But, if we allow the Voting Rights Act to become an insurmountable and inflexible bureaucratic and procedural barrier to local and State responsibility and sovereignty, then I believe we shall frustrate the intent of its authors and the Congress that enacted it, and that we shall deny the rights and freedoms that our constitution guarantees not only to individuals but to the State and local governments that compose our Federal system.

As I noted at the beginning, Mr. President, I believe the passage of this act as written would be a regression in progress in that tremendously important human endeavor that this act is purported to advance.

The PRESIDING OFFICER (Mr. ABDNOR). Who yields time?

Mr. EAST addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. EAST. Mr. President, if it is agreeable with the Senator from California, who, I presume, is managing this measure, at some point when it is agreeable with him, I should like to speak on this motion to proceed.

Mr. HAYAKAWA. I shall be happy to yield time to the Senator from North Carolina.

The PRESIDING OFFICER. Is the Senator yielding to the Senator from North Carolina?

Mr. EAST. If that is suitable to the Senator from California, I should like to speak on this question of the motion to proceed.

Mr. HAYAKAWA. Mr. President. I yield so the Senator from North Carolina may speak.

Mr. EAST. I ask recognition from the Chair.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. EAST. I thank the Chair.

Mr. President. I have opposed this motion to proceed. I realize the great difficulty we face and the odds against us, but to me, it is a matter of principle and of the commonsense of the thing. We are about to consider a measure that I find very badly flawed, it is so flawed that I feel that to consume the time of the Senate to grapple with it is ill advised in view of all the other major problems we face. Instead, this bill, because of the major flaws in it, ought to be sent back to the Committee on the Judiciary for further consideration and modification.

There are several points I should like to clarify for the sake of my colleagues, Mr. President. Two of the major misconceptions about this law are that, first of all, it expires in August of this year. It does not. In reality those States currently subject to the preclearance provisions of section 5 would have an opportunity to come out from under them, a well-deserved opportunity, in view of the progress they have made in terms of registration and voting since 1965. So, to the extent that any Senator is alarmed that this law might expire in August, he or she can rest assured that that is not the case. The 1965 voting rights law is in place and will remain so permanently until repealed by the U.S. Senate and the U.S. House of Representatives.

The second misconception is that we are simply extending the 1965 Voting Rights Act and that that was a good act; hence, what is the discussion about? That, too, is a misconception, Mr. President, because, as I have said on other occasions and I repeat for emphasis, we are not simply extending the 1965 Voting Rights Act. We have added material to it and sections to it that make it a radically different law than it was before.

In particular, as has been pointed out on many occasions, under section 2 of this new act, we are, for the first time, introducing the idea of quotas for determining whether an election is free of discriminatory taint.

Mr. President, it is one thing to say that you would support legislation, which I do and would, based upon the 15th amendment that would guarantee the right of every American to register and to vote and to have that vote counted regardless of race or color. Such legislation would be eminently responsible, based upon one of our fundamental amendments, the 15th amendment. But keep in mind that this bill now goes much further. It expressly states that, in addition to the right to register and to vote and to have that vote counted, there exists a right in some people "to have elected representatives of their choice." To have elected representatives of their choice.

Who are these people? Well, they are members of a class of citizens protected by subsection (a). What is the class of citizens protected by subsection (a)? American citizens who could be classified on the basis of race or color.

So, now we are told, the law not only will guarantee the right, again, to register and to vote and to have that vote counted, but it will guarantee that members of a particular class will be elected. Of necessity this guarantee will introduce a quota system into the election process and will clearly require as a remedy in court the imposition of quotas.

That is a very new, novel, and radical idea in American politics. To those who may be doubting Thomases and say, "I do not think the Federal Government and the courts will really require election of members of a particular class," I point out that they are already doing so in the affected States, of which mine is one. Section 5 of this bill, which applies regionally already is doing that. In North Carolina, this year, the Department of Justice, under section 5 of the 1965 Voting Rights Act, is, in fact, requiring our State to gerrymander districts racially in order to enhance the probability that black candidates will win.

Mr. President, this is a sensitive subject. Again, it is one thing to insure the right of every American to register and to vote and to have that vote counted. But when the Justice Department, based upon law, backed up by courts, requires the drawing of voting districts in order to insure that certain classes will be more likely to succeed as a result or an effect of the election, that is what is new. That is what is radical.

Again, Mr. President, I think the U.S. Congress needs to reflect long and hard before they move into this very troubled water. I do not feel they have. With all due respect to my colleagues in the House and the Senate, I do not think they realize that is what it is doing or will do. They think they are merely extending an old law which conventional wisdom tells them is good law.

I understand the problems in this body. People are busy, there are problems of budgets and finance and clean air acts and this, that, and the other thing. Often, people are advised by well-meaning people that all this bill will do is this, that, or something else.

If I thought that all this bill was a simple extension of the 1965 Voting Rights Act, I would not be here this afternoon bothering Senators with this analysis, but it is infinitely more than that.

I do not know of anything that will have a greater impact than this revised section 2. It will apply nationwide; it will jeopardize at-large elections, and it will jeopardize annexations and any other changes of this kind made at the State and local level.

In addition, Mr. President, as regards the States currently under the law, of which there are 9 completely under it and 13 other partially under it, of which North Carolina is one—yes, I grant that we have 40 counties in North Carolina currently under this law—there are things about it that I feel are inappropriate and no longer justified today.

For example, under the current law and under the law that it is being proposed we extend, we are required to come to the district court in the District of Columbia to try these cases. We cannot try them in the Federal district courts in our areas, jurisdiction having been stripped away from them. There is no justification for that. In this country you are entitled to try a case in the State, the district, or the area wherein the alleged offense supposedly took place. The venue provisions of the act ought to be changed. Moreover, under the act, the burden of proof is not on the Government to show that a jurisdiction has discriminated, which historically it ought to be. It is on the particular State or entity which has to prove its innocence. This burden of proving a negative, it makes it impossible, quite candidly, to anticipate every possible objection that the Government or the Attorney General might interpose. It is unfair and contrary to the norm of Anglo-American law.

Another major flaw in this bill as it applies to the affected areas, again of which North Carolina is one, is the proposed bailout provision. The new bailout is worse than the old one. It is punitive. It is unreasonable. There is little or no chance that a State or subdivision thereof could get out from under section 5. It is not clear what the new standards require, vague as they are and open as they are to arbitrary interpretation. Hence, any local or State official, looking at the bailout could simply, could only, decide there is no way to get out from under it. Where then is his incentive to comply with the law? The new standard makes for a negative public policy rather than a positive one. It should rather encourage States and local entities to

comply with the law in order that they could come out from under the onerous preclearance provisions.

The proponents of this so-called bailout provision I think know down deep inside that no one can get out from under it. It is like consigning someone to jail with no chance of parole because the conditions are impossible to meet. The prisoner has no incentive to improve his conduct except the fear that harsher penalties will be imposed upon him. So let us not call it bailout. Let us call it rather permanent subjection or at least subjection for one-quarter of a century. I cannot believe any Senator in this body would vote to subject his State or a subdivision thereof to the onerous provisions of this particular bill for a period of a century with no real opportunity to get out from under it. There are so many defects in it, from this requirement of quotas to this question of venue, burden of proof, and reasonable bailout. With all of the impact that this will have, we ought to think carefully about it. We ought to look at amendments. I intend to offer some. I know other Senators do, too.

The thing that has concerned me in this mad rush to get into this bill, to get it over with, as we are told, is that there is a certain nervousness, skittishness almost, on the part of the proponents who fear that we might look at it carefully, we might explore it, we might try to understand its implications and applications. There is a great deal of rhetoric to the effect that they are for justice, they are forward-looking, they are progressive, they want to open up the election process, they are humane, and they are compassionate. The implication is that these are the definitive terms. I submit everyone here is honorable in this debate, pro or con. Everyone supports the fundamental right of people to register and vote and have their votes counted regardless of race. We are not talking about that. We are talking about other fundamental matters that I feel under close scrutiny will not bear up.

I simply ask my colleagues to consider these amendments and other things that will be taken up on their merit, evaluate them carefully, study them, look at the impact and decide if that is what they want. If they want an effects test, if they want results to be a part of judging the fairness of elections, if they want quotas introduced into elections in the United States, then so be it. Let them vote for them and let them vote not to amend section 2. If they feel that the affected States, those 9 and 13 others, deserve no relief, that they should be treated not only as they have been for 17 years but, indeed, worse, then just leave it like it is.

As the majority leader—and I appreciate his position on it—has said on numerous occasions, as he said to the press, the amendments are not frivolous, the concerns are not frivolous, they are genuine, they deserve to be heard, to be debated, and to be voted upon. It is in that spirit that I have entered into this debate, Mr. President. My reason for being opposed to proceeding is that, until now in my brief tenure in the U.S. Senate, I had never seen a piece of legislation come before this body that was so ill-conceived and so badly flawed throughout and had never seen a situation where the better thing to do would have been to send it back to the committee and see if they could not come up with something a little better. But if we are unsuccessful in opposing this motion and that is not the will of the Senate, and eventually it shall work its will, we will move on to the substance of the measure, offer our amendments, allow our good colleagues to have an opportunity to vote and to be done with it all.

I have noted previously—and I would like to close on this—a quotation from a recent column of the very well known journalist, James Jackson Kilpatrick. He recently had a column appearing nationwide which he entitled, "Why the Cheers On Voting Rights?" I would like to quote briefly Mr. Kilpatrick in conclusion. He said:

> Let me put the matter as bluntly as I can. This measure is folly.

He said:

> In 40 years of covering politics, I cannot recall a more lamentable legislative error.

Then he concludes:

> From the waves of thoughtless support given to this misguided bill, I respectfully dissent.

That sums up my position precisely: "From the waves of thoughtless support given to this misguided bill, I respectfully dissent."

Mr. President, I yield the floor.

Mr. HELMS. 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. 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 commend my able colleague from North Carolina (Mr. EAST), for his presentation. He has served with distinction across the broad spectrum of his responsibilities in the Senate but most especially as a member of the Committee on the Judiciary and particularly with reference to this piece of legislation.

I ask my friend from North Carolina if he will turn to the report on the voting rights extension, so called, page 167. I want to check some figures with him, to see if my understanding is correct.

I notice a table listing the States. The table is headed "Chart B—Reported Registration For States, By Race." Then down below, in parentheses, "In Percent."

Mr. EAST. Yes.

Mr. HELMS. I notice that North Carolina, for example, has a registration of 63.7 percent of its adult whites. Is that the Senator's reading of that table?

Mr. EAST. Yes. That would be correct.

Mr. HELMS. And 49.2 percent of the blacks are registered in North Carolina.

Mr. EAST. Yes.

Mr. HELMS. The type is a little blurred. What is it for the State of Massachusetts? It appears to be 73.4 percent for white registration and 43.6 percent for black registration. Is the Senator's copy clearer than mine?

Mr. EAST. The Senator reads that accurately.

Mr. HELMS. The State of Virginia: Is it 65.4 percent white registration and 49.7 percent black registration?

Mr. EAST. That is correct.

Mr. HELMS. Let me go back to Massachusetts, to see if I have the figures straight: 73.4 percent is the white registration and 43.6 percent is the black registration of Massachusetts.

Mr. EAST. That is correct.

Mr. HELMS. I want to be sure that I have the figures correct.

I thank the Senator.

Mr. METZENBAUM. Mr. President, will the Senator from North Carolina yield for a question from the Senator from Ohio?

Mr. HELMS. I will be delighted to yield, on the time of the Senator from Ohio.

Mr. METZENBAUM. Certainly.

Will the Senator be good enough to clarify for me what the percentage of black registration is for the State of Ohio, according to that table?

Mr. HELMS. If I can make out the blurred print, let me see——

Mr. METZENBAUM. Would it be 68.3?

Mr. HELMS. I was looking at 92.1, but I guess that is North Dakota. Is it 66.5?

Mr. METZENBAUM. 66.5 white; 68.3 black registration.

Mr. HELMS. Yes, that is what the figures are.

Mr. METZENBAUM. Would not the Senator say that is pretty good?

Mr. HELMS. I say that is excellent. The figures for Ohio are almost as good as those for Mississippi. They certainly compare well with Kansas where the percentage of black registration is the lowest in the country.

Mr. METZENBAUM. I thank the Senator.

Mr. EAST. Mr. President, will the Senator yield for an observation on the figures he brings to our attention?

The point that is critical in these statistics that the Senator from North Carolina rightly brings to our attention is that—well, there are many interesting things—but the original purpose of the 1965 act was to enhance minority registration in the affected States, which it obviously has done dramatically.

Another thing to note is that the figures in the affected States are equal to or higher than those in the rest of the country or many parts of the country. For example, Mississippi has a black registration of 72.2; Massachusetts has 43.6.

My point is this: Why would you treat Mississippi worse than Massachusetts? That is the approach of this proposed act, under section 5, because the affected States have to come here and try their cases. The burden of proof is upon them.

The point is that under a general notion of federalism, you should treat all States equally, under the equal footing doctrine, unless there is some reasonable basis for distinguishing among or between them.

The curious thing is that a State such as Massachusetts has a poorer record than that of Mississippi. Yet, Mississippi will be subjected to a stricter standard than Massachusetts. And so on it goes.

My point, I say to the Senator from North Carolina, is that there is no rational basis for treating one part of the country differently from another, under this law. It is unthinking; it is arbitrary; it is capricious. It violates one of the great tenets of Anglo-American law, the idea that citizens ought to be treated the same, unless there is some reasonable basis for distinction, and that States ought to be treated the same, unless there is some reasonable basis for distinction. There is none here.

As a matter of fact, the statistics would bring you to precisely the opposite conclusion. It is Massachusetts that should be under section 5, rather than Mississippi. But emotion seems to run stronger than statistics here, and I think the Senator is right to get us to look at the figures. Whether people will listen, that is always another problem.

Mr. HELMS. I thank the Senator.

According to this table—I was handed a clear copy, and I can make out the figures—the lowest State in terms of percentage of black registration is Kansas. The second lowest is Massachusetts.

So that all States may be examined, Mr. President, I ask unanimous consent to have this table printed in the RECORD.

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

CHART B—REPORTED REGISTRATION FOR STATES, BY RACE

[In percent]

State	White registration	Black registration
Alabama	73.3	62.02
Alaska	69.7	.....
Arizona	59.4	.....
Arkansas	67.4	62.6
California	62.1	61.5
Colorado	69.9	.....
Connecticut	73.2	65.4
Delaware	67.8	.....
District of Columbia	67.0	52.4
Florida	64.1	58.2
Georgia	67.0	59.5
Hawaii	65.5	.....
Idaho	73.6	.....
Illinois	74.0	72.1
Indiana	69.7	64.2
Iowa	76.4	.....
Kansas	71.0	40.3
Kentucky	67.7	49.9
Louisiana	74.5	69.0
Maine	81.4	.....
Maryland	68.3	61.3
Massachusetts	73.4	43.6
Michigan	73.9	68.4
Minnesota	83.8	.....
Mississippi	85.2	72.2
Missouri	75.5	77.0
Montana	74.7	.....
Nebraska	72.4	.....
Nevada	55.2	.....
New Hampshire	74.1	.....
New Jersey	69.8	48.9
New Mexico	68.3	.....
New York	62.4	46.5
North Carolina	63.7	49.2
North Dakota	92.1	.....
Ohio	66.5	68.3
Oklahoma	67.7	51.9
Oregon	73.7	.....
Pennsylvania	61.9	66.6
Rhode Island	74.2	.....
South Carolina	57.2	61.4
South Dakota	81.9	.....
Tennessee	66.9	69.4
Texas	61.4	56.4
Utah	77.4	.....
Vermont	73.6	.....
Virginia	65.4	49.7
Washington	67.8	70.0
West Virginia	69.5	.....
Wisconsin	87.8	40.4
Wyoming	64.1	.....

Note: Numbers represent census estimates.

Source: Bureau of the Census, Department of Commerce, November 1980.

Mr. HELMS. 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. DOMENICI. 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. DOMENICI. Mr. President, I yield myself 2 minutes.

The Voting Rights Act of 1965, as amended, involves one of the most important constitutional issues ever to come before this Congress. Central to this legislation are fundamental issues involving suffrage, federalism, civil rights and the system of checks and balances. This legislation is very important because it insures the full and vigorous protection of the right to vote.

The Voting Rights Act and its special provisions have accomplished what two constitutional amendments and 100 years of litigation could not accomplish. It has banished the blight of racial discrimination in voting and resulted in the enfranchisement of hundreds of thousands of minority Americans. With the enactment of the 1965 act, minorities finally began to collect on what Dr. Martin Luther King called "Promissory note of the Constitution."

Throughout my tenure as a Senator I have unyieldingly sought to protect and to make meaningful the right to vote. I was an original cosponsor of the bilingual election provisions enacted in 1975. I believe that the right to vote is the most sacred right and the guardian of all other rights.

The best justification for extending the bilingual election provisions for non-English speaking citizens can be found in the 1975 law itself:

The Congress finds that voting discrimination against citizens of language minorities is pervasive and national in scope. Such minority citizens are from an environment in which the dominant language is other than English. In addition they have been denied equal educational opportunities by state and local government, resulting in severe disabilities and continuing illiteracy in the English language. The Congress further finds that where state and local officials conduct elections only in English, language minority citizens are excluded from participating in the electoral process.

There are 15 million Mexican Americans and other Hispanics who comprise 7 percent of the U.S. population. For the Hispanic adult who cannot speak or read English fluently, the right to vote has no meaning because it cannot be used.

The Mexican American legal defense and educational fund conducted a study and the results were included in the committee hearings. The study found that the bilingual materials were particularly valuable to the elderly citizen, who, because of poor and often nonexistent educational opportunities when he or she was a child, was never educated in English. The elderly accounted for the majority of those who used bilingual voting assistance and materials in the 1980 general elections. Seventy-four percent of those over 65 years old used the Spanish ballot. Thirty-five percent of all respondents would be less likely to register if there were no ballot in Spanish (among those over 65 years old, 44 percent); 65 percent of Mexican Americans 65 years or older have had less than 5 years of school. The bilingual provisions of the Voting Rights Act gives real meaning to the right to vote. Without those provisions the Hispanic adult who cannot speak or read English fluently is precluded from voting because the right to vote cannot be used. The right to vote has no meaning if it cannot be used. Therefore, the bilingual provisions will be extended so as to coincide with the other provisions.

This law was enacted in 1965 because some States and local political subdivisions sought to prevent minorities from exercising this most precious

right. The act began a new chapter in the struggle to achieve equality for minorities. In 1970, Congress reviewed and extended the act for another 5 years. In 1975, Congress again reviewed the progress made under the legislation and extended the preclearance provisions for another 7 years until August 1982. At that time, the act was amended to impose bilingual election requirements designed to transform the phrase "the right to vote" from a lofty platitude for minorities to a meaningful right.

In revisiting the statute in 1982, the emphasis should be placed on the positive objectives of the legislation rather than dwelling on the chapter that led to its passage 16 years ago.

Today, the question is once again before Congress: Should those special provisions be extended again? In my view, that question must be answered affirmatively. I applaud President Reagan's endorsement of a 10-year extension and his position that the bilingual ballot provisions of the current Voting Rights Act be extended so that they run concurrently with other special provisions of the act.

I want to compliment Senator DOLE for his proposed changes in section 2. I want to voice my support for the Dole compromise which changes the law from an "intent" test to a "results" test based on the "totality of circumstances" language of the U.S. Supreme Court in the White against Register decision.

During the 8 days of hearings before the Subcommittee on the Constitution, Senate Judiciary Committee, spokesmen for the U.S. Commission on Civil Rights, NAACP, League of Women Voters, American Civil Liberties Union, Leadership Conference on Civil Rights, Southwest Voter Registration Project, Common Cause, American Jewish Congress, Mexican American Legal Defense and Education Fund, American Bar Association and the League of United Latin American Citizens collectively and unequivocally endorsed the extension of the Voting Rights Act. The consensus of these organizations sends a very clear message to the Congress that the Voting Rights Act has been good for the country and should be extended.

Measured by any yardstick, the results of the act are impressive. Literacy tests, poll taxes, and similar devices which led to the original Voting Rights Act have been effectively eliminated. Minorities have made dramatic gains in voter registration and election to public office.

According to the U.S. Commission on Civil Rights the number of black elected officials in the South has increased dramatically from less than 100 in 1965 to more than 2,000 in 1980. A recent study completed by the Southwest voter registration education project showed a 29.9 percent increase in Hispanic voter registration rose by 44 percent.

Notable gains have also been achieved in a number of covered jurisdictions which have sizable Hispanic populations. In Texas, minority voter registration has increaed by 30 percent during that 5-year period. Even more dramatic is the progress in Arizona, where Hispanics constitute 16.2 percent of the population and 13.2 percent of all elected officials.

New Mexico is a unique State. Thirty-eight percent of its population is Hispanic. The authors of the New Mexico Constitution acknowledged the necessity for bilingualism and felt it important enough to place bilingual provisions in the State Constitution. Those Founding Fathers recognized the importance of full minority participation in the electoral process. Both English and Spanish are official languages in New Mexico. The bilingual requirements in the Voting Rights Act are an affirmation to this noble objective.

The Voting Rights Act has created a new climate of awareness among minority citizens in covered jurisdictions that has made them more conscious of their rights to participate fully in their communities' political decisionmaking process. It has made election officials wary of abridging that right and more accepting and sensitive to the needs of the minority community. Most of all, the Voting Rights Act has been of great symbolic importance to the Nation as a statement of national commitment to the equal access of all to the ballot. The passage of S.1992 is a strong, fair, and widely endorsed bill which would be a signal to the Nation that this commitment still stands.

As significant as the gains have been, this legislation has not realized its potential. It is imperative that we not lose sight of the fact that, while the Voting Rights Act was enacted in part as a prophylactic safeguard against racial discrimination, it has another and more critical purpose as well, which was forward-looking and constructive and national in scope. The purpose was to encourage States and localities to bring minorities into the mainstream of American political life.

Attorney General William French Smith testified before the Judiciary Committee, Subcommittee on the Constitution that the Justice Department's enforcement experience in this area still demonstrates that some political jurisdictions in the country have made insufficient progress and that continued Federal oversight of those jurisdictions is necessary.

Since 1975, the Mexican American Legal Defense and Educational Fund attorneys have participated in approximately 50 lawsuits under the Voting Rights Act.

I support the Dole compromise. As a lawyer, I am well aware that intent is a much relied upon legal test. It is an integral element that must be proven in an assortment of legal controversies. Intent is difficult to prove, and in voter rights cases, if the result is to deny or abridge the right to vote, the harm is done. The amendment which changes the test, to a Dole compromised results test, brings back the original intent of the Voting Rights Act.

Mr. President, I yield the floor.

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. 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, what is the pending order of business?

The PRESIDING OFFICER. The question is on the motion to proceed to S. 1992.

Mr. METZENBAUM. Regular order, Mr. President.

The PRESIDING OFFICER. The yeas and nays have been ordered. The question is on the motion——

Mr. HATCH. Mr. President, I hope that those who want to utilize their time will come and utilize their time and that we will proceed from there rather than depriving anybody of his right to speak on this issue.

On the other hand, I hope we can move to vote on the motion to take up, if it would be all right.

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

Mr. METZENBAUM. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator from North Carolina suggests the absence of a quorum.

Mr. METZENBAUM. My parliamentary inquiry, Mr. President, is whether or not it is appropriate to have a quorum call at this point, there having been no intervening business subject to cloture being invoked.

The PRESIDING OFFICER. Until the Chair has announced whether or not a quorum is present there has not been a quorum call.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. SPECTER). Is there objection?

Mr. HELMS. I am sorry, Mr. President, I did not hear.

The PRESIDING OFFICER. There has been a request for unanimous con-

sent that further proceedings under the quorum call be rescinded.

Mr. HELMS. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the motion to proceed.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I have had a memorandum from a representative of the Board of Supervisors of the County of Los Angeles. It reads as follows:

On June 8, 1982, The Board of Supervisors of the County of Los Angeles, on motion by Supervisor Kenneth Hahn, unanimously voted to favor the extension of the Voting Rights Act of 1965 on condition that the bill is amended to:

1. Discontinue bilingual ballots.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina has the floor.

Mr. KENNEDY. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. Will the Senator yield for a parliamentary inquiry?

Mr. HELMS. Mr. President, I find it unique that I be interrupted in the middle of a statement. Unless it is a matter of great urgency, I would prefer to continue.

Mr. KENNEDY. It is a matter of great urgency. Will the Senator yield for a parliamentary inquiry?

The PRESIDING OFFICER. The Senator from Massachusetts represents it is a matter of great urgency.

Mr. HELMS. I am apprehensive about anything the Senator from Massachusetts might consider urgent. I am not persuaded that it is, Mr. President. I do not yield.

The PRESIDING OFFICER. The Senator from North Carolina has the floor.

Mr. HELMS. I thank the Chair.

To continue:

2. Delete any provisions which reflect or infer quotas or proportional representation of ethnic, cultural or racial groups.

That, Mr. President, is the plea of the Board of Supervisors of the County of Los Angeles, a government serving 7 million citizens. So, Mr. President, the facts are gradually getting out on this bill. The public and the Senate should not be denied the facts through hasty and misinformed action.

I ask unanimous consent that the entire memorandum be printed in the RECORD at this point, and I suggest the absence of a quorum.

The PRESIDING OFFICER. Is there objection to the memorandum appearing in the RECORD?

Mr. GOLDWATER. I object.

The PRESIDING OFFICER. The objection is heard.

Mr. HELMS. Very well, Mr. President, it will stand as it is. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Is there objection?

Mr. HELMS. Mr. President, I object.

The PRESIDING OFFICER. The objection is heard. The clerk will resume the call of the roll.

The bill clerk resumed the call of the roll.

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

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BAKER. Mr. President, we have spent a good part of the afternoon on quorum calls charged against the 100 hours under rule XXII. I understand that. But I am anxious, if we can, to get as much of the debate out of the way post cloture as is possible to do.

I do not intend to ask the Senate to remain late this evening, but I do hope that we can get some more debate done today before we go out. I would plan to get off this bill about 6 o'clock and then take care of our routine matters shortly after that.

May I inquire of the distinguished managers of the bill and the Senator from North Carolina and other Senators who are here if they have debate that they wish to conduct yet this afternoon on this motion?

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. I rise to point out that we have been on this resolution for 2 hours, 45 minutes, most of which time has been consumed by quorum calls. There should not be any illusion for the Members of the Senate about what tactics are being used to subvert the possibility of consideration of amendments on their merits.

I am extremely mindful of the calendar that has been spelled out by the majority leader, and I think we are prepared to accommodate it. I thought the cloture vote was a strong indication of what the will of the Senate is, but we are being denied an opportunity to even consider amendments. I do not know whether the majority leader has had the opportunity I have had to spend the time here listening on the speaker system, but I have heard the same speech at least five times from the Senator from North Carolina. I am sure I will hear it a number of more times. I think it is important at this time to point out exactly what is happening on the floor of the Senate. I do not think it does us any good to continue to sit here during a quorum call. We can stay as long as any of the other Members can, but if that is the way that we are going to proceed, then it is important that the membership know it.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, in response to the majority leader's comments and the request, as floor manager of the bill, I personally would prefer to debate the bill, bring up the amendments, dispose of those amendments and resolve this issue on the floor. I certainly hope we can proceed as expeditiously as possible.

The PRESIDING OFFICER. I thank the Senator from Utah.

Mr. HATCH. Mr. President, if the Senator would yield for one other statement, I do not think anybody on our side, at least those who would like to go forward, has anything more to say at this time until we actually get on the bill itself. When we get on the bill, then I think we will have a full and complete debate, but until then it is just a matter of allowing the time to run.

Mr. METZENBAUM. I think it is quite obvious to one and all what is taking place when we talk about how long we are going to be dilly-dallying before we move to actual consideration of the measure. I wonder whether the leader has given any consideration to the matter of a live quorum call in order that we might eliminate the continuous use of quorum calls for the purpose of delaying the work of the Senate. As the leader well knows, there are limitations to what is permitted after a live quorum call has occurred.

Mr. BAKER. I thank the Senator from Ohio.

I find myself in a unique position. That is, I, like the Senator from Utah, am in favor of moving on and getting to the amendments themselves.

Indeed, I propounded a unanimous-concent request earlier today that we dispense with the hundred hours post-cloture under rule XXII and go directly to the motion itself, which I think would carry. So I am on that side.

By the same token, I have a special responsibility I think to make sure that every Senator is fully protected in their rights, including those rights under rule XXII; even though I may not favor that position, I feel an obligation to protect it.

If the Senator from North Carolina or any other Senator wishes to debate in opposition to the motion and wishes to avail themselves of the time, I am not going to try to force that issue. I do intend to try to get to this bill; we did not go through the cloture procedure as an idle gesture, and at some point we will reach this motion to proceed to the bill.

I think it will pass. But my job is to try to see that every Senator has the opportunity to express themselves fully, that no one is taken advantage of, that every chance is given to present a legitimate point of view but at the same time to see that we get a result and do so as promptly as possible.

At this point may I inquire of the distinguished Senator from North Carolina if he has further debate on this measure, or if he is prepared to go on to a vote now on the motion to proceed, or if he could give some idea of when he would be in a position to do that?

Mr. HELMS. Mr. President, will the Senator yield?

Mr. BAKER. Yes, I yield.

Mr. HELMS. I cannot respond to his question at this time. I had hopes that there would be some lessening of the intractability of the proponents, but there has been none whatsoever. They continue to delay. I say again that we could vote 10 minutes from now on final passage if we could just have some fairness and equity agreed to in this legislation. I have no desire to hold this legislation up, and I have made that clear from the beginning.

Before we get awash in a pious pretense around this place, let me say that on repeated past occasions I have been on this floor and I have done everything I could to protect the rights of the Senator from Ohio when he was in the position that I am now in, and not once did I slip up and whisper "regular order" as has been done here this afternoon.

If we are going to play games, Mr. President, the Senator from North Carolina knows how to play them a little bit, too. However, I suggest that we sleep on this thing, and if there is any evidence of a lessening of the intractability on the side of the proponents so that we can clear up some of the problems that I and other have with this legislation, I can assure Senators that at 10 o'clock tomorrow morning, 9 o'clock, 8 o'clock, whatever time is designated, we can come to an agreement.

But all I hear is, "We will overcome again. We are not going to listen to you. We don't care what you think. We don't care what is being done to your State."

In fairness, I cannot treat the people of North Carolina that way, Mr. President. I cannot.

So that is about as clear as I can make it. I want to proceed, but I need some evidence of good faith on the other side.

Mr. KENNEDY. Mr. President, I want to make it equally clear that the position which had been recommended by the Senator from North Carolina in his "Dear Colleague" letter is completely unacceptable, I think, to the Senate, and I am prepared to let the Senate make that decision. I recommend that the Senate not accept that position, because I think it reaches the funadmental issue of the right of citizens across this Nation to vote.

I, for one, am not going to be in a position where I am going to be requested to alter or change my calendar on a good night's sleep, recommended by the Senator from North Carolina, to change my position on this legislation.

So, for what information it is worth, I think we are going to find ourselves in the position tomorrow that we find ourselves in right now.

Mr. BAKER. Mr. President, it does not appear to me that we will get very far this evening.

I hope every Senator, on both sides of this issue, understands that at some point we have to resolve this issue. We are now under cloture. Under the provisions of rule XXII, there is a limited time for debate. Debate is allocated to Senators on a very precise and exact basis. It requires unanimous consent to change those provisions.

There is no animosity in the statement I am about to make, and I am sure that the Senator from North Carolina and the Senator from Massachusetts understand it when I say it. We are going to pass this bill, or at least we are going to let the Senate work its will on this matter. I am not going to try to force the issue tonight.

I am not ever consciously going to take advantage of any Senator or deprive him of any right.

I want everyone to know that cloture is not an idle gesture, and we are indeed going to do this. We are going to provide for the Senate's consideration of this motion and, assuming the motion is agreed to, full consideration of the bill and all amendments to the bill.

I say again that I am not one of those who closes his mind to every amendment. There are amendments I am aware of that probably will be offered and are not frivolous and are of substance. I probably will vote for some. I certainly reserve that right.

However, my responsibility to the Senate and my responsibility to my colleagues is to see that we get on with the business at hand. Based on the responses that have been given me now by the Senator from Massachusetts and the Senator from North Carolina, I do not think that in the next 16 minutes we are going to get to the motion to proceed.

On that basis, Mr. President, I urge that Senators consider that we should get to the motion to proceed early tomorrow and be on this bill some time during the day tomorrow, so that we can get to the amendments at hand and finish this bill before the end of this week. That is my ambition; that is my goal and objective. I think we can do that. We can finish this bill and get on with other matters.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, since it does not appear that we can make proper progress on this matter at this time, I ask unanimous consent that there now be a free period for the transaction of routine morning business, not to extend beyond 6 p.m., in which Senators may speak.

Mr. KENNEDY. Mr. President, reserving the right to object, I will not object tonight to this request of the leader, because the leader has indicated his position in bringing us to consideration of this legislation. But I must say that there are many of our colleagues on both sides of the aisle who feel that we should not set aside this measure until we are going to have a determination on it.

I know that Senators like to speak on routine morning business, and I will not object tonight and will certainly continue to cooperate with the leader. But I want to indicate that the leader has indicated to us that he is going to use all the means and measures that are available to him. I expect that all Members are going to utilize all procedures which are available to them to move this process along, and I think we should understand that as well.

Mr. BAKER. Mr. President, before the Chair rules, let me say that I have no intention of laying aside this bill. We are going to finish it, one way or the other.

However, providing for a period for the transaction of routine morning business is in no way calculated to lay aside this bill. It is, rather, to provide an opportunity to take care of routine calendar matters that are cleared for action on both sides.

I hope everyone will understand that nothing is implied in that request that would signal that there is any retreat from a commitment to see that this matter is dealt with. It is a regular and routine request in order to expedite the proceedings of the Senate on other matters that are cleared for action.

If the Senator from Massachusetts is concerned about that, we can proceed by another way. But I point out that that is a fundamental prerogative of the leadership—to provide a time when the routine matters of the Senate will be disposed of.

I wanted to make that clear, because I do not want anyone here to think that the request I have just made has any implication beyond the requirement that we deal with the matters at hand as they accumulate on the Republican and Democratic desks for disposition by unanimous consent.

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

Mr. BAKER. Mr. President, there will be no more votes tonight.

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

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

LETTER FROM SENATOR ROBERT C. BYRD TO THE PRESIDENT CONCERNING SECRETARY OF LABOR DONOVAN

Mr. ROBERT C. BYRD. Mr. President, I should like to report on an action that has just been taken by the Senate Democratic Conference. Senate Democrats have met and have authorized me to send the following letter to the President of the United States. It reads as follows:

DEAR MR. PRESIDENT: I am writing to you at the direction of the Democratic Conference because of our growing concern about the Secretary of Labor Raymond Donovan case and more basic issues related to the Ethics in Government Act. Democrats have been restrained in our comments on the Donovan case believing that, except in the most extreme circumstances, any action in the matter should await the findings of the Special Prosecutor.

However, we believe those extreme circumstances now exist. In addition to all of the other allegations which have been made against Mr. Donovan, it is now reported—

By the Washington Post today in a story by George Lardner, Jr., Washington Post staff writer—

that while he—

Mr. Donovan—

was under consideration for the post he now holds, the White House Counsel was informed by the FBI that Mr. Donovan "had close personal and business ties with known" organized crime figures, and that "this information was corroborated by independent interviews of confidential sources." Mr. President, we believe that the time has come for you to ask Mr. Donovan to step aside until all of the issues raised by this investigation have been satisfactorily resolved.

Furthermore, we are deeply concerned about reports that your Administration is considering repealing or significantly changing the Ethics in Government Act, under which Mr. Donovan is currently being investigated. Last week, the Associated Press reported that officials of your Administration "have been studying proposals to seek repeal of the requirement that top officials make public their financial holdings," as required by the Ethics in Government Act.

This is not the first occasion on which your Administration has indicated a dissatisfaction with this law. As recently as April, a Justice Department official testified in opposition to another provision of the Act which required that an independent "special prosecutor" be appointed when there are facts indicating that a high-ranking political appointee may have violated federal criminal law.

We believe that it is critical that you clarify the position of your Administration on the Ethics in Government Act. We urge you to affirm your support for that law which grew out of the abuses of Watergate and has done so much to restore public confidence in government. The Democratic Conference will strongly oppose any effort to repeal or weaken the Ethics in Government Act.

Sincerely,

ROBERT C. BYRD.

Mr. President, I want to underscore the extreme urgency which we attached to this matter. The American people must have confidence in the President's Cabinet. These are the individuals who make the day-to-day decisions which affect the lives of us all.

The Secretary of Labor is charged with responsibilities which require him to deal with the enormous problems of unemployment which face us as a Nation. How can he devote his full attention to the tremendous issues relating to the lives and well-being of millions of Americans when he must respond day after day to new allegations about "mob" connections which continue to appear in the press? How can he continue to serve responsibly as a member of the President's Cabinet and at the same time devote his full energies to the special prosecutor's investigation of his activities which are now underway in New York?

Mr. President, I do not presume to comment on the truth or validity of the charges raised, but I do know that the welfare of our great Nation must come before the interests of any individual, and I therefore think it would be in the best interests of our country for Mr. Donovan to step aside until all the questions about his alleged conduct have been satisfactorily resolved.

Mr. President, I ask unanimous consent to insert in the RECORD at this point the article which appeared in the Washington Post under date of June 15 titled, "FBI Told Reagan Staff Donovan Had Mob 'Ties.' "

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

FBI TOLD REAGAN STAFF DONOVAN HAD MOB 'TIES'

(By George Lardner Jr.)

The incoming Reagan White House was informed by the FBI last year, on the first day of Secretary of Labor Raymond J. Donovan's Senate confirmation hearings, that Donovan had "close personal and business ties with known La Cosa Nostra figures."

The FBI report, dated Jan. 12, 1981, was hand-delivered that day to White House counsel Fred F. Fielding, who was then the Reagan transition team's conflict-of-interest counsel. According to informed sources, the report also stated that "this information was corroborated in independent interviews of confidential sources."

In New York, meanwhile, it was learned that the corpse of a potential witness in the Donovan investigation was found Friday in the trunk of his own car in downtown Manhattan with a bullet through his head.

The victim of the gangland-style slaying, Fred Furino, 52, had been interviewed several times by special prosecutor Leon Silverman before Furino's disappearance on June 3, sources, said. According to a confidential FBI report at the time of Donovan's confirmation hearings, a bureau informant said Furino served as a sometime "bagman" for a New Jersey mobster named Salvatore Briguglio and, in that capacity, occasionally "picked up money from Donovan."

The FBI officials stepped into the case over the weekend at Silverman's request to investigate for possible obstruction of justice. New York police said Furino had been dead for at least six days when his body was found.

"We have asked the FBI to conduct an intensive investigation, and an intensive investigation was begun immediately," Silverman said yesterday. He declined to say whether Furino had appeared before the federal grand jury assigned to the Donvan inquiry and said he would have no further comment.

In Washington at the same time, the contents of the brief Jan. 12, 1981, FBI report alleging links between Donovan and organized crime raised fresh questions about last year's confirmation process in the Senate. Apparently, the Senate committee that considered Donovan's nomination was not sent the report until last week, when the panel's ranking members say they first became aware of it.

Copies were supplied to Senate Labor Committee Chairman Orrin G. Hatch (R-Utah) and Sen. Edward M. Kennedy (D-Mass.), the committee's ranking minority member, Friday afternoon at their request.

"I've never seen that before and neither has Kennedy," Hatch said yesterday. Asked whether it would have "made a difference" in the confirmation process, Hatch replied:

"Are you kidding? It sure would have. At least we'd have asked a lot more questions and we'd have asked who those reports were coming from."

Donovan could not be reached for comment. He went to Europe Friday with his wife for a combination work-vacation trip, including an address to the 68th session of the International Labor Organization in Geneva.

The chronology of last year's Senate hearings suggested strongly that the incoming administration had no plans to provide Hatch's committee with the Jan. 12 report prior to a scheduled vote on Donovan's nomination.

This was the sequence: Donovan testified on Jan. 12, primarily about the hiring of a no-show Teamsters foreman on a New York City subway project by his company, Schiavone Construction of Secaucus, N.J. He denied any wrongdoing on the part of his company in this matter and in another case involving allegedly phony invoices.

The committee's Republican leadership, evidently satisfied, scheduled a final markup session for Jan. 15 to report out Donovan's nomination. That was postponed, according to Hatch, because of the unexpected surfacing on Jan. 13 of a new witness, Ralph Picardo, whom an FBI agent in Newark, John Marshall Hersh, called on the off chance that he might know something about Donovan.

A protected government witness, Picardo said he recognized Donovan's picture from the papers and identified him as the Schiavone executive from whom he periodically picked up $500 checks in the mid-1960s to pay for labor peace.

At the time, Picardo, once a truck driver in a mob-dominated Teamsters local, said he was working for a company that Briguglio

secretly owned, O. K. Trucking, Picardo said one of the chores the now-dead Briguglio gave him was to deliver fake invoices to Schiavone Construction, ask for "Ray" and pick up $500 checks made out to O. K. Trucking or XYZ Leasing, a dummy company.

Apprised of Picardo's allegations, the Senate committee canceled the Jan. 15 hearing, called for a thorough FBI investigation, and called Donovan back to testify on Jan. 27, 1981.

For that hearing, the FBI submitted an ostensibly comprehensive report, dated Jan. 23, 1981. It included the substance of the Jan. 12 report, with added detail, but it was presented by FBI executive assistant director Francis M. Mullen in much more negative terms.

Under questioning by Hatch at one point, for instance, Mullen said none of the sources the FBI checked out provided "any information at all" about any alliance or associations with organized crime figures on Donovan's part.

Fielding could not be reached for comment on what he did with the FBI report when he got it on Jan. 12. Repeated efforts to reach him Friday were unsuccessful and his office said yesterday that he has since gone on a two-week vacation.

According to sources, the Jan. 12 report came with a cover letter signed by Charles P. Monroe Jr., then assistant FBI director for the criminal investigative division, and was hand-delivered to Fielding by "AA," evidently Anthony Adamski, the FBI official immediately in charge of the Donovan background investigation.

Neither Monroe nor Adamski, who have since been shifted to other posts, could be reached yesterday for comment.

Fielding, however, told The Washington Post earlier this month of another report he got from Adamski, by telephone on Jan. 11, in which the FBI official told of the existence of "a tape recording" linking Donovan to "hoodlums" and of a separate allegation, from an FBI informer, stating that Donovan had gone to Miami for the 1979 Super Bowl with a reputed Mafia "soldier."

Fielding said he did not get the impression from Adamski "that it was anything to be concerned about" but he said he did tell Reagan transition team chief Edwin Meese III about it.

Hatch's committee did not learn until six months later that there was any information concerning Donovan that could be gleaned from any of the FBI's organized-crime wiretaps.

The FBI's four-paragraph report of Jan. 12 was less specific and it was accompanied by the caveat that "the degree of Mr. Donovan's association with knowledge of the LCN [La Cosa Nostra] figures has not been determined." It also stated that "none of the information available indicates any criminal wrongdoing on the part of Mr. Donovan.

At a news conference last week, however, FBI Director William H. Webster, said the purpose of a background investigation is to assess a federal appointee's "character, associates, reputation and loyalty."

Webster also indicated that the Jan. 12 FBI report, with its talk of "corroboration," was "passed to the White House and it is my understanding it was given to the Senate." In a statement later that day, Fielding also said that the Jan. 12 report "was subsequently turned over to the Senate committee."

Hatch emphasized yesterday that this was incorrect. "I've chatted with one person at the White House," he said. "They realize they didn't send that to us.

"At the very least, there's been a breakdown in procedure here. Frankly, it's alarming to us that we didn't see that the day of the first hearing," Jan. 12.

Meese, now counselor to the president, said yesterday that he had no recollection of hearing about or receiving the Jan. 12 report, although "that doesn't mean I didn't."

He said his recollection was that "we asked the FBI to make all information available to us and to the [Hatch] committee."

Asked whether he would be surprised if the Jan. 12 report had not been supplied to the Senate panel, Meese said: "I don't know enough about procedure to say whether I'm surprised or not. That was all handled by Fred [Fielding] and his office."

Furino, a onetime Teamsters official who also was associated with Briguglio, was mentioned in unexpurgated copies of the Jan. 23, 1981, report to the Hatch committee but the passage was censored, apparently to protect the source of the information.

According to sources, it said in part that Furino had once described Picardo and another man, Al Cohen, as "bagmen" for Briguglio and said they "made pickups from Ray Donovan." According to the report, Furino, once an official in a New Jersey Teamsters local, also asserted that "while Briguglio was in jail, he, Furino, picked up money from Donovan, and when Briguglio and Furino were in jail, a Vic Alteri acted as the 'bagman.'"

Alteri reportedly died in 1972. Briguglio, a reputed Mafia hit man and once a suspect in Jimmy Hoffa's murder, was gunned down in New York's Little Italy in 1978.

Furino was interviewed by the FBI on Jan. 22, 1981, and stated that he did not know Donovan and was "unaware of Briguglio, Picardo or Cohen receiving payments from Mr. Donovan or SCC [Schiavone Construction Co.]. He advised that he would be willing to submit to a polygraph in this matter."

Despite all that, sources say, Silverman interviewed Furino several times this year. According to New York police, he was last seen by his son, Felice, on the evening of June 3, leaving the FP Carting C. that they ran together in Elizabeth, N.J.

"Maybe some people thought he was being cooperative with Silverman," one government source said. "But he may have been involved in an awful lot of other things, too. It's just too early to tell."

Furino's body was found in the locked trunk of his 1979 Oldsmobile at Fifth Avenue and 18th Street after passersby complained of an odor emanating from it. A New York police emergency services crew forced it open at 12:30 p.m. Friday.

HISTORIC PRESERVATION

Mr. KENNEDY. Mr. President, we as Americans are justly proud of the richness of our history, traditions and culture. The glory of America's past is not limited to the pages of history books. It lives on with us in the buildings, parks and monuments that enliven our cities and towns and countryside. Preservation of these historic monuments is a national responsibility, conserving the legacy of the past for the benefit of generations to come.

For the second year, the administration has proposed to shortchange the future by eliminating Federal support for historic preservation. Last year the Congress rejected these shortsighted budget cuts and made funding available for this essential activity. As we begin consideration of the appropriations bills for fiscal 1983, I urge my colleagues to act once again to protect the historic preservation program from extinction.

Funding for historic preservation is a wise investment. A modest Federal commitment of $30 million in preservation will generate substantial returns. In Massachusetts, for example, a $5.5 million Federal expenditure over the last 5 years has brought forth $250 million in private sector funds and creates valuable jobs in tourism and other preservation connected sectors.

Eliminating Federal funding for preservation activities will undermine the program of tax incentives for preservation adopted by Congress last year, preclude any additional entries in the National Register, and bring to a halt awards for surveys and restoration of historic properties. Our priceless heritage will be squandered by our failure to pay the small price for its preservation.

I hope that Congress will recognize the importance of preserving our unique national heritage by approving essential historic preservation funds. The ideals and struggles that sustained our ancestors are embodied in these historic monuments and they must be preserved to remind and inspire future generations of Americans.

ZAIRE'S RECOGNITION OF ISRAEL

Mr. PELL. Mr. President, relations around the world have been characterized lately more by the noise of war than by the news of peace. However, there has been at least one recent diplomatic development that sounds a true note of hope.

On May 14, Zaire became the first African State to renew relations with Israel in the period since 1973, when 2 dozen African countries south of the Sahara severed relations with Israel as a result of the Mideast War.

Zairian President Mobutu's policies and programs have often sparked harsh criticisms both at home and abroad; however, in this instance, he has made a courageous and commendable move. His action is all the more significant since Zaire was also the very first African state to break ties with Israel nearly 9 years ago. I hope that other African and Middle Eastern nations will consider establishing relations with Israel. Such steps would do much to dispel Israel's sense of isolation and reduce the tensions which have made the Middle East such a cauldron.

In any comprehensive settlement in the Middle East, long-term success will depend greatly upon the ability of Israel and her neighbors to develop mutually beneficial relations across a broad range of activities. Israel has much to offer by way of industrial, agricultural, and technical expertise as well as managerial talent which can be applied with astonishing effectiveness to developmental projects. Many Middle Eastern and African nations have the natural resources, the potential work force, and the desire for development. The possibilities of strong and productive partnerships are numerous.

I hope that the bright prospects offered by diplomatic relations and ensuing cooperation can be realized. The risks are few, and the benefits in terms of peace, stability and prosperity could be great.

THE SUCCESSION IN SAUDI ARABIA

Mr. PELL. Mr. President, I was saddened to learn of the death of His Majesty, King Khalid of Saudi Arabia.

After assuming the throne in 1975, the King presided over an unprecedent period of growth in Saudi Arabia. His task was to give order and direction to that growth, without destroying the Moslem way of life which has given Saudi Arabia its unique character. From all evidence, the King was a respected conciliator and guide.

His successor, King Fahd ibn Abdul-Aziz, has been Crown Prince since 1975 and has been in charge of the day-to-day operations of the Government.

I had the opportunity in 1978 when I was in Saudi Arabia to discuss several issues with the then Crown Prince. I was impressed with the breadth of his interests and knowledge on various policy issues affecting our two countries. I left with the very strong impression that the future King deeply desired a warm and productive relationship with the United States.

Mr. President, King Fahd will face a number of challenges. He must continue to deal effectively with the wrenching experience of modernization with its attendant social and economic problems. He must balance differences within the royal family as he tries to deal with the aspirations of the new elite for political, as well as economic, power.

During the years in which he was Crown Prince, King Fahd was instrumental in guiding Saudi Arabia to a major role on the world's stage. His challenge now will be to insure that Saudi Arabia plays a strong and productive role in dealing with regional issues.

As the fighting in Lebanon has demonstrated once again, the Middle East remains a caldron which can boil over at any time. The King has demonstrated in the past his interest in finding the way to a workable peace. I hope that his commitment remains unflagging. Clearly, Saudi Arabia could be instrumental in helping now to return Lebanon to the Lebanese. In the longer run, Saudi Arabian interest and support could help bring about a just and lasting settlement.

Mr. President, King Fahd, through his past record, has given us reason to envisage for him a successful reign. We extend to him our condolences upon the death of his brother and offer him our hope that the United States and Saudi Arabia can work together during his reign to help bring the blessings of peace to the Middle East.

NATIONAL ORCHESTRA WEEK

Mr. ROTH. Mr. President, Congress has declared this week as "National Orchestra Week." This Nation's 1,572 symphony and chamber orchestras, more than any other country in the world, are among the finest artistic and cultural resources, bringing inspiration and enjoyment to listeners in nearly every community in the United States. I am proud to say that the Delaware Symphony is part of this rich tradition.

Since the founding of the first Delaware Orchestra by Alfred I. du Pont in 1902, Delaware has enjoyed a rich heritage of symphonic music.

The Wilmington Symphony was founded in 1929, and grew to professional status under the musical direction of Harry Stauseback and Van Lier Lanning. In 1971, the orchestra's name was changed to the Delaware Symphony to reflect its statewide commitment as our only fully professional symphony orchestra.

In 1979, the symphony named Stephen Gunzenhauser as music director and Jeffrey M. Ruben as manager. Since that time the orchestra's budget has increased from $140,000 to over $500,000 and season subscriptions have increased from 700 to 4,700. Last season the Delaware Symphony's total audience exceeded 40,000.

In the coming 1982-83 season the Delaware Symphony will present a series of seven pairs of classical concerts, a four concert matinee series, a three concert pops series, a three concert southern Delaware series in Milford, a three concert children's series, a week of children's concerts in the grand opera house, New Year's Eve and July 4th concerts, Christiana Mall concerts, University of Delaware concerts and much more, including concerts in Maryland, Pennsylvania, and New Jersey. Both internationally acclaimed artists and talented local musicians are used as soloists, and critical acclaim is at an all time high. Clearly, this will be an exciting season for music lovers in Delaware.

The Delaware Symphony has made great strides under the able leadership of its current musical director, Mr. Stephen Gunzenhauser. I am confident that the symphony will maintain its momentum through the 1980's and beyond and continue to provide our State with the quality cultural entertainment it needs and deserves.

MESSAGES FROM THE HOUSE

At 2:01 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 bills, in which it requests the concurrence of the Senate:

H.R. 3863. An act to amend the Poultry Products Inspection Act to increase the number of turkeys which may be slaughtered and processed without inspection under such act, and for other purposes;

H.R 4476. An act to amend the Administrative Conference Act, by authorizing appropriations therefor;

H.R. 5161. An act to designate certain lands in the Monongahela National Forest, West Virginia, as wilderness; and to designate management of certain lands for uses other than wilderness; and

H.R. 6198. An act to amend the manufacturing clause of the copyright law.

At 3:01 p.m., a message from the House of Representatives, delivered by Mr. Berry, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 6273. An act to amend the National Traffic and Motor Vehicle Safety Act of 1966 and the Motor Vehicle Information and Cost Savings Act to authorize appropriations for fiscal years 1983, 1984, and 1985, and for other purposes; and

H.R. 6290. An act to increase authorizations of appropriations for land acquisition for Voyageurs National Park, Cape Cod National Seashore, Cape Lookout National Seashore, and Sleeping Bear Dunes National Lakeshore.

HOUSE BILLS REFERRED

The following bills were read twice by unanimous consent, and referred as indicated:

H.R. 4476. An act to amend the Administrative Conference Act, by authorizing appropriations therefor; to the Committee on the Judiciary.

H.R. 5161. An act to designate certain lands in the Monongahela National Forest, West Virginia, as wilderness; and to designate management of certain lands for uses other than wilderness; to the Committee on Energy and Natural Resources.

H.R. 6273. An act to amend the National Traffic and Motor Vehicle Safety Act of 1966 and the Motor Vehicle Information and Cost Savings Act to authorize appropriations for fiscal years 1983, 1984, and 1985, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 6290. An act to increase authorizations of appropriations for land acquisition for Voyageurs National Park, Cape Cod Na-

tional Seashore, Cape Lookout National Seashore, and Sleeping Bear Dunes National Lakeshore; to the Committee on Energy and Natural Resources.

HOUSE BILLS HELD AT DESK

The following bills were ordered held at the desk by unanimous consent until the close of business on June 16, 1982:

H.R. 3863. An act to amend the Poultry Products Inspection Act to increase the number of turkeys which may be slaughtered and processed without inspection under such act, and for other purposes; and

H.R. 6198. An act to amend the manufacturing clause of the copyright law.

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-3661. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the report on the Farmers Home Administration housing programs; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3662. A communication from the Under Secretary of Agriculture for Small Community and Rural Development, transmitting, pursuant to law, the report on the activities of the Rural Electrification Administration for fiscal year 1981; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3663. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report reviewing the President's 12th special message proposing revisions to six deferrals of budget authority; jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, Commerce, Science, and Transportation, Finance, the Judiciary, and Small Business.

EC-3664. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on a deferral of certain budget authority provided to the Coast Guard which should have been reported to Congress by the executive branch, but was not; jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, and Commerce, Science, and Transportation.

EC-3665. A communication from the Director of Facility Requirements and Resources of the Office of the Assistant Secretary of Defense for Manpower, Reserve Affairs, and Logistics, transmitting, pursuant to law, a report on nine construction projects for the Air National Guard; to the Committee on Armed Services.

EC-3666. A communication from the Assistant Secretary of Defense for Manpower, Reserve Affairs, and Logistics, transmitting, pursuant to law, a report on the adequacy of pay and allowances of the Armed Forces; to the Committee on Armed Services.

EC-3667. A communication from the Director of the Congressional Budget Office, transmitting a review of the Department of Defense December 31, 1981, selected acquisition report (SAR); to the Committee on Armed Services.

EC-3668. A communication from the Director of the Congressional Budget Office, transmitting a study entitled "Federal Housing Assistance: Alternative Approaches"; to the Committee on Banking, Housing, and Urban Affairs.

EC-3669. A communication from the chairman of the National Credit Union administration, transmitting, pursuant to law, the Credit Union Administration's second annual report; to the Committee on Banking, Housing, and Urban Affairs.

EC-3670. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, a report on homeownership opportunities under the section 8 program; to the Committee on Banking, Housing, and Urban Development.

EC-3671. A communication from the Chairman of the Interstate Commerce Commission, transmitting, pursuant to law, the 95th annual report of the Commission; to the Committee on Commerce, Science, and Transportation.

EC-3672. A communication from the chairman of the Pennsylvania Avenue Development Corporation, transmitting, pursuant to law, the annual report of the Corporation for 1981; to the Committee on Energy and Natural Resources.

EC-3673. A communication from the Assistant Secretary of Energy for Congressional, Intergovernmental, and Public Affairs, transmitting, pursuant to law, the report of the Department on the size of the strategic petroleum reserve, dated May 1982; to the Committee on Energy and Natural Resources.

EC-3674. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of the Agency entitled "Research Outlook, 1982" which describes the 5-year plan for research, development, and demonstration; to the Committee on Environment and Public Works.

EC-3675. A communication from the Deputy Secretary of State, transmitting a draft of proposed legislation to authorize the President to furnish emergency assistance to alleviate the human suffering arising from the strife in Lebanon; to the Committee on Foreign Relations.

EC-3676. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, the semiannual report of the Inspector General of NASA for the period ending March 31, 1982; to the Committee on Governmental Affairs.

EC-3677. A communication from the Director of the Office of Legislative Affairs, Agency for International Development, transmitting, pursuant to law, a report on a proposed change to a Privacy Act system of records; to the Committee on Governmental Affairs.

EC-3678. A communication from the District of Columbia Auditor, transmitting, pursuant to law, the annual report of the District of Columbia Auditor for fiscal year 1981; to the Committee on Governmental Affairs.

EC-3679. A communication from the Secretary of Defense, transmitting, pursuant to law, a report on audit, inspection, and investigative operations in the Department of Defense for the 6-month period ending March 31, 1982; to the Committee on Governmental Affairs.

EC-3680. A communication from the Council for Administrative Legal Services, Department of Labor, transmitting, pursuant to law, a report on alterations and establishment of new Privacy Act systems of records; to the Committee on Governmental Affairs.

EC-3681. A communication from the Chairman of the U.S. Commission on Civil Rights, transmitting, pursuant to law, a report entitled "Confronting Racial Isolation in Miami"; to the Committee on the Judiciary.

EC-3682. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the status of a report on development and promulgation of standards for the accreditation of educational programs to train individuals to perform radiological procedures, and the certification of such individuals, and advising that the report will be submitted in January 1983; to the Committee on Labor and Human Resources.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation:

Donald D. Engen, of Virginia, to be a Member of the National Transportation Safety Board for a term expiring December 31, 1986.

Heather J. Gradison, of Ohio, to be a Member of the Interstate Commerce Commission for the term of 7 years from January 1, 1982.

(The above nominations were reported from the Committee on Commerce, Science, and Transportation with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. PACKWOOD. Mr. President, as in executive session, I also report favorably from the Committee on Commerce, Science, and Transportation, a nomination list in the National Oceanic and Atmospheric Administration which appeared in the CONGRESSIONAL RECORD of May 24, 1982, and to save the expense of reprinting them on the Executive Calendar, I ask unanimous consent that they may lie on the Secretary's desk for the information of Senators.

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

By Mr. PERCY, from the Committee on Foreign Relations:

The following-named persons to be Representatives of the United States of America to the 12th Special Session of the United Nations General Assembly Devoted to Disarmament:

Jeane J. Kirkpatrick, of Maryland.

John William Warner, U.S. Senator from the State of Virginia.

Samuel S. Stratton, U.S. Representative from the State of New York.

Edwin J. Feulner, Jr., of Virginia.

Eugene Victor Rostow, of Connecticut.

The following-named persons to be Alternate Representatives of the United States of America to the 12th Special Session of the United Nations General Assembly Devoted to Disarmament:

Kenneth L. Adelman, of Virginia.

Sam Nunn, U.S. Senator from the State of Georgia.

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Jack Kemp, U.S. Representative from the State of New York.

Louis G. Fields, Jr., of Virginia.

Fred Charles Ikle, of Maryland.

(The above nominations were reported from the Committee on Foreign Relations with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. BAKER (for Mr. PERCY). Mr. President, as in executive session I also report favorably from the Foreign Relations Committee, a nomination list in the Foreign Service which appeared in the CONGRESSIONAL RECORD of May 26, 1982, and, to save the expense of reprinting them on the Executive Calendar, I ask unanimous consent that they may lie on the Secretary's desk for the information of Senators.

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

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. PROXMIRE:

S. 2627. A bill to amend the Home Owners' Loan Act of 1933; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. ANDREWS:

S. 2628. A bill for the relief of Kou-Fant Li and Yuin-Yin Shen, husband and wife; to the Committee on Finance.

By Mr. ROTH:

S. 2629. A bill to provide for a 2-year budget process, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other committee has 30 days of continuous session to report or be discharged.

By Mr. DODD:

S. 2630. A bill to amend the Budget and Accounting Act, 1921, to require the President's budget to separately identify and summarize the capital investment expenditures of the United States, to amend the Housing and Urban Development Act of 1970, to require the Secretary of Housing and Urban Development to conduct an inventory and assessment of the Nation's public facilities, and for other purposes; to the Committee on Governmental Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. PRYOR (for himself, Mr. FORD and Mr. LEVIN):

S. Res. 411. Resolution expressing the sense of the Senate that the Secretary of Health and Human Services should not adopt as final rules proposed rules issued on May 24, 1982, relating to survey and certification procedures for nursing homes and other health care facilities and suppliers participating in medicare and medicaid programs; to the Committee on Finance.

By Mr. STAFFORD:

S. Res. 412. Resolution authorizing the printing of the report entitled, "Highway Bridge Replacement and Rehabilitation Program, Third Annual Report to Congress", as a Senate document; to the Committee on Rules and Administration.

By Mr. DODD (for himself, Mr. KENNEDY and Mr. MOYNIHAN):

S. Con. Res. 104. Concurrent resolution condemning the use by the Government of the United Kingdom of plastic rubber bullets in Northern Ireland, and for other purposes; to the Committee on Foreign Relations.

By Mr. DODD (for himself, Mr. KENNEDY, Mr. MOYNIHAN and Mr. PELL):

S. Con. Res. 105. Concurrent resolution relating to the activities of the Ulster Defense Association; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PROXMIRE:

S. 2627. A bill to amend the Home Owners' Loan Act of 1933; to the Committee on Banking, Housing, and Urban Affairs.

CONVERSION OF CERTAIN STATE SAVINGS AND LOANS

Mr. PROXMIRE. Mr. President, I am today introducing legislation which would permit the conversion of a State stock savings and loan association into a Federal stock savings and loan association.

As you know, thrift institutions are under great stress at this time of high interest rates and economic instability. Many of the managements of State stock savings and loan associations believe that they can operate more efficiently under the Federal stock form. I think that in this time of economic stress, which is having an adverse effect on savings and loan institutions, the managements of these institutions should have the flexibility they desire.

This legislation will give the savings and loan associations the flexibility they need in this respect.

Mr. President I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 2627

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 5(i) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(i)) is amended by striking out "(if such institution existed in stock form for at least the 4 years preceding the date of enactment of the Depository Institutions Deregulation and Monetary Control Act of 1980)".

By Mr. ROTH:

S. 2629. A bill to provide for a 2-year budget process, and for other purposes; pursuant to the order of August 4, 1977, referred jointly to the Committee on the Budget and the Committee on Governmental Affairs.

BUDGET REFORM ACT OF 1982

Mr. ROTH. Mr. President, today I am introducing the Budget Reform Act of 1982. This bill would strengthen the congressional budget process by instituting a 2-year budget cycle so that fiscal policy decisions can be made in a more logical, coherent, and systematic way. It is designed to improve congressional control over the Federal budget process and to streamline the process in order to make our budget decisions more accountable to the public.

Mr. President, the glaring shortcomings of the budget process have become all to apparent in the past several months. Our current inability to reach a decision on an appropriate budget can be attributed largely to the cumbersome nature of the current process. The Congress is already a month behind in agreeing to the first budget resolution. The House passed its version of the first budget resolution almost 2 months behind schedule. In view of these gaping lapses in the budget schedule, it seems certain that we will be unable to pass the appropriations bills within the timetable, and that once again we will need to resort to a continuing resolution to fund Government programs. Finally, if passing a first budget resolution, which is not even binding on the Congress can be so difficult this year, how, within the constraints of the current process, will the Congress be able to agree to the second budget resolution this year?

The experience this year clearly provides the best example to date of just how ill-timed the budget process is. However, this is not the first year the Congress has had trouble complying with the timetable set in the 1974 Budget Act. The ability of the Congress to adhere to the schedule has declined markedly each year since the process was initiated. During the past 5 years, not only has Congress been unable to pass the 13 appropriations bills within the Budget Act deadline, all 13 were not even passed by the end of the fiscal year they were intended to fund.

In the past 5 years, Congress has not been able even once to meet the deadline for the passage of the first budget resolution. The second budget resolution has been adopted more than 2 months after the September deadline for the past 3 years, well after the start of the fiscal year for which they were passed.

Congress may be unable to meet these deadlines partly because of the lack of consensus on many of the fiscal policy issues. I submit however, that Congress will not maintain a process that cannot accommodate the inevitable conflicts which will arise in

a politically charged environment. A budget process which works only in periods of relative consensus will not survive.

I believe it is increasingly clear that Congress attempts to make too many decisions each year and that many of these decisions are redundant. Last year, which I assert was typical rather than unusual, Congress passed a revised second budget resolution for fiscal 1981, a first budget resolution for fiscal 1982, a budget reconciliation bill, several appropriation bills, two continuing resolutions, a second budget resolution, and a supplemental appropriation bill. It is easy to see how these measures dominated the congressional schedule. I contend that many of these decisions are matters which could logically be combined or eliminated.

The extraordinary number of decisions required by the Budget Act effectively confuse much of Congress, and I suspect most of the Nation, with regard to the condition of the economy. How can the public hold us accountable for our budget decisions when we consider at least three different budgets to fund a given year? It is confusing enough when we must constantly make necessary policy revisions. But in terms of the efficient use of congressional time, to pass two, or more likely three budgets for 1 fiscal year along with all the other spending measures, makes little sense.

This preoccupation of Congress with the budget process, including appropriations each year, also has the effect of physically limiting other business which Congress must consider. By devoting so much congressional time to sometimes redundant decisions, there if often not enough time left to consider the fundamentally important policy issues. Issues such as national defense and foreign policy, for example, are extremely complex, yet crucial to our Nation. Of course, the Federal budget will always be an arena for decision in these areas. What concerns me, however, is that because of spending time on budget decisions, Congress will not have sufficient time to do the groundwork to make informed, well-considered decisions on these issues.

The profusion of activity which precludes so many crucial congressional activities also obscures the basic purpose of a budget process: to establish limits on Federal spending and revenues. The budget process has not been effective in enabling the Congress to control the Federal budget. I question whether, under the current process, the Congress has actually set fiscal policy priorities, or whether we have done much more than assign the inevitable spending totals to budget resolutions. Sometimes it appears to me that the tail is wagging the dog.

Although its effect on control of the Federal budget is doubtful, by virtue of its octopus-like timetable, the current budget process has grown into more than a forum for sorting out national budget priorities. It has become the primary legislative activity of the Congress. On the face of it, to proponents of the budget process, this may seem to be an advantage. But I firmly believe it is this unintended role which is the greatest threat to the budget process. It is critically important that the budget process be carefully integrated with the other existing congressional processes and activities. Currently these other processes and activities are either excessively rushed by the budget process or precluded altogether.

I believe that if the Congress continues on its present course, the budget process will become an advisory process, devoid of any teeth at all. Eventually, as I have said, the process could be abandoned altogether.

It is imperative that the Congress act to strengthen the Budget Act to improve the quality of legislative decisions and to make the congressional budget the fiscal policy document it was intended to be. Today, I am introducing comprehensive legislation to make changes which will move us toward these goals.

My legislation will institute a 2-year budget cycle. The Budget Reform Act of 1982 would allow a new President and a new Congress to put their policies into place in the first year of their respective terms. Early in the year, the Congress would agree to a single budget resolution, which would prescribe spending and revenue limits for this 2-year period beginning in the next January. The budget would take effect in the 2-year fiscal period beginning the next January. If economic conditions change during the 2-year period, it would be possible, although difficult, to revise the budget resolution totals.

Within the framework of this budget, the Congress would then consider an omnibus appropriation bill to fund this 2-year period. This bill would combine the 13 appropriation bills passed each year.

Some may argue that specific spending decisions would be obscured by this approach, and that such a large bill would be too cumbersome to comprehend. I submit however, that considering these bills individually is much more confusing. Further, this approach is certain to avoid the use of continuing resolutions, which are usually passed at the last minute, as a last resort, with little congressional scrutiny of its details.

Members would have an opportunity to consider an omnibus appropriation bill in an orderly way. My research indicates that an omnibus appropriations process was used for 1 year in the early 1950's. The practice was not continued for several reasons, notably the onset of the Korean war, and a lack of commitment to the process by the key committee chairmen. I believe we can learn from this experience, and build safeguards into our processs if necessary.

My legislation would also bring all spending of Federal entities into the unified budget. The off-budget spending of the Federal Government for the current fiscal year is projected to be over $18 billion. I know I strongly support many of these agencies and their activities, but I believe that is essential they be included along with all other Federal spending in the unified budget.

The revisions contained in this legislation would remove much of the uncertainty of constantly changing budget decisions. This bill would help to eliminate the disruption and excessive costs caused by uncertain year-by-year funding. Under my proposal, I believe Congress could chart a firm, clear course for the Nation.

The workload of the Congress would be more logically organized with a specific and extended period of time set aside for necessary oversight and authorization activities. I believe the budget dilemma we have today calls for bold solutions not the same warmed-over admonitions that Congress is too lazy or just does not have the will to make these critical spending decisions.

It is critical that we act now to prevent the wholesale abandonment of the budget process. The Budget Reform Act of 1982 would retain the strengths of the congressional budget process while making crucial structural revisions. I plan to hold extensive hearings on this legislation this year. I welcome the concerns and suggestions of my colleagues with regard to this legislation.

Mr. President, I ask unanimous consent that the bill and a summary of the bill be printed in the RECORD.

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

S. 2629

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 "Budget Reform Act of 1982".

STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act—

(1) to establish a process through which the Federal budget will be adopted for a two-year period;

(2) to improve congressional control over the Federal budget process;

(3) to streamline the requirements of the budget process in order to promote better accountability to the public;

(4) to improve the legislative and budgetary processes by providing additional time for congressional oversight and other vital legislative activities;

(5) to provide stability and coherence for recipients of Federal funds; and

(6) to implement other improvements in the Federal budget process.

TWO YEAR CONGRESSIONAL BUDGET PROCESS

SEC. 3. (a) Section 2(2) of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking out "each year" and inserting in lieu thereof "every two years".

(b)(1) Section 3(1) of such Act is amended—

(A) by striking out "fiscal year" and inserting in lieu thereof "two-year fiscal period"; and

(B) by striking out "such year" and inserting in lieu thereof "such period".

(2) Section 3(4) of such Act is amended to read as follows:

"(4) The term 'concurrent resolution on the budget' means—

"(A) a concurrent resolution setting forth the congressional budget for the United States Government for a two-year fiscal period as provided in section 301; or

"(B) a concurrent resolution on the budget revising the congressional budget for the United States Government pursuant to section 304.".

(3) Section 3 of such Act is further amended by adding at the end thereof the following new paragraphs:

"(6) The term 'two-year fiscal period' means the period of two years beginning on January 1 of each even-numbered year.

"(7) The term 'omnibus appropriation bill' means the bill providing new budget authority for a two-year fiscal period for all departments, agencies, and authorities of the Government.

"(8) The term 'supplemental appropriation bill' means a bill providing new budget authority for a two-year fiscal period for one or more departments, agencies, or authorities of the Government, which is considered in accordance with section 307(c).".

(c)(1) Section 202(a)(1) of the Congressional Budget Act of 1974 is amended—

(A) by inserting "omnibus" before "appropriation bills";

(B) by striking out "and other" and inserting in lieu thereof "supplemental appropriation bills,"; and

(C) by striking out "or providing budget authority or" and inserting in lieu thereof "budget authority, and bills authorizing or providing".

(2) Section 202(f) of such Act is amended—

(A) by striking out "April 1 of each year" in paragraph (1) and inserting in lieu thereof "April 15 and July 15 of each odd-numbered year";

(B) by striking out "fiscal year commencing on October 1 of that year" in paragraph (1) and inserting in lieu thereof "two-year fiscal period beginning on January 1 of the succeeding year";

(C) by striking out "such fiscal year" each place it appears in paragraph (1) and inserting in lieu thereof "such two-year fiscal period";

(D) by redesignating paragraph (2) as paragraph (3), and (in such paragraph) by striking out "paragraph (1)" and inserting in lieu thereof "paragraphs (1) and (2)"; and

(E) by inserting after paragraph (1) the following new paragraph:

"(2) On January 15 and July 15 of each even-numbered year, the Director shall submit to the Committees on the Budget of the House of Representatives and the Senate such revisions of the report required by paragraph (1) as may be necessary with respect to the two-year fiscal period in progress.".

(d) Section 300 of such Act is amended to read as follows:

"TIMETABLE

"SEC. 300. The timetable with respect to the congressional budget process for any Congress (beginning with the Ninety-eighth Congress) is as follows:

"On or before:	Action to be completed:
FIRST SESSION	
January 2	Committees submit oversight reports to their respective Houses.
15th day after Congress meets.	President submits his budget for the two-year fiscal period beginning in the succeeding calendar year, including current services budget.
March 31	Committees and joint committees submit views and estimates to Budget Committees with respect to two-year fiscal period.
April 15	Congressional Budget Office submits report to the Budget Committees with respect to the two-year fiscal period beginning on January 1 of the succeeding year.
April 30	Budget Committees report concurrent resolution on the budget for the two-year fiscal period to their respective Houses.
May 15	Committees report bills and resolutions authorizing new budget authority.
May 31	Congress completes action on concurrent resolution on the budget for the two-year fiscal period.
June 15	House Appropriations Committee reports the omnibus appropriation bill for the two-year fiscal period.
July 15	President and Congressional Budget Office report to the Budget Committees.
July 31	House completes action on the omnibus appropriation bill for the two-year fiscal period.
7th day after Labor Day.	Senate Appropriations Committee reports the omnibus appropriation bill for the two-year fiscal period.
September 30	Senate completes action on the omnibus appropriation bill for two-year fiscal period.
September 30	Congress completes action on bills and resolutions providing new spending authority for two-year fiscal period.
October 15	Congress completes action on the omnibus appropriation bill for two-year fiscal period.
SECOND SESSION	
January 1	Two-year fiscal period begins.
January 15	President and Congressional Budget Office report to Budget Committees.
July 15	President and Congressional Budget Office report to Budget Committees.
During session	Committees conduct oversight on programs and activities within their jurisdiction.".

(e)(1)(A) The section heading for section 301 of such Act is amended by striking out "FIRST".

(B) The item relating to section 301 in the table of contents in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking out "first".

(2) Section 301(a) of the Congressional Budget Act of 1974 is amended—

(A) by striking out "May 15" in the subsection heading and inserting in lieu thereof "May 31 of each odd-numbered year";

(B) by striking out "May 15 of each year" in the first sentence and inserting in lieu thereof "May 31 of each odd-numbered year";

(C) by striking out "first" before "concurrent resolution on the budget" in the first sentence;

(D) by striking out "fiscal year beginning on October 1 of such year" and inserting in lieu thereof "two-year fiscal period beginning on January 1 of the succeeding year"; and

(E) by striking out "an appropriate" in paragraph (2) and inserting in lieu thereof "a recommended".

(3) Section 301(b) of such Act is amended to read as follows:

"(b) ADDITIONAL MATTERS IN CONCURRENT RESOLUTION.—The concurrent resolution on the budget referred to in subsection (a) may also require any other procedure which is considered appropriate to carry out the purposes of this Act.".

(4) Section 301(c) of such Act is amended—

(A) by striking out "March 15 of each year" and inserting in lieu thereof "March 31 of each odd-numbered year"; and

(B) by striking out "fiscal year beginning on October 1 of such year" in paragraph (2) and inserting in lieu thereof "two-year fiscal period beginning on January 1 of the succeeding year".

(5) Section 301(d) of such Act is amended—

(A) by striking out "first" each place it appears before "concurrent resolution on the budget" in the first and third sentences;

(B) by striking out "fiscal year" in the first sentence and inserting in lieu thereof "two-year fiscal period";

(C) by striking out "April 15 of each year" in the third sentence and inserting in lieu thereof "April 30 of each odd-numbered year";

(D) by striking out "fiscal year beginning on October 1 of such year" in the third sentence and inserting in lieu thereof "two-year fiscal period beginning on January 1 of the succeeding year";

(E) by striking out "five fiscal" in paragraph (5) and inserting in lieu thereof "six";

(F) by striking out "such fiscal year" in such paragraph and inserting in lieu thereof "the first year in such two-year fiscal period,"; and

(G) by striking out "each fiscal year in such period" and inserting in lieu thereof "each two-year fiscal period in such six-year period".

(6) Section 301(e) of such Act is amended—

(A) by striking out "set for" in paragraph (1) and inserting in lieu thereof "set forth";

(B) by striking out "first" before "concurrent resolution on the budget" in paragraph (2);

(C) by inserting "referred to in subsection (a)" after "concurrent resolution on the budget" in such paragraph; and

(D) by striking out "fiscal year" in such paragraph and inserting in lieu thereof "two-year fiscal period".

(f) Section 302(c) of such Act is amended by striking out "or 310".

(g)(1) The section heading for section 303 of such Act is amended by striking out "FIRST".

(2) The item relating to section 303 in the table of contents in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking out "First concurrent" and inserting in lieu thereof "Concurrent".

(3) Section 303(a) of the Congressional Budget Act of 1974 is amended—

(A) by striking out "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period";

(B) by striking out "first" before "concurrent resolution on the budget" in the matter following paragraph (4);

(C) by inserting "referred to in section 301" after "concurrent resolution on the budget" in the matter following paragraph (4);

(D) by striking out "year" in the matter following paragraph (4) and inserting in lieu thereof "period"; and

(E) by striking out "pursuant to section 301" in the matter following paragraph (4).

(4) Section 303(b) of such Act is amended by striking out "fiscal year" each place it appears in paragraphs (1) and (2) and inserting in lieu thereof "two-year fiscal period".

(h) Section 304 of such Act is amended—

(1) by striking out "first" before "concurrent resolution on the budget";

(2) by inserting "referred to in section 301" after "concurrent resolution on the budget";

(3) by striking out "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period";

(4) by striking out "pursuant to section 301" after "has been agreed to"; and

(5) by striking out "most recently agreed to" and inserting in lieu thereof "if the concurrent resolution on the budget making such revisions, and any conference report thereon, is agreed to by a rollcall vote of two-thirds of the Members of the Senate and the House of Representatives duly chosen and sworn".

(i)(1) Section 305(a)(3) of such Act is amended—

(A) by striking out "first" before "concurrent resolution on the budget";

(B) by inserting "referred to in section 301(a)" after "concurrent resolution on the budget"; and

(C) by striking out "fiscal year" and inserting in lieu thereof "two-year fiscal period".

(2) Section 305(b) of such Act is amended—

(A) by striking out ", except that, with respect to the second required concurrent resolution referred to in section 310(a), all such debate shall be limited to not more than 15 hours" in paragraph (1);

(B) by striking out "first" before "concurrent resolution on the budget" in paragraph (3);

(C) by inserting "referred to in section 301(a)" after "concurrent resolution on the budget" in such paragraph; and

(D) by striking out "fiscal year" in such paragraph and inserting in lieu thereof "two-year fiscal period".

(j)(1) Section 307 of such Act is amended to read as follows:

"OMNIBUS APPROPRIATION BILL REQUIRED

"SEC. 307. (a) POINT OF ORDER.—Except as provided in subsection (c), it shall not be in order in the House of Representatives or the Senate to consider any bill or resolution providing new budget authority for a two-year fiscal period other than an omnibus appropriation bill.

"(b) DEADLINES.—(1) The Committee on Appropriations of the House of Representatives shall report to the House of Representatives an omnibus appropriation bill for a two-year fiscal period by June 15 of the year preceding the year in which such period begins.

"(2) The House of Representatives shall pass an omnibus appropriation bill for a two-year fiscal period by July 31 of the year preceding the year in which such period begins.

"(3) The Committee on Appropriations of the Senate shall report to the Senate an omnibus appropriation bill for a two-year fiscal period by the seventh day after Labor Day of the year preceding the year in which such period begins.

"(4) The Senate shall pass an omnibus appropriation bill for a two-year fiscal period by September 30 of the year preceding the year in which such period begins.

"(5) Congress shall complete action on an omnibus appropriation bill for a two-year fiscal period by October 15 of the year preceding the year in which such period begins.

"(c) SUPPLEMENTAL APPROPRIATION BILL PERMITTED.—It shall be in order in the House of Representatives or the Senate to consider a supplemental appropriation bill for a two-year fiscal period at any time after the Congress adopts a concurrent resolution on the budget pursuant to section 304 which revises the concurrent resolution on the budget agreed to pursuant to section 301 for such two-year fiscal period, or the most recently agreed to concurrent resolution on the budget for such two-year fiscal period, as the case may be.

"(d) AMENDMENTS.—It shall not be in order in the House of Representatives or the Senate to consider any amendment providing new budget authority for a two-year fiscal period unless such amendment is an amendment to an omnibus appropriation bill or a supplemental appropriation bill.".

(2) The item relating to section 307 in the table of contents in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended to read as follows:

"SEC. 307. Omnibus appropriation bill required.".

(k)(1) Section 308(a) of the Congressional Budget Act of 1974 is amended—

(A) by inserting "to its House an omnibus appropriation bill, a supplemental appropriation bill, or" after "either House reports" in the matter preceding paragraph (1);

(B) by striking out "to its House" after "a bill or resolution" in the matter preceding paragraph (1);

(C) by striking out "new budget authority (other than continuing appropriations) or" before "new or increased tax expenditures" in the matter preceding paragraph (1);

(D) by striking out "fiscal year" in the matter preceding paragraph (1) and inserting in lieu thereof "two-year fiscal period";

(E) by striking out "a bill or resolution providing new budget authority" in paragraph (1) and inserting in lieu thereof "an omnibus appropriation bill or a supplemental appropriation bill";

(F) by striking out "or resolution" in paragraph (1)(A);

(G) by striking out "fiscal year" in paragraph (1)(A) and inserting in lieu thereof "two-year fiscal period";

(H) by inserting a comma after "a projection" in paragraph (1)(B);

(I) by striking out "5 fiscal" in paragraph (1)(B) and inserting in lieu thereof "6";

(J) by striking out "such fiscal year" in paragraph (1)(B) and inserting in lieu thereof "the first year in such two-year fiscal period,";

(K) by striking out "or resolution" in paragraph (1)(B);

(L) by striking out "each fiscal year in such period" in paragraph (1)(B) and inserting in lieu thereof "each two-year fiscal period in such 6-year period";

(M) by striking out "or resolution" in paragraph (1)(C);

(N) by striking out "fiscal year" in paragraph (2)(A) and inserting in lieu thereof "two-year fiscal period";

(O) by striking out "such year" in paragraph (2)(A) and inserting in lieu thereof "such period";

(P) by inserting a comma after "a projection" in paragraph (2)(B);

(Q) by striking out "5 fiscal" in paragraph (2)(B) and inserting in lieu thereof "6";

(R) by striking out "such fiscal year" in paragraph (2)(B) and inserting in lieu thereof "the first year in such two-year fiscal period,";

(S) by striking out "each fiscal year in such period" in paragraph (2)(B) and inserting in lieu thereof "each two-year fiscal period in such 6-year period"; and

(T) by striking out "fiscal year" each place it appears in the last sentence and inserting in lieu thereof "two-year fiscal period".

(2) Section 308(b) of such Act is amended—

(A) by striking out "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period"; and

(B) by striking out "such year" each place it appears and inserting in lieu thereof "such period".

(3) Section 308(c) of such Act is amended—

(A) by striking out "FIVE-YEAR" in the subsection heading and inserting in lieu thereof "SIX-YEAR";

(B) by striking out "each fiscal year" in the matter preceding paragraph (1) and inserting in lieu thereof "each two-year fiscal period";

(C) by striking out "5 fiscal years beginning with such fiscal year" in the matter preceding paragraph (1) and inserting in lieu thereof "6 years beginning with the first year in such two-year fiscal period";

(D) by striking out "each fiscal year" each place it appears in paragraphs (1), (2), and (3) and inserting in lieu thereof "each two-year fiscal period"; and

(E) by striking out "such period" each place it appears in paragraphs (1), (2), and (3) and inserting in lieu thereof "such 6-year period".

(l)(1) Section 309 of such Act is amended to read as follows:

"COMPLETION OF ACTION ON BILLS PROVIDING CERTAIN NEW SPENDING AUTHORITY

"SEC. 309. Except as otherwise provided pursuant to this title, not later than September 30 of each odd-numbered year, the Congress shall complete action on all bills and resolutions providing new spending authority described in section 401(c)(2)(C) which is to become effective during the two-year fiscal period beginning on January 1 of the succeeding year.".

(2) The item relating to section 309 in the table of contents in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended to read as follows:

"Sec. 309. Completion of action on bills providing certain new spending authority.".

(m)(1)(A) The section heading of section 310 of the Congressional Budget Act of 1974 is amended by striking out "SECOND REQUIRED CONCURRENT RESOLUTION AND".

(B) The item relating to section 310 in the table of contents in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking out "SECOND REQUIRED CONCURRENT RESOLUTION AND RECONCILIATION" and inserting in lieu thereof "RECONCILIATION".

(2) Section 310(a) of the Congressional Budget Act of 1974 is amended—

(A) by striking out the matter preceding paragraph (1) and inserting in lieu thereof the following:

"SEC. 310. (a) REPORTING OF CONCURRENT RESOLUTION.—At any time after the concurrent resolution on the budget referred to in section 301 for a two-year fiscal period has been agreed to, and before the end of such two-year fiscal period, the Congress may adopt a concurrent resolution for such two-year fiscal period which shall, to the extent necessary—";

(B) by striking out "such fiscal year" each place it appears in paragraph (1) and inserting in lieu thereof "such two-year fiscal period"; and

(C) by inserting "or prior two-year fiscal periods, as the case may be" before the semicolon in paragraph (1)(B).

(3) Section 310 of such Act is amended by striking out subsection (b) and by redesignating subsections (c) through (f) as subsections (b) through (e), respectively.

(4) Section 310(c) of such Act (as redesignated by paragraph (3) of this subsection) is amended—

(A) by striking out "subsection (c)" and inserting in lieu thereof "subsection (b)"; and

(B) by striking out "September 25 of each year" and inserting in lieu thereof "60 days after the date on which the concurrent resolution referred to in subsection (a) is agreed to".

(5) Section 310(d) of such Act (as redesignated by paragraph (3) of this subsection) is amended—

(A) by inserting "concurrent resolutions referred to in subsection (a)," after "consideration in the Senate of" in paragraph (1);

(B) by inserting a comma after "reconciliation bills" in such paragraph; and

(C) by striking out "subsection (c)" each place it appears in paragraphs (1) and (2) and inserting in lieu thereof "subsection (b)".

(6) Section 310(e) of such Act (as redesignated by paragraph (3) of this subsection) is amended—

(A) by striking out "the concurrent resolution on the budget required to be reported under subsection (a) for the fiscal year beginning on October 1 of such year, and, if a" and inserting in lieu thereof "any";

(B) by striking out "is" before "required to be reported"; and

(C) by striking out "subsection (c) for such fiscal year, unless the Congress has completed action on that bill or resolution, or both" and inserting in lieu thereof "subsection (b) for a two-year fiscal period".

(n)(1) Section 311(a) of such Act is amended—

(A) by striking out "section 310(a) for a fiscal year" and inserting in lieu thereof "section 301(a) for a two-year fiscal period";

(B) by striking out "section 310(c)" and inserting in lieu thereof "section 310(b)";

(C) by striking out "any bill, resolution, or amendment providing additional new budget authority for such fiscal year," and inserting in lieu thereof "any omnibus appropriation bill or supplemental appropriation bill for a two-year fiscal period or any amendment thereto, any bill or resolution";

(D) by inserting "any bill or resolution" before "reducing revenues"; and

(E) by striking out "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period".

(2) Section 311 of such Act is further amended—

(A) by redesignating subsection (b) as subsection (c) and in such subsection—

(i) by striking out "subsection (a)" and inserting in lieu thereof "subsections (a) and (b)"; and

(ii) by striking out "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period"; and

(B) by inserting after subsection (a) the following new subsection:

"(b) Enrollment Prohibited.—No omnibus appropriation bill for a two-year fiscal period, supplemental appropriation bill for such a period, or bill or resolution providing new spending authority described in section 401(c)(2)(C) for such a period shall be enrolled if the amount of new budget authority or new spending authority described in section 401(c)(2)(C) provided in that bill or resolution would cause the appropriate level of total new budget authority or total budget outlays set forth in the most recently agreed to concurrent resolution on the budget for such two-year fiscal period to be exceeded.".

(o)(1) Section 401(a) of such Act is amended by striking out "fiscal year" and inserting in lieu thereof "two-year fiscal period".

(2) Section 401(b) of such Act is amended—

(A) by striking out "fiscal year" each place it appears in paragraphs (1) and (2) and inserting in lieu thereof "two-year fiscal period"; and

(B) by striking out "during the calendar year in" in paragraph (1) and inserting in lieu thereof "after the date on".

(p) Section 402(a) of such Act is amended—

(1) by striking out "preceding the beginning of such fiscal year" and inserting in lieu thereof "of the odd-numbered year preceding the year in which such two-year fiscal period begins"; and

(2) by striking out "fiscal year" and inserting in lieu thereof "two-year fiscal period".

(q) Section 403(a) of such Act is amended—

(1) by striking out "fiscal year in which it is to become effective and in each of the 4 fiscal years following such fiscal year" in paragraph (1) and inserting in lieu thereof "two-year fiscal period in which it is to become effective and in the two succeeding two-year fiscal periods";

(2) by striking out "fiscal year" the first place it appears in paragraph (2) and inserting in lieu thereof "two-year fiscal period"; and

(3) by striking out "four fiscal years following such fiscal year" in such paragraph and inserting in lieu thereof "two succeeding two-year fiscal periods".

(r)(1) Section 605(a) of such Act is amended—

(A) by striking out "On or before November 10 of each year (beginning with 1975)," in the first sentence and inserting in lieu thereof "At the time the President submits the Budget for a two-year fiscal period under section 201(a) of the Budget and Accounting Act, 1921 (beginning with the Budget submitted for the two-year fiscal period beginning on January 1, 1984),";

(B) by inserting "a statement of" before "the estimated outlays" in the first sentence;

(C) by striking out "the Budget to be submitted pursuant to section 201 of the Budget and Accounting Act, 1921, for the ensuing fiscal year" in the first sentence and inserting in lieu thereof "such Budget for such two-year fiscal period";

(D) by striking out "ensuing fiscal year" in the first sentence and inserting in lieu thereof "two-year fiscal period";

(E) by inserting "or the two-year fiscal period in progress, as the case may be," before "and without policy changes" in the first sentence;

(F) by inserting "statement of" before "estimated outlays and proposed budget authority" in the second sentence;

(G) by striking out "these estimates" in the third sentence and inserting in lieu thereof "such statement"; and

(H) by inserting "included in such statement" after "estimated outlays and proposed budget authority" in the third sentence.

(2) Section 605(b) of such Act is amended—

(A) by inserting "statement of" before "estimated outlays and proposed budget authority"; and

(B) by striking out "December 31 of each year" and inserting in lieu thereof "March 31 of each odd-numbered year".

(s)(1) Section 607 of such Act is amended—

(A) by striking out "fiscal year (beginning with the fiscal year commencing October 1, 1976)" and inserting in lieu thereof "two-year fiscal period (beginning with the two-year fiscal period commencing January 1, 1984)";

(B) by striking out "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period";

(C) by striking out "May 15 of the year" and inserting in lieu thereof "May 15 of the even-numbered year"; and

(D) by striking out "fiscal years" and inserting in lieu thereof "two-year fiscal periods".

(2) The section heading for section 607 of such Act is amended by striking out "YEAR-AHEAD" and inserting in lieu thereof "ADVANCE".

(3) The table of contents in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking out "Year-ahead" and inserting in lieu thereof "Advance".

(t) Section 904(b) of the Congressional Budget Act of 1974 is amended by striking out "title III or IV" and inserting in lieu thereof "title III (except section 304 or section 311(b)) or title IV".

(u)(1) Section 1012(a) of the Impoundment Control Act of 1974 is amended by striking out "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period".

(2) The last sentence of section 1013(a) of such Act is amended by striking out "fiscal year" and inserting in lieu thereof "two-year fiscal period".

(3) Section 1014(e) of such Act is amended by striking out "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period".

(v) Paragraph 8(b) of Rule XXVI of the Standing Rules of the Senate is amended by striking out "March 31" and inserting in lieu thereof "January 2".

(w)(1) Clause 1(b)(4) of Rule X of the Rules of the House of Representatives is amended by striking out "fiscal year" and inserting in lieu thereof "two-year fiscal period".

(2) Clause 4(a)(1)(A) of Rule X of the Rules of the House of Representatives is amended by inserting "odd-numbered" after "each".

(3) Clause 4(a)(2) of Rule X of the Rules of the House of Representatives is amended by striking out "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period".

(4) Clause 4(b)(2) of Rule X of the Rules of the House of Representatives is amended—

(A) by striking out "first"; and

(B) by striking out "fiscal year" and inserting in lieu thereof "two-year fiscal period".

(5) Clause 4(f) of Rule X of the Rules of the House of Representatives is amended by striking out "annually" each place it appears and inserting in lieu thereof "biennially".

(6) Clause 4(g) of Rule X of the Rules of the House of Representatives is amended—

(A) by striking out "March 15 of each year" and inserting in lieu thereof "March 31 of each odd-numbered year"; and

(B) by striking out "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period".

(7) Clause 4(h) of Rule X of the Rules of the House of Representatives is amended by striking out "fiscal year" and inserting in lieu thereof "two-year fiscal period".

(8) Clause 2(l)(1)(C) of Rule XI of the Rules of the House of Representatives is repealed.

(9) Clause 4(a) of Rule XI of the Rules of the House of Representatives is amended by striking out "on general appropriations bills and on joint resolutions continuing appropriations for a fiscal year if reported after September 15 preceding the beginning of such fiscal year" and inserting in lieu thereof "on omnibus appropriation bills and supplemental appropriation bills".

(10) Clause 1 of Rule XLIX of the Rules of the House of Representatives is amended—

(A) by striking out the comma after "301" and inserting in lieu thereof "or"; and

(B) by striking out ", or 310".

(11) Clause 2 of Rule XLIX of the Rules of the House of Representatives is amended by striking out "fiscal year" and inserting in lieu thereof "two-year fiscal period".

SUBMISSION OF PRESIDENT'S BUDGET

SEC. 4. (a) Section 2 of the Budget and Accounting Act, 1921 (31 U.S.C. 2) is amended by adding at the end thereof the following new item:

"The term 'two-year fiscal period' shall have the meaning given to such term in paragraph (6) of section 3 of the Congressional Budget Act of 1974.".

(b)(1) Section 201(a) of such Act is amended—

(A) by striking out "each regular session" in the matter preceding paragraph (1) and inserting in lieu thereof "the first regular session of each Congress";

(B) by inserting "for the two-year fiscal period beginning on January 1 of the succeeding year" after "the Budget" in the matter preceding paragraph (1);

(C) by striking out "fiscal year and projections for the four fiscal years immediately following the ensuing fiscal year" in paragraph (5) and inserting in lieu thereof "two-year fiscal period and projections for the first two two-year fiscal periods immediately following such two-year fiscal period";

(D) by striking out "each year" in paragraph (5) and inserting in lieu thereof "each even-numbered year";

(E) by striking out "fiscal year and projections for the four fiscal years immediately following the ensuing fiscal year" in paragraph (6) and inserting in lieu thereof "two-year fiscal period and projections for the first two two-year fiscal periods immediately following such two-year fiscal period";

(F) by inserting "or the last completed two-year fiscal period, as the case may be" before the semicolon in paragraph (7);

(G) by inserting "or the two-year fiscal period in progress, as the case may be" before the semicolon in paragraph (8);

(H) by inserting "or the last completed two-year fiscal period, as the case may be" after "last completed fiscal year" in clause (1) of paragraph (9);

(I) by inserting "or at the end of the two-year fiscal period in progress, as the case may be" after "the fiscal year in progress" in clause (2) of paragraph (9);

(J) by striking out "ensuing fiscal year" in clause (3) of paragraph (9) and inserting in lieu thereof "ensuing two-year fiscal period";

(K) by striking out "fiscal year" in subparagraph (A) of paragraph (12) and inserting in lieu thereof "two-year fiscal period";

(L) by striking out "four fiscal years, immediately following that ensuing fiscal year" in subparagraph (B) of paragraph (12) and inserting in lieu thereof "first two two-year fiscal periods following such two-year fiscal period"; and

(M) by striking out "fiscal year" each place it appears in paragraph (13) and inserting in lieu thereof "two-year fiscal period".

(2) Section 201(b) of such Act is amended—

(A) by striking out "July 15 of each year" in the matter preceding paragraph (1) and inserting in lieu thereof "July 15 of each odd-numbered year";

(B) by striking out "fiscal year" in the matter preceding paragraph (1) and inserting in lieu thereof "two-year fiscal period"; and

(C) by striking out "fiscal year" each place it appears in paragraphs (1) and (3) and inserting in lieu thereof "two-year fiscal period".

(3) Section 201(c) of such Act is amended—

(A) by striking out "July 15 of each year" in the matter preceding paragraph (1) and inserting in lieu thereof "July 15 of each odd-numbered year";

(B) by striking out "four fiscal years following the ensuing fiscal year" in paragraph (1) and inserting in lieu thereof "two two-year fiscal periods following the ensuing two-year fiscal period"; and

(C) by striking out "fiscal years following such ensuing fiscal year" in paragraph (2) and inserting in lieu thereof "two-year fiscal periods following such ensuing two-year fiscal period".

(4) Section 201(d) of such Act is amended by striking out "fiscal year" and inserting in lieu thereof "two-year fiscal period".

(5) Section 201(e) of such Act is amended by striking out "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period".

(6) Section 201(f) of such Act is amended—

(A) by striking out "fiscal year" in the matter preceding paragraph (1) and inserting in lieu thereof "two-year fiscal period";

(B) by inserting "or the last completed two-year fiscal period, as the case may be" after "last completed fiscal year" in paragraph (1);

(C) by inserting "or two-year fiscal period, as the case may be" before the semicolon in such paragraph;

(D) by inserting "or the last completed two-year fiscal period, as the case may be" after "last completed fiscal year" in paragraph (2);

(E) by inserting "or such period, as the case may be" after "received during such year" in such paragraph;

(F) by inserting "or such period, as the case may be," before the semicolon in such paragraph;

(G) by inserting "or such two-year fiscal period, as the case may be," after "such fiscal year" the first place it appears in paragraph (3); and

(H) by inserting "or such two-year fiscal period as the case may be" before the period in such paragraph.

(7) Section 201(g) of such Act is amended—

(A) by inserting "(1)" before "The" in the first sentence;

(B) by striking out "April 10 and July 15 of each year" in the first sentence and inserting in lieu thereof "July 15 of each odd-numbered year";

(C) by striking out "fiscal year" in the first sentence and inserting in lieu thereof "two-year fiscal period";

(D) by striking out "transmitted on or before July 15 of any year" in the third sentence and inserting in lieu thereof "required under this subsection";

(E) by striking out "any fiscal year" in the last sentence and inserting in lieu thereof "any two-year fiscal period";

(F) by inserting "or the two-year fiscal period, as the case may be," before "in progress" in the last sentence; and

(G) by inserting after paragraph (1) (as redesignated by paragraph (1) of this subsection) the following new paragraph:

"(2) On January 15 and July 15 of each even-numbered year, the President shall submit to the Congress a revision of the statement required by paragraph (1) with respect to the fiscal year in progress.".

(8) Section 201(h) of such Act is amended by striking out "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period".

(9) Section 201(i) of such Act is amended by striking out "fiscal year, beginning with the fiscal year ending September 30, 1979," and inserting in lieu thereof "two-year fiscal period, beginning with the two-year fiscal period ending December 31, 1985,".

(10) Section 201 of such Act is further amended by adding at the end thereof the following new subsection:

"(k) Notwithstanding any other provision of law, the President shall include in the Budget submitted under subsection (a) proposed budget authority, direct loans, and commitments to guarantee loan principal, and estimates of outlays and receipts for all activities of all departments, establishments, and instrumentalities of the Federal Government, except Government-sponsored corporations to the extent financed by wholly private funds.".

(c) Section 202 of such Act (31 U.S.C. 13) is amended—

(1) by striking out "ensuing fiscal year" each place it appears and inserting in lieu thereof "ensuing two-year fiscal period"; and

(2) by inserting "or the two-year fiscal period in progress, as the case may be," after "progress,".

(d) Section 203 of such Act (31 U.S.C. 14) is amended by striking out "or deficiency" each place it appears.

(e) Section 204(b) of such Act (31 U.S.C. 581(b)) is amended by striking out "or deficiency".

(f) Section 207 of such Act (31 U.S.C. 16) is amended by striking out "or deficiency".

(g) Section 214 of such Act (31 U.S.C. 22) is amended—

(1) by striking out "in each year" and inserting in lieu thereof "for each two-year fiscal period";

(2) by striking out the comma after "regular" and inserting in lieu thereof "or"; and

(3) by striking out ", or deficiency".

(h) Section 216(a) of such Act (31 U.S.C. 24(a)) is amended—

(1) by striking out the comma after "regular" and inserting in lieu thereof "or"; and

(2) by striking out ", or deficiency".

(i) Section 304 of the Department of Commerce Appropriation Act, 1963 (31 U.S.C. 25) is amended by striking out "fiscal year 1964 and each succeeding year" and inserting in lieu thereof "the two-year fiscal period beginning on January 1, 1984, and each succeeding two-year fiscal period".

(j) Section 102 of the District of Columbia Revenue Act of 1970 (31 U.S.C. 26) is amended—

(1) by striking out the comma after "regular" and inserting in lieu thereof "and"; and

(2) by striking out ", and deficiency".

(k) Section 318(a) of the Department of Transportation and Related Agencies Appropriation Act, 1982 (31 U.S.C. 28(a)) is amended by striking out "annually" and inserting in lieu thereof "biennially".

(l) Section 3670 of the Revised Statutes (31 U.S.C. 624) is amended—

(1) by striking out "annual";

(2) by inserting "for a two-year fiscal period" after "service" the first place it appears; and

(3) by striking out "year" and inserting in lieu thereof "period".

CONVERSION TO BIENNIAL FISCAL PERIOD

SEC. 5. (a)(1) Section 237(a) of the Revised Statutes (31 U.S.C. 1020(a)) is amended to read as follows:

"(a) In all matters of accounts, receipts, expenditures, estimates, and appropriations—

"(1) there shall be, through September 30, 1983, a fiscal year of the United States commencing on October 1 of each year and ending on September 30 of the following year; and

"(2) there shall be, beginning on January 1, 1984, a two-year fiscal period of the United States beginning on January 1 of each even-numbered year and ending on December 31 of the succeeding odd-numbered year.".

(2) Section 237(b) of the Revised Statutes (31 U.S.C. 1020(b)) is amended by inserting "or each two-year fiscal period, as the case may be," after "fiscal year".

(b) Section 504 of the Congressional Budget Act of 1974 (31 U.S.C. 1020a) is amended—

(1) by striking out "thereafter" in the third sentence and inserting in lieu thereof "through the fiscal year 1984"; and

(2) by adding at the end thereof: "Any law providing for an authorization of appropriations for the fiscal year 1984 or any fiscal year thereafter shall be construed as referring to the one-year period—

(A) which is within a two-year fiscal period; and

(B) which begins on January 1 of the calendar year having the same calendar year number as such fiscal year number and ending on December 31 of such calendar year.".

(c) Section 118(b)(2) of the Second Supplemental Appropriations Act, 1976 (31 U.S.C. 1020-1) is amended to read as follows:

"(2) Effective January 1, 1984, any provision of law with respect to the Senate which contains an October 1 date which relates to the beginning of a fiscal year shall be treated as referring to January 1 of the succeeding calendar year within a two-year fiscal period, and any provision of law with respect to the Senate which contains a September 30 date which relates to the end of a fiscal year shall be treated as referring to December 31 of the same calendar year within a two-year fiscal period.".

(d)(1) Section 105 of title 1, United States Code, is amended—

(A) by striking out "year ending September 30" and inserting in lieu thereof "two-year fiscal period ending December 31"; and

(B) by striking out "calendar year" and inserting in lieu thereof "odd-numbered year in which the two-year fiscal period ends".

(2) The provisions of paragraph (1) of this subsection shall be effective with respect to Acts making appropriations for the support of the Government for any two-year fiscal period commencing on or after January 1, 1984.

(e) As soon as practicable, the President shall prepare and submit to the Congress—

(1) after consultation with the Committees on Appropriations of the House of Representatives and the Senate, budget estimates for the United States Government for the period commencing October 1, 1983, and ending on December 31, 1983, in such form and detail as he may determine; and

(2) proposed legislation he considers appropriate with respect to changes in law necessary to provide authorizations of appropriations for that period.

(f) The Director of the Office of Management and Budget shall provide by regulation, order, or otherwise for the orderly transition by all departments, agencies, and instrumentalities of the United States Government and the government of the District of Columbia from the use of the fiscal year in effect on the date of enactment of this Act to the use of the new two-year fiscal period prescribed by section 237(a)(2) of the Revised Statutes. The Director shall prepare and submit to the Congress such additional proposed legislation as he considers necessary to accomplish this objective.

ACCOUNTING PROCEDURES

SEC. 6. (a) Subsection (a) of section 3 of the Act entitled "An Act to authorize the collection of indebtedness of military and civilian personnel resulting from erroneous payments, and for other purposes", approved July 15, 1954 (31 U.S.C. 581d) is amended by striking out "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period".

(b) The first section of Public Law 89-473 (31 U.S.C. 628a) is amended by striking out "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period".

(c) Section 40 of the Act of August 10, 1956 (70A Stat. 636, chapter 1041; 31 U.S.C. 649c) is amended by striking out "period of two successive fiscal years" and inserting in lieu thereof "two-year fiscal period".

(d) Section 1 of the Act entitled "An Act making appropriations for the support of the Army for the fiscal year ending June thirtieth, nineteen hundred and sixteen", approved March 4, 1915 (38 Stat. 1079; 31 U.S.C. 654) is amended by striking out "years" and inserting in lieu thereof "two-year fiscal periods".

(e) Section 3679 of the Revised Statutes (31 U.S.C. 665) is amended—

(1) by striking out "deficiency or" in paragraph (1) of subsection (c);

(2) by striking out "fiscal year" each place it appears in subsection (d) and inserting in lieu thereof "two-year fiscal period"; and

(3) by striking out "deficiency or" each place it appears in subsection (e).

(f) Section 210 of the General Government Matters Appropriation Act, 1958 (31 U.S.C. 665a) is amended by striking out "or deficiency".

(g) The Act entitled "An Act to simplify accounting", approved April 27, 1937 (31 U.S.C. 668a) is amended by inserting ", two-year fiscal period," after "year".

(h) Section 6 of the Act of August 23, 1912 (37 Stat. 414, chapter 350; 31 U.S.C. 669) is amended—

(1) by striking out "fiscal year" each place it occurs and inserting in lieu thereof "two-year fiscal period"; and

(2) by striking out "year" each place it occurs and inserting in lieu thereof "period".

(i)(1) Subsection (b)(1) of the first section of the Act entitled "An Act to simplify accounting, facilitate the payment of obligations, and for other purposes", approved July 25, 1956, as amended (31 U.S.C. 701), is amended—

(A) by striking out "and" at the end of subparagraph (A);

(B) by inserting "and ending before October 1, 1983," after "October 1, 1976," in subparagraph (B);

(C) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof a semicolon and "and"; and

(D) by adding at the end thereof the following new subparagraph:

"(C) for the period commencing on October 1, 1983, and ending on December 31, 1983, and for any two-year fiscal period commencing on or after January 1, 1984, on December 31 of the two-year fiscal period following that period or the two-year fiscal period or periods, as the case may be, for which the appropriation is available for obligation.".

(2) Subsection (b)(2) of such Act is amended—

(A) by striking out "and" at the end of subparagraph (A);

(B) by inserting "and ending before October 1, 1983," after "October 1, 1976," in subparagraph (B);

(C) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof a semicolon and "and"; and

(D) by adding at the end thereof the following:

"(C) for the period commencing on October 1, 1983, and ending on December 31, 1983, and for any two-year fiscal period commencing on or after January 1, 1984, not later than November 15 of the year following such period or November 15 of the first even-numbered year following the end of such two-year fiscal period, as the case may be, in which the period of availability for obligation expires.".

(j) Subsection (a) of section 3 of the Act entitled "An Act to simplify accounting, facilitate the payment of obligations, and for other purposes", approved July 25, 1956 (31 U.S.C. 703) is amended—

(1) by striking out "fiscal" each place it appears; and

(2) by striking out "September 30" each place it appears and inserting in lieu thereof "December 31".

(k) Section 5 of the Act entitled "An Act to simplify accounting, facilitate the payment of obligations, and for other purposes", approved July 25, 1956 (31 U.S.C. 705) is amended—

(1) by striking out "second full fiscal year" and inserting in lieu thereof "two-year fiscal period"; and

(2) by striking out "fiscal year or years" and inserting in lieu thereof "two-year fiscal period or periods".

(l) Section 6 of the Act entitled "An Act to simplify accounting, facilitate the payment of obligations, and for other purposes", approved July 25, 1956 (31 U.S.C. 706) is amended by striking out "two full consecutive fiscal years" and inserting in lieu thereof "a full two-year fiscal period".

(m) The first section of the Surplus Fund-Certified Claims Act of 1949 (31 U.S.C. 712a) is amended—

(1) by inserting "(a)" after "That";

(2) by striking out "the annual appropriation bills" and inserting in lieu thereof "an omnibus appropriation bill";

(3) by striking out "fiscal year" and inserting in lieu thereof "two-year fiscal period";

(4) by striking out "year" each place it appears and inserting in lieu thereof "period"; and

(5) by adding at the end thereof the following new subsection:

"(b) For purposes of this section—

"(1) The term 'omnibus appropriation bill' has the meaning given to such term in section 3(7) of the Congressional Budget Act of 1974.

"(2) The term 'two-year fiscal period' has the meaning given to such term in section 3(6) of the Congressional Budget Act of 1974.".

(n) Section 7 of the Act of August 24, 1912 (37 Stat. 487, chapter 355; 31 U.S.C. 718) is amended—

(1) by striking out "regular annual"; and

(2) by striking out "fiscal year" each place it appears and inserting in lieu thereof "two-year fiscal period".

(o) Section 1415 of the Supplemental Appropriation Act, 1953 (31 U.S.C. 724), is amended by striking out "annually" and inserting in lieu thereof "biennially".

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 7. (a) Section 2(a) of the Permanent Appropriation Repeal Act, 1934 (31 U.S.C. 725a(a)), is amended—

(1) by striking out "Effective July 1, 1935, the" and inserting in lieu thereof "The"; and

(2) by striking out "annual" and inserting in lieu thereof "biennial".

(b) Section 4 of the Permanent Appropriation Repeal Act, 1934 (31 U.S.C. 725c), is amended—

(1) by striking out "Effective July 1, 1935, all" and inserting in lieu thereof "All";

(2) by striking out "annually" and inserting in lieu thereof "biennially";

(3) by striking out "one fiscal year" and inserting in lieu thereof "two-year fiscal period"; and

(4) by striking out "following fiscal year" and inserting in lieu thereof "following two-year fiscal period".

(c) Section 9 of the Permanent Appropriation Repeal Act, 1934 (31 U.S.C. 725h), is amended by striking out "fiscal year 1936 annual" and inserting in lieu thereof "two-year fiscal period beginning on January 1, 1984, biennial".

(d) Section 11 of the Permanent Appropriation Repeal Act, 1934 (31 U.S.C. 725j), is amended—

(1) by striking out "fiscal year 1936" and inserting in lieu thereof "two-year fiscal period beginning on January 1, 1984,"; and

(2) by striking out "annually" and inserting in lieu thereof "biennially".

(e) Section 17(a) of the Permanent Appropriation Repeal Act, 1934 (31 U.S.C. 725p(a)), is amended—

(1) by striking out "Effective July 1, 1935, the" and inserting in lieu thereof "The";

(2) by striking out "annually" and inserting in lieu thereof "biennially"; and

(3) by striking out "annual" and inserting in lieu thereof "biennial".

(f) Section 18(a) of the Permanent Appropriation Repeal Act, 1934 (31 U.S.C. 725q(a)), is amended by striking out "annual" and inserting in lieu thereof "biennial".

(g) Section 20(a) of the Permanent Appropriation Repeal Act, 1934 (31 U.S.C. 725s(a)), is amended—

(1) by striking out ", effective July 1, 1935,";

(2) by striking out "annually" and inserting in lieu thereof "biennially"; and

(3) by striking out "September 30" and inserting in lieu thereof "December 31".

(h) Section 3 of the Act of August 7, 1946 (60 Stat. 895, chapter 802; 31 U.S.C. 725s-3) is amended—

(1) by striking out "August 7, 1946" and inserting in lieu thereof "December 31, 1983"; and

(2) by striking out "annually" and inserting in lieu thereof "biennially".

(i) Section 257 of the Revised Statutes (31 U.S.C. 1027) is amended by inserting "or the two-year fiscal period, as the case may be," after "fiscal year".

(j) Section 15 of the Act of July 31, 1894 (28 Stat. 210, chapter 174; 31 U.S.C. 1029) is amended by inserting "or the last preceding two-year fiscal period, as the case may be," after "fiscal year".

(k) The first section of the Act of February 26, 1907 (34 Stat. 949, chapter 1635; 31 U.S.C. 1030) is amended—

(1) by striking out "fiscal year current" and inserting in lieu thereof "current two-year fiscal period";

(2) by striking out "fiscal year next ensuing" and inserting in lieu thereof "ensuing two-year fiscal period"; and

(3) by inserting "or preceding completed two-year fiscal period, as the case may be" after "preceding completed fiscal year".

EFFECTIVE DATE

SEC. 8. The provisions of this Act and the amendments made by this Act shall take effect on the first day of the Ninety-eighth Congress, except that the amendments made by sections 3(u), 6, and 7 of this Act shall take effect on January 1, 1984.

FISCAL YEAR 1983

SEC. 9. Notwithstanding the provisions of sections 3, 4, 5, 6, 7, and 8 of this Act and the amendments made by such sections—

(1) the provisions of the Congressional Budget and Impoundment Control Act of 1974 (as such provisions were in effect on the day before the effective date of this Act) shall apply with respect to concurrent resolutions on the budget for such fiscal year, bills and resolutions providing new budget authority or new spending authority for such fiscal year, bills and resolutions authorizing the enactment of new budget authority for such fiscal year, the rescission and deferral of budget authority for such fiscal year, and the responsibilities of the Director of the Congressional Budget Office for such fiscal year; and

(2) the provisions of the Impoundment Control Act of 1974 (as such provisions were in effect on the day before the effective date of this Act) shall apply to the rescission and deferral of budget authority for the period beginning on October 1, 1983, and ending on December 31, 1983.

BUDGET PROCESS REFORM PROPOSAL

SECTION-BY-SECTION SUMMARY

Section 1

Section 1 sets out the short title of this bill, the "Budget Reform Act of 1982."

Section 2

Statement of Purpose

Section 2 of the bill sets forth the purposes of the bill which include the following:

To establish a two-year budget process;

To improve congressional control of the budget process;

To streamline the requirements of the budget process;

To improve the legislative and budgetary processes by providing additional time for congressional oversight and other vital legislative activities;

To provide stability and coherence for recipients of Federal funds; and

To implement other improvements in the Federal budget process.

Section 3

Two Year Congressional Budget Process

Section 3 makes changes in the Congressional Budget and Impoundment Control Act of 1974 to establish the two-year process. These changes include revisions in definitions, a new timetable, a new process to consider appropriations and budget resolutions and various conforming changes.

Definitions

Title 2 of the Budget Act of 1974 is amended to make conforming changes in various reporting requirements of the Congressional Budget Office and to include definitions of several terms. Specifically, the terms two-year fiscal period, omnibus appropriation bill, and supplemental appropriation bill are defined.

Timetable

Title 3 of the Budget Act of 1974 is amended to revise the timetable. The first session would be devoted to passing a budget resolution, which would be binding for the succeeding two years and to the passage of a single omnibus appropriation bill, which would fund this same two-year period. The second session would be devoted to consideration of authorization legislation and oversight.

Calendar Year

Section 3 changes the fiscal year to a fiscal period beginning on January 1 of even-numbered years and extending for two years thereafter.

Binding Budget Resolution

Section 301 of the Budget Act is amended to provide one concurrent resolution setting forth the federal budget, to be agreed to in the first session. Amendments to Section

311 provide a point of order against any bill which sets forth spending exceeding the totals set in the budget resolution. In the event that a point of order is not successful in prohibiting the consideration of such legislation, Section 311 further prohibits enrollment. Section 301 is also amended to provide some additional flexibility among the functional spending totals which are adopted in the concurrent budget resolution.

Restrictions on Revisions of Budget Resolutions

Section 304 of the Budget Act is amended to permit revision of the concurrent budget resolution only if such revisions are agreed to by a rollcall vote of two-thirds of the membership of the House and Senate.

Omnibus Appropriation Bill

Section 307 of the Budget Act is amended to provide a process for consideration of the omnibus appropriation bill defined in Section 2. This bill would combine the thirteen regular appropriation bills into one measure, which would be considered and agreed to after the passage of the budget resolution.

Reconciliation

Section 310 of the Budget Act is amended to expressly provide for reconciliation at any time after the consideration of the concurrent resolution is passed. Other than conforming changes, no further major revisions are made in the reconciliation process.

Enforcement

Section 311 of the Budget Act is amended to provide that any bill or resolution which would cause the budget levels agreed to in the budget resolution to be exceeded would not be in order. This section is also amended to prohibit the enrollment of any such measure.

Conforming Changes

Section 3 also includes numerous changes in the Budget Act which replace the term fiscal year with two-year fiscal period and several amendments to conform to the timetable.

Section 4

Submission of President's Budget

Section 4 amends the Budget and Accounting Act of 1921 to revise the requirements for the submission of the President's budget. Specifically, this section allows the President to submit the current services budget in January, in keeping with current practice. This section further conforms the submission of the President's budget and the revisions which the president submits to the two-year fiscal period set forth in the timetable.

Off Budget Agencies

Section 4 further amends the Budget and Accounting Act of 1921 to provide for the submission of proposed spending, including proposed budget authority, direct loans and commitments to guarantee loan principal, and estimates of outlays and receipts for all activities funded by the federal government.

Section 5

Conversion to Biennial Fiscal Period

Section 5 makes additional changes to provide for a further conversion to the biennial fiscal period.

Section 6

Accounting Procedures

Section 6 makes further amendments to statutes containing various accounting procedures to conform them to the two-year fiscal period and the timetable.

Section 7

Technical and Conforming Amendments

Section 7 amends the Permanent Appropriation Repeal Act to convert such Act to a two-year fiscal period.

Section 8

Effective Date

This Section establishes the effective date of the Act as the first day of the Ninety-eighth Congress except for those Sections pertaining to the beginning of the fiscal period. The two-year fiscal period would take effect on January 1 of 1984.

Section 9

Fiscal Year 1983

This Section provides transition provisions for fiscal year 1983 with respect to the Impoundment Control Act.

By Mr. DODD:

S. 2630. A bill to amend the Budget and Accounting Act, 1921, to require the President's budget to separately identify and summarize the capital investment expenditures of the United States, to amend the Housing and Urban Development Act of 1970, to require the Secretary of Housing and Urban Development to conduct an inventory and assessment of the Nation's public facilities, and for other purposes; to the Committee on Governmental Affairs.

FEDERAL CAPITAL INVESTMENT BUDGET ACT OF 1982

● Mr. DODD. Mr. President, I am introducing today legislation to establish a Federal capital investment budget. This legislation is being introduced in the House of Representatives by WILLIAM CLINGER, BOB EDGAR, and others, including Congresswoman BARBARA KENNELLY of Connecticut. I want to particularly commend Congressman CLINGER who, on behalf of the House Wednesday Group, has taken the lead in the development of this legislation. In addition, the Congressional Northeast-Midwest Coalition, under the very able leadership of BOB EDGAR, has done much to not only influence the terms of the bill, but also raise the awareness of the Congress and the public and private sectors to the serious crisis represented by the deterioration of the Nation's inventory of basic public facilities.

My direct involvement in this issue traces back to September 23, 1981, when I introduced legislation to establish a national public investment requirements analysis (S. 1658). This analysis would provide an inventory and needs assessments relative to the conditions of existing or required public facility investment. The bill being introduced today incorporates this concept of an inventory and assessment, although in slightly different form. This new proposal goes farther than my earlier bill by including provisions which require the separate identification in the Federal budget of those expenditures which may be classified as public infrastructure investments. The combination of the inventory and needs assessment with the changes in Federal budget presentation should provide a basis for the Congress to prioritize Federal funding and program actions in a more efficient and cost-effective manner in concert with the actions of other governmental entities and the private sector. Although my earlier bill did not include this capital budgeting requirement, I believe this element should be part of the congressional consideration of a much needed complete response to this pressing national issue. Given the likelihood of continuing limited public resources for these activities, this budgetary component, in addition to the other valuable information which will be generated, should help us target these funds in the context of an overall national public investment strategy.

The Federal Capital Investment Budget Act of 1982 seeks to develop a rational and systematic procedure for making investment decisions in Nation's infrastructure—the roads, bridges, schools, hospitals, water and sewer systems which are the life-support networks of any community. The purpose of this legislation is to provide basic information on capital infrastructure: To determine what are our current capital assets; what it will cost to provide needed public services; what are appropriate responsibilities for Federal, State, and local government; and how best to establish priorities for allocating limited infrastructure financing dollars.

The legislation we are introducing today would accomplish these goals in two steps. First, it requires a needs assessment to determine the condition of existing capital plant and longer term infrastructure needs. Second, the bill institutes a capital budgeting process to provide the procedural mechanism for making orderly investment decisions. Specifically, the Federal Capital Investment Budget Act would require the Department of Housing and Urban Development (HUD) to undertake an annual inventory of the Nation's capital facilities and to provide an assessment of its current physical condition. This bill would amend the Budget and Accounting Act of 1921 to require the Office of Management and Budget (OMB) to include, as part of its annual budget submission to Congress, a special analysis in the first year and a complete capital investment budget in subsequent years. Specifically, the capital budget would identify the separate construction, maintenance, repair, and replacement costs for existing and new public facilities, by function, category, agency and program over a 1-, 5-, and 10-year period; delineate appropriate Federal, State, and local responsibilities, as well as identifying sources of potential and alternative financing;

and establish infrastructure investment priorities on the basis of projected capital needs over time.

Mr. President, I am sure my colleagues are familiar with the popular anecdotes used to highlight this serious national problem concerning the inadequacy of the Nation's inventory of public facilities. In order to address this problem, we have to know more about this situation than can be discerned from isolated examples and this is precisely the purpose of this bill. With such an analysis and budget presentation, infrastructure problems can be considered relative to other needs when debating national priorities. This concept could also provide encouragement for greater public/private partnerships, including the eventual success and acceptance of the urban enterprise zone concept. Connecticut was the first State in the Nation to pass enabling legislation establishing enterprise zones. While at the national level this concept is receiving much attention, I believe proposals which have been advanced to date are seriously flawed by the omission of an infrastructure component.

If we are to encourage economic recovery and spur business growth, we must begin with revitalizing this Nation's infrastructure of public facilities. It is estimated that at least one-half—and maybe two-thirds—of our committees cannot undertake modernized development until major investments are made in their basic facilities. We should reverse this situation with the aid of the best possible information which can be gathered. We must target limited funds and assign responsibility. This bill does not commit the Congress to spend one additional dollar on infrastructure investment. It does require the more efficient utilization of public resources. I hope my colleagues will give their most serious attention and eventual support to this concept which is being advanced today in both bodies on a bipartisan basis.

Mr. President, I ask unanimous consent that a copy of the bill and a section-by-section analysis be printed in the RECORD.

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

S. 2630

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

SHORT TITLE

SECTION 1. This Act may be cited as the "Federal Capital Investment Budget Act of 1982".

PURPOSES

SEC. 2. The purposes of this Act are—

(1) to provide basic information of the capital infrastructure of the Nation in an organized and rational manner;

(2) to identify serious deficiencies in the public investments that are deteriorating and beyond rapair and to identify those that are constraining national growth;

(3) to allocate limited funding in public infrastructure in a cost-effective and orderly manner by allowing the establishment of reasonable priorities in capital investment;

(4) to distinguish between Federal, State, and local responsibilities in order to reduce fragmentation and duplication of effort; and

(5) to improve legislation oversight over public capital investments.

FEDERAL CAPITAL INVESTMENT BUDGET

SEC. 3. Section 201 of the Budget and Accounting Act, 1921 (31 U.S.C. 11) is amended by adding at the end thereof the following new subsection:

"(k) (1) The President shall include with each Budget submitted under subsection (a) on or after January 1, 1983, a special analysis, for the ensuing fiscal year, which shall identify for each function, category, agency, and program of appropriation and expenditure in the Budget the amount of appropriations and expenditures which may be classified as public infrastructure investments, and shall contain appropriate summaries of the total amount of such appropriations and expenditures. In addition, the special analysis under this paragraph shall contain–

"(A) an estimate of current aggregate public infrastructure investments and those required to provide specific levels of public infrastructure capital services over periods of one, five, and ten years;

"(B) an estimate of current aggregate operation and maintenance investments and those required to provide specific levels of public infrastructure capital service over periods of one, five, and ten years;

"(C) an identification of potential and alternative sources of financing and capital investment constraints at the State and the local level of government;

"(D) an identification of Federal public infrastructure investment priorities;

"(E) an identification explaining the relationship of the proposed annual capital expenditures contained in the proposed Budget to the Nation's longer term needs and the Federal Government's longer term public capital infrastructure strategies; and

"(F) a ten-year projection on anticipated capital and related operation expenditures.

"(2) In addition to the information required by paragraph (1), the President shall include with each Budget submitted under subsection (a) on or after January 1, 1984, a capital investment budget which shall identify by State (considering the District of Columbia and each insular area as a State) the amount of appropriations and expenditures which may be classified as public infrastructure investments, and shall contain—

"(A) an estimate of separate construction, rehabilitation, operation, and maintenance investments and those required to provide specific levels of public infrastructure capital service over periods of one, five, and ten years;

"(B) the establishment of a uniform set of standards of service to measure the specific level of service provided by specific types of public infrastructure capital;

"(C) an estimate of the costs, over discrete periods of time, to continue specific present, higher, and lower levels of service;

"(D) an assessment of the levels of service being produced by public infrastructure capital; and

"(E) a ten-year projection of appropriate amounts for the capital investment budget.

"(3) For the purposes of this subsection, any appropriation or expenditure shall be classified as a public infrastructure investment to the extent that funds so appropriated or expended will be used for the construction, renabilitation, or repair of any civilian public facility in the United States, including—

"(A) education facilities (public schools and public libraries);

"(B) energy facilities (direct power energy generation facilities and energy supply facilities);

"(C) fire safety (facilities and equipment);

"(D) health (clinics, hospitals, emergency vehicles, and specialized equipment);

"(E) justice (law enforcement facilities, jails and prisons);

"(F) recreation (facilities);

"(G) solid waste (collection and disposal facilities and equipment);

"(H) telecommunications (radio, television, and disaster preparedness facilities and equipment);

"(I) transportation (highways, roads, bridges, rail, port, river, inland water, airport, pipeline and mass transit facilities and equipment);

"(J) water supply (storage, transport, treatment and distribution facilities);

"(K) waste water disposal (disposal treatment and transport facilities); and

"(L) Federal buildings and grounds.

"(4) For the purposes of this subsection—

"(A) the term 'construction' means the erection of new structures and the acquisition and installation of initial equipment therefor;

"(B) the term 'rehabilitation' means the alteration of an existing structure and the acquisition and installation of initial equipment or modernization or replacement of such equipment; and

"(C) the term 'repair' means the maintenance and operation activities on an existing structure to ensure the continuing functioning of the structure.".

SEC. 4. Part A of title VII of the Housing and Urban Development Act of 1970 is amended by adding at the end thereof the following new section:

"INVENTORY AND ASSESSMENT OF PUBLIC FACILITIES

"SEC. 704. (a) The Secretary of Housing and Urban Development (hereinafter referred to as the 'Secretary') shall prepare an inventory of civilian public facilities in the United States (including those civilian public facilities described in section 201(k)(3) of the Budget and Accounting Act, 1921) and an assessment of the physical condition of such public facilities.

"(b) The Secretary shall make a report of the inventory and assessment required by subsection (a) to Congress not later than January 1, 1984. The Secretary shall update such report and transmit a copy thereof to Congress annually thereafter.

"(c) The Secretary may secure directly from any department or agency of the United States information necessary to enable the Secretary to carry out this section. Upon request of the Secretary, the head of such department or agency shall furnish such information to the Secretary.".

[Section-by-Section Analysis]

FEDERAL CAPITAL INVESTMENT BUDGET ACT OF 1982

Section 1: Entitles the bill the "Federal Capital Investment Act of 1982."

Section 2: Describes the five purposes of the Act including:

(1) A basic information document of public capital infrastructure;

(2) An identification of public investment deficiencies in and constraints to national growth;

(3) An establishment of reasonable priorities for the allocation of limited public capital infrastructure funding;

(4) A reduction in fragmentation and duplication between Federal, State, and local governments; and

(5) An improvement in legislative oversight over public capital investments.

Section 3: Amends the Budget and Accounting Act, 1921 and mandates an initial Special Analysis to the President's annual budget submission in fiscal year 1984. This first step in the overall Capital Budgeting process would draw upon existing information which is currently available but not appropriately organized. However, because supplemental information will require more time to obtain and compile, Subsection (k)(2) directs that a complete Special Analysis and Capital Budget will be contained in the fiscal year 1985 budget submission and each year thereafter.

The Special Analysis for fiscal year 1984 would include:

Identification of public infrastructure investments for each function, category, agency, and program by appropriation and expenditure (authorities and outlays);

An estimate of aggregate capital investments (construction and rehabilitation) required to provide specific levels of public works services over periods of 1, 5, and 10 years;

An estimate of aggregate operation and maintenance investment requirements over periods of 1, 5, and 10 years;

The identification of sources of financing;

The identification of Federal public works investments priorities; and

A presentation of how the proposed annual capital expenditures contained in the proposed budget would relate to the Nation's longer term needs and the Federal Government's longer term public works investment strategies.

The Special Analysis and Capital Budget for fiscal year 1985 and each year thereafter, in addition to the information for fiscal year 1984, would include:

An identification by State (including the District of Columbia and U.S. territories) of appropriations and expenditures (authorizations and outlays) of public infrastructure investments:

An estimate of separate construction, rehabilitation, operation, and maintenance investments and those required to provide specific levels of public infrastructure capital service over periods of 1, 5, and 10 years;

The creation of a uniform national set of standards to measure the specific level of service provided by specific levels of public work facilities;

An assessment of the levels of service being produced by these facilities;

An estimate of the costs, over discrete periods of time, to continue specific present, higher, and lower levels of service; and

A 10-year projection of appropriate amounts for the capital investment budget.

Subsection (k)(3) lists any appropriation or expenditure to be classified as a public infrastructure investment as they apply to construction, rehabilitation, or repair of such facility. This list applies uniformly to all provisions of this act:

Education facilities;
Energy facilities;
Fire safety;
Health;
Justice;
Recreation;
Solid waste;
Telecommunications;
Transportation;
Water supply;
Waste water disposal; and
Federal buildings and grounds.

Section 4: Amends Title VII of the Public Works and Economic Development Act of 1965 and provides for an inventory and assessment of public infrastructure facilities. The assessment of the physical condition of the facilities would provide a snap-shot look at the current condition and capacity of existing infrastructure. The magnitude of collecting the data would require a lead time of 2 years. An annual report to Congress is due from the Economic Development Administration by January 1, 1984 (in time for the fiscal year 1984 budget submission due date) and each year thereafter and shall be transmitted by the Secretary of Commerce.●

ADDITIONAL COSPONSORS

S. 1018

At the request of Mr. CHAFEE, the Senator from Kentucky (Mr. FORD) and the Senator from Virginia (Mr. WARNER) were added as cosponsors of S. 1018, a bill to protect and conserve fish and wildlife resources, and for other purposes.

S. 1117

At the request of Mr. CRANSTON, the Senator from California (Mr. HAYAKAWA) was added as a cosponsor of S. 1117, a bill to designate certain lands in the Shasta Trinity National Forest, Calif., as the Mount Shasta Wilderness.

S. 1215

At the request of Mr. PROXMIRE, the Senator from Washington (Mr. JACKSON) was added as a cosponsor of S. 1215, a bill to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws.

S. 1439

At the request of Mr. PELL, the Senator from Vermont (Mr. STAFFORD) was added as a cosponsor of S. 1439, a bill to provide for the distribution of overcharges collected by the Department of Energy.

S. 1852

At the request of Mr. JEPSEN, the Senator from Texas (Mr. BENTSEN) was added as a cosponsor of S. 1852, a bill to amend the Export-Import Bank Act of 1945 to provide for the extension of credit for agricultural commodities.

S. 1931

At the request of Mr. SCHMITT, the Senator from Maryland (Mr. SARBANES) and the Senator from Florida (Mr. CHILES) were added as cosponsors of S. 1931, a bill to amend title 5, United States Code, to entitle Civil Air Patrol cadets 18 years of age and older to compensation available to Civil Air Patrol senior members in event of disability or death, and to increase the level of compensation available to both.

S. 1939

At the request of Mr. GOLDWATER, the Senator from Nebraska (Mr. EXON) was added as a cosponsor of S. 1939, a bill to amend the Public Health Service Act to establish a National Institute on Arthritis and Musculoskeletal Diseases.

S. 1944

At the request of Mr. LEVIN, the Senator from Nevada (Mr. CANNON) was added as a cosponsor of S. 1944, a bill to amend title II of the Social Security Act to provide that disability benefits shall not be terminated prior to an exhaustion of administrative remedies unless current medical evidence substantiates such termination

S. 1951

At the request of Mr. BENTSEN, the Senator from Montana (Mr. MELCHER) and the Senator from New Hampshire (Mr. RUDMAN) were added as cosponsors of S. 1951, a bill to change the penalties for possession of controlled substances under section 401(b) of the Controlled Substances Act.

S. 1958

At the request of Mr. DOLE, the Senator from Vermont (Mr. STAFFORD) was added as a cosponsor of S. 1958, a bill to amend title XVIII of the Social Security Act to provide for coverage of hospice care under the medicare program.

S. 2080

At the request of Mr. KASTEN, the Senator from Florida (Mr. CHILES) was added as a cosponsor of S. 2080, a bill to amend the Federal Election Campaign Act to provide that all persons must comply with the act.

S. 2123

At the request of Mr. SYMMS, the Senator from Idaho (Mr. MCCLURE) was added as a cosponsor of S. 2123, a bill to amend title 18, chapter 44, United States Code, to provide clarification of limitations on controls of the interstate movement of firearms, and to prohibit the use of Federal funds to political subdivisions which implement certain gun control ordinances.

S. 2338

At the request of Mr. PERCY, the Senator from Montana (Mr. MELCHER), the Senator from Maine (Mr. MITCHELL), the Senator from South Dakota (Mr. PRESSLER), and the Senator from New York (Mr. D'AMATO) were added as cosponsors of S. 2338, a bill to expand the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials.

S. 2369

At the request of Mr. DOLE, the Senator from Alabama (Mr. HEFLIN) was added as a cosponsor of S. 2369, a bill

to amend the Internal Revenue Act of 1954 to clarify the standards used for determining whether individuals are not employees for purposes of the employment taxes, and for other purposes.

S. 2572

At the request of Mr. THURMOND, the Senator from Mississippi (Mr. COCHRAN), and the Senator from Kentucky (Mr. HUDDLESTON) were added as cosponsors of S. 2572, a bill to strengthen law enforcement in the areas of violent crime and drug trafficking, and for other purposes.

S. 2583

At the request of Mr. ZORINSKY, the Senator from Oklahoma (Mr. BOREN) was added as a cosponsor of S. 2583, a bill to amend the Agricultural Act of 1949 to provide emergency relief for farmers, and for other purposes.

S. 2585

At the request of Mr. CRANSTON, the Senator from Florida (Mr. CHILES) was added as a cosponsor of S. 2585, a bill to provide that the Armed Forces shall pay benefits to surviving spouses and dependent children of certain members of the Armed Forces who die from service-connected disabilities in the amounts that would have been provided under the Social Security Act for amendments made by the Omnibus Budget Reconciliation Act of 1981.

SENATE JOINT RESOLUTION 175

At the request of Mr. KASTEN, the Senator from Massachusetts (Mr. TSONGAS), the Senator from Oklahoma (Mr. NICKLES), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Illinois (Mr. DIXON), and the Senator from Nevada (Mr. LAXALT) were added as cosponsors of Senate Joint Resolution 175, a joint resolution authorizing and requesting the President to proclaim "National Junior Bowling Championship Week."

SENATE JOINT RESOLUTION 183

At the request of Mr. SPECTER, the Senator from Ohio (Mr. GLENN) and the Senator from Ohio (Mr. METZENBAUM) were added as cosponsors of Senate Joint Resolution 183, a joint resolution to authorize and request the President to issue a proclamation designating October 19 through October 25, 1982, as "Lupus Awareness Week."

SENATE JOINT RESOLUTION 193

At the request of Mrs. KASSEBAUM, the Senator from North Carolina (Mr. EAST), the Senator from New York (Mr. D'AMATO), the Senator from Connecticut (Mr. WEICKER), the Senator from South Carolina (Mr. THURMOND), and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of Senate Joint Resolution 193, a joint resolution designating the week of November 7 through November 13, 1982, as "National Respiratory Therapy Week."

SENATE RESOLUTION 261

At the request of Mr. CHAFEE, the Senator from Pennsylvania (Mr. HEINZ) was added as a cosponsor of Senate Resolution 261, a resolution expressing the sense of the Senate that the President should not impose import fees on crude oil and refined petroleum products.

SENATE RESOLUTION 379

At the request of Mr. CANNON, the Senator from Montana (Mr. MELCHER) was added as a cosponsor of Senate Resolution 379, a resolution to urge the Secretary of Transportation and the Chairman of the Civil Aeronautics Board to convene an Airline-Government Summit Conference for the purposes of examining Federal Government policies affecting the airline industry and discussing airlines' fare policies under deregulation.

SENATE RESOLUTION 393

At the request of Mr. PRESSLER, the Senator from Oklahoma (Mr. BOREN) was added as a cosponsor of Senate Resolution 393, a resolution expressing the sense of the Senate that the Secretary of Agriculture should promptly call for a section 22 study on honey imports.

SENATE CONCURRENT RESOLUTIONS 104 AND 105—RELATING TO THE USE OF PLASTIC BULLETS AND THE OPERATION OF THE ULSTER DEFENSE ASSOCIATION IN NORTHERN IRELAND

Mr. DODD (for himself, Mr. KENNEDY and Mr. MOYNIHAN) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 104

Whereas a delegation of the Congress representing the "Friends of Ireland" traveled to Ireland, visiting Dublin, Belfast, and Derry between May 29 and June 2, 1982;

Whereas serious concern about the continued use of plastic bullets by British security forces was strongly expressed to this delegation;

Whereas the delegation was disappointed by the negative response of the British authorities to its representations on the use of plastic bullets in Northern Ireland;

Whereas the European Parliament has voted overwhelmingly in favor of a ban on the use of plastic bullets against civilians in the member states of the European Community;

Whereas in recent years eleven people, many of them children under fifteen, have been killed in Northern Ireland by plastic bullets fired by British security forces and over 160 people have sustained injuries, including many cases of serious head injuries involving brain damage, loss of eyes, and total blindness;

Whereas all of the injuries have been suffered by civilians many of them in non-riot situations;

Whereas, according to official statistics from the Northern Ireland Administration, 36,000 plastic bullets have been used in Northern Ireland, of which approximately 26,000 were used during the first seven months of 1981;

Whereas the British Home Secretary recently described plastic bullets as "lethal";

Whereas in recent serious rioting in fourteen British cities, during which gasoline bombs and other potentially lethal missiles were used against police, plastic bullets were not used in any instance; and

Whereas the use of plastic bullets in the United Kingdom has been restricted to Northern Ireland alone: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby condemns the use of plastic or rubber bullets in Northern Ireland and calls upon the Government of the United Kingdom to ban the use of plastic or rubber bullets against civilians.

SEC. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President with the request that he further transmit such copy to the Government of the United Kingdom.

Mr. DODD (for himself, Mr. KENNEDY, Mr. MOYNIHAN, and Mr. PELL) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 105

Whereas the delegation from the Congress representing the "Friends of Ireland" traveled to Ireland, visiting Dublin, Belfast, and Derry between May 29 and June 2, 1982;

Whereas serious concern was expressed to the delegation about the continued unchecked operations of the Ulster Defense Association (hereafter in this preamble referred to as the "UDA");

Whereas the UDA is the largest paramilitary organization in Northern Ireland;

Whereas the UDA has clearly shown itself to be a terrorist organization, responsible for the murder of innocent civilians, bombing in the Irish Republic, and for the illegal importation and stockpiling of arms;

Whereas more than four hundred members of the UDA have been jailed for serious offenses, a number of whom have been members of the Ulster Defense Regiment, which is an integral part of the security forces in Northern Ireland;

Whereas the UDA is allowed to operate openly in Northern Ireland, to recruit members and to raise funds, despite its crimes against the people of Northern Ireland; and

Whereas the UDA and other loyalist terrorist organizations have been responsible for more than six hundred deaths in Northern Ireland: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby condemns all acts of violence in Northern Ireland and calls upon the Government of the United Kingdom to outlaw the Ulster Defense Association, its membership and activities, and any like terrorist organization.

SEC. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President with the request that he further transmit such copy to the Government of the United Kingdom.

Mr. DODD. Mr. President, I sent to the desk two separate resolutions concerned with the situation in Northern Ireland on behalf of myself, Mr. KENNEDY, and Mr. MOYNIHAN for the first resolution and on behalf of myself,

Mr. KENNEDY, Mr. MOYNIHAN and Mr. PELL, for the second resolution. I ask for their appropriate referral.

A delegation from Congress representing the "Friends of Ireland," of which I was a part, traveled to Ireland 2 weeks ago. The delegation met with a very wide variety of representatives of the two communities in Northern Ireland and with members of the Government and other Parliamentarians in the Republic of Ireland. The concerns expressed in these resolutions reflect the very deep concerns we heard while in Ireland.

The first resolution, Mr. President, condemns the use of plastic or rubber bullets in Northern Ireland and calls upon the Government of the United Kingdom to ban their use against civilians.

Among the many tragedies which occur with alarming frequency in Northern Ireland has been the use of plastic bullets against civilians by security forces in Northern Ireland. In recent years, eleven people, many of them children under the age of 15, have been killed in Northern Ireland by plastic bullets fired by British security forces. In addition, over 160 people have been injured by these plastic bullets. And many of these have included serious head injuries involving brain damage, loss of eyes, and total blindness. The extent of the use of plastic bullets in Northern Ireland is illustrated by official statistics from the Northern Ireland administration which shows that 36,000 such bullets have been used.

Mr. President, most people would assume that plastic bullets are nonlethal projectiles. Obviously, the fact that 11 people have died from their use shows that they are in fact lethal. In fact, the British Home Secretary himself has described plastic bullets as "lethal." Unfortunately, when security forces are issued plastic bullets there may be an assumption that their use does not constitute deadly force. And plastic bullets may be used far more indiscriminately than "real" bullets. I believe this has been the case in Northern Ireland. Plastic bullets are sometimes used as weapons of first resort, rather than as weapons of last resort. As long as plastic bullets are issued to the security forces in Northern Ireland, they will almost certainly be used in situations where the use of deadly force is not called for.

It is sad to note that the use of plastic bullets has been restricted to Northern Ireland by British security forces. When serious rioting erupted in 14 British cities recently, plastic bullets were not used in any instance. I am afraid that this has led to the impression that plastic bullets are for use only against the people of Northern Ireland.

I would also note that only last month the European Parliament voted by a margin of over two to one calling on the member states of the European Community to ban the use of plastic bullets against civilians.

In summary, Mr. President, the sponsors of this first resolution do not believe that there are legitimate security purposes served by the use of plastic bullets. In fact, their use only exacerbates the already high tensions in Northern Ireland. There is simply no good reason for British security forces to continue to use them. We hope that this expression of U.S. congressional concern will prompt the British Government to discontinue their use.

The second resolution, Mr. President, condemns all acts of violence in Northern Ireland and in particular calls upon the Government of the United Kingdom to outlaw the Ulster Defense Association and any like terrorist organization.

The Ulster Defense Association, or UDA, is the largest paramilitary organization in Northern Ireland and has been clearly associated with acts of violence and terrorism. The UDA has been responsible for the murder of innocent civilians, for bombings in the Irish Republic, and for the illegal importation and stockpiling of arms. In fact, more than 400 members of the UDA have been jailed for serious offenses.

Mr. President, the British Government maintains a policy of banning any organization in Northern Ireland which advocates and uses violence to secure political ends. The policy, however, does allow the existence of organizations which may be politically extremist, but do not employ violence. I believe it is clear, however, that the Ulster Defense Association has long ago stepped over those bounds. The UDA, in fact, does employ violence, and therefore should be banned by the British authorities.

Mr. President, the tragedy that is Northern Ireland continues almost unabated. Personally, I believe that the only just solution to the problems in Northern Ireland lies in the reunification of all of Ireland. But I recognize that that day may not come soon unfortunately. In the meantime, the two measures embodied in these resolutions, a ban on the use of plastic bullets and the outlawing of the UDA, will help to decrease the level of violence and tension in Northern Ireland and improve the atmosphere in which representatives of the two communities in Northern Ireland can work out their differences and agree to a just and lasting solution to the problems of Northern Ireland.

Mr. KENNEDY. Mr. President, I am pleased to join in these two important Senate concurrent resolutions urging the Government of Great Britain to ban the use of plastic bullets in Northern Ireland and to place the Ulster Defense Association on the list of organizations proscribed in Northern Ireland because of their clearly demonstrated involvement in violence and terrorism.

Identical resolutions are being submitted today in the House of Representatives. I commend Senator CHRIS DODD of Connecticut and Congressmen JIM SHANNON of Massachusetts and CHARLES DOUGHERTY of Pennsylvania for their leadership in this important initiative.

BAN ON PLASTIC BULLETS

On the issue of the use of plastic bullets for riot control, the time has come for the British Government to end its double standard, according to which plastic bullets are used by the police and security forces in civil disturbances in Northern Ireland, but not on the British mainland.

In a visit to the sites of the tragic rioting in Manchester and Liverpool in England in 1981, the British Home Secretary, William Whitelaw, was questioned specifically about the possible use of plastic bullets to control those riots. He replied, "I would deeply regret their introduction because they are lethal."

To my knowledge, plastic bullets have never been used for riot control on the British mainland. They were not used at all during the massive rioting in numerous English cities in 1981; yet at that very time, they were being used routinely by the British security forces in Northern Ireland to control disturbances during the hunger strike.

The reason for the refusal of the British Government to use plastic bullets on the mainland is as obvious as it is overriding. Mr. Whitelaw is right. Plastic bullets are lethal; and precisely because they are so lethal, they should not be used in Northern Ireland.

The resort to plastic bullets is an unacceptable method of riot control. These bullets are solid cylindrical projectiles, 3½ inches long and 1½ inches in diameter. Each plastic bullet weighs 4¾ ounces. It comes packed in a cartridge with a gunpowder charge, and it is fired from a gun.

When fired, a plastic bullet has a muzzle velocity of 160 miles an hour. That velocity, as the British describe it, is approximately the speed achieved by a fast bowler in cricket. In terms with which the Senate is more familiar, the velocity of a fastball pitched by Nolan Ryan of the Houston Astros, the fastest pitcher in baseball, reaches 100 miles an hour. So a civilian facing a plastic bullet is, in effect exposed to a missile traveling about twice as fast as Nolan Ryan's fastest pitch. And that can kill you.

To be sure, the British Government has guidelines for the use of plastic bullets in Northern Ireland:

(1) They may be used to disperse a crowd whenever it is judged to be minimum and reasonable force in the circumstances;

(2) The rounds must be fired at selected persons and not indiscriminately at the crowd; they should be aimed so that they strike the lower part of the target's body directly (i.e. without bouncing off the street); and

(3) The weapons must be fired at a range of not less than twenty meters, except when the safety of soldiers or others is seriously threatened.

During the period from January to August 1981—the time covered by the hunger strikes—30,000 plastic bullets were fired by the British security forces in Northern Ireland. Since plastic bullets were first introduced in 1975, 11 persons have been killed and at least 160 have been injured, with many cases involving severe head injuries or even blindness. For every 3,000 rounds fired, 1 person is killed and 16 are injured. Often, the victims are children.

In recent weeks, protests have been rising in Northern Ireland, in the Republic of Ireland, and among the nations of Western Europe against the use of plastic bullets in Northern Ireland. On May 13, 1982, the European Parliament voted overwhelmingly to ban the use of plastic bullets in the member nations of the Common Market.

I believe that the Senate of the United States should join in condemning this policy. I hope that all Members of the Senate will support the resolution we are introducing, and that the British Government will heed our concern and change its policy.

BAN ON THE ULSTER DEFENSE ASSOCIATION

Our second concurrent resolution asks the British Government to add the Ulster Defense Association to the list of organizations banned in Northern Ireland because of clear and undeniable involvement in violence and terrorist activities.

This is another situation in which the British Government appears to be applying a double standard in Northern Ireland. Under current British policy, "an organization is liable to be proscribed if it declares its terrorist aims, or is clearly responsible for terrorist acts." By this standard, the British Government has acted to ban organizations such as the Provisional Irish Republic Army and the Irish National Liberation Army on the Catholic side, and the Ulster Volunteer Force and the Ulster Freedom Fighters on the Protestant side in Northern Ireland.

The UDA is not a proscribed organization. Yet it is the largest paramilitary organization in Northern Ireland. Six of its members, including its leader, have recently been charged with terrorist offenses and are awaiting trial. In recent years, over 400 members of the UDA have been jailed for such offenses.

The search for peace in Northern Ireland requires the fair and scrupulously even-handed implementation of policy by the security forces against any organization identified with terrorist activities. The British Government has been quick to proscribe organizations identified with violence in the minority side of the community, but it has been slow to do so in the case of the UDA. In spite of its repeated association with bombings, murders of innocent civilians, and other terrorist offenses, the UDA is permitted to operate openly in Northern Ireland, to recruit new members, and to raise funds. The result has been to heighten the sense of grievance and discrimination felt by the Catholic community. The political activities of the UDA cannot be used to sanitize or justify the close association between the UDA as an organization and the violent activities of its members. Our resolution calls on the British Government to end its double standard and to ban the UDA, and I hope the Senate will approve it.

SENATE RESOLUTION 412—RESOLUTION AUTHORIZING THE PRINTING OF A CERTAIN REPORT

Mr. STAFFORD submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 412

Resolved, That the annual report of the Secretary of Transportation to the Congress of the United States in compliance with section 144(i), chapter 1 of title 23, United States Code entitled, "Highway Bridge Replacement and Rehabilitation Program, Third Annual Report to Congress," be printed as a Senate document.

SEC. 2. There shall be printed three hundred additional copies of such document for the use of the Committee on Environment and Public Works.

AMENDMENTS SUBMITTED FOR PRINTING

EXTENSION OF VOTING RIGHTS ACT

AMENDMENT NOS. 1895 AND 1896

(Ordered to be printed and to lie on the table.)

Mr. STENNIS submitted two amendments intented to be proposed by him to the bill (S. 1992) to amend the Voting Rights Act of 1965 to extend the effect of certain provisions, and for other purposes.

NOTICES OF HEARINGS

COMMITTEE ON FOREIGN RELATIONS

Mr. BAKER. Mr. President, on behalf of Mr. PERCY, I wish to announce that the Committee on Foreign Relations has scheduled a hearing on S. 1853, authorizing support to Radio Broadcasting to Cuba, Inc. The hearing will be held on Thursday, July 1, beginning at 10 a.m. in room 4221 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 Foreign Relations, 4229 Dirksen Senate Office Building, Washington, D.C. 20510.

For further information regarding this hearing, please contact Mr. David Keaney or Mrs. Betty Alonso at 224-4615.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. DOMENICI. Mr. President, I would like to announce for the information of the Senate and the public that the subcommittee hearing to consider the Department of Energy's uranium enrichment program previously scheduled for Thursday, June 17 at 2 p.m. has been canceled, and will be rescheduled at a later date.

For further information regarding this hearing you may wish to contact Mr. Paul Gilman of the subcommittee staff at 224-4431.

COMMITTEE ON SMALL BUSINESS

Mr. WEICKER. Mr. President, I would like to announce that the Senate Small Business Committee will hold a hearing on minority business and its contributions to the U.S. economy, on June 23, 1982, at 9:30 a.m., room 424 of the Russell Senate Office Building. For further information, please contact Bob Wilson of the committee staff at 224-5175.

AUTHORITY FOR COMMITTEES TO MEET

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. HATCH. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations, of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Tuesday, June 15, at 10 a.m., to hold an oversight hearing in connection with the use of false identification to penetrate Federal programs.

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

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. HATCH. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet during the session of the Senate on Tuesday, June 15, to hold a hearing on S. 2623, a bill to reauthorize tribally controlled Community Colleges Act.

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

COMMITTEE ON THE JUDICIARY

Mr. BAKER. Mr. President, I ask unanimous consent that the Judiciary Committee be authorized to hold a full committee nomination hearing during the session of the Senate at 2 p.m. on Wednesday, June 16, to con-

sider the nominations of Thomas Jackson, of the District of Columbia, to be district judge; Thomas Moore, of Colorado, to be district judge for the district of Colorado; and Henry Mentz, of Louisiana, to be district judge for the Eastern District of Louisiana.

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

ADDITIONAL STATEMENTS

REFORMING AN ARCHAIC TAX CODE

● Mr. GRASSLEY. Mr. President, the key to economic recovery is reduced interest rates. This proposition has been stated and restated countless times over the past year. Likewise, the conventional solution for reducing interest rates has been stated and restated: we must bring down deficits to prevent a "crowding out" of private capital.

The problem with this conventional solution is that it ignores the formation of capital as any part of the solution. While our recent fiscal endeavors have been to reduce government activity in the capital markets, we have done little to increase the pool of available capital. The disparity between the short supply of capital and the heavy demand for it is the fundamental cause of high short-term interest rates.

Savings in this country is by far the lowest in the industrial free world, a direct reflection of a Tax Code which punishes savings and investment and rewards borrowing and consumption. It is clear that meaningful tax reform to correct these biases is essential if new capital is to be formed and interest rates are to fall.

The objective of any tax reform should be to maximize revenues for government services and operations, and to encourage the growth of capital. Low tax rates tend to increase the tax base by expanding production. Low rates also free up income for savings, provided the rewards for saving are sufficient. The taxation of earned interest and dividends can hardly be called rewarding.

The present tax code is archaic. Its inequities, high rates, loopholes, and progressive nature are in bad need of repair. We can perhaps best understand the absurdities of our tax system by learning of its origin and its history. An article by David Boaz of Cato Institute in a recent issue of the Wall Street Journal describes the evolution of the U.S. Tax Code and its effects both on today's overburdened taxpayer and on the economy.

Mr. President, I believe a thorough understanding of the Tax Code is necessary as tax reform is contemplated and debated in this Congress. During the coming months, I will offer a series of articles and studies both on the history of the code and on what I perceive to be a sound alternative—a flat rate system. I have already introduced a bill, S 2376, which directs the U.S. Treasury to conduct a study on the feasibility of the flat tax. I urge my colleagues to join me in a serious study of the Tax Code and to find a practical alternative for a more equitable and efficient system. I ask that the article by David Boaz be printed in the RECORD.

The article follows:

A HISTORY OF THE INCOME TAX: IT JES' GREW

(By David Boaz)

President Reagan and the Republicans on the Senate Budget Committee have agreed to a plan that would raise taxes by $95 billion over three years. The President seems to have forgotton something he said in 1980: "Even the extended tax rate cuts which I am recommending still leave too high a tax burden on the American people." Then there's what he said just a few weeks ago: "Raising taxes is no way to balance the budget." Indeed, raising taxes to improve our economic condition is like adding more leeches to a dying patient.

The President is hardly alone in his willingness to raise the tax burden on Americans. Some Senate Democrats wanted $170 billion in new taxes; Senate Budget Committee Chairman Pete Domenici called for $125 billion; and "tax-wary conservatives," in the Wall Street Journal's phrase, proposed a tax increase of "only" $73 billion.

Maybe the real problem is that the people who will have to pay the bill for the politicians' compromise—the American taxpayers—weren't included in the negotiations.

Apparently politicians of both parties just don't care how high taxes have gotten. Unfortunately, because withholding makes the income tax nearly invisible during the year, even most taxpayers don't realize just how taxes have grown in a relatively short period of time.

From 1965 to 1980 the marginal tax rate rose from 17 percent to 24 percent for a family of four at the median income. The rate for those with double the median income soared from 22 percent to 43 percent.

Back when the income-tax amendment passed by Congress in 1909 was debated in state legislatures, skeptics were assured that rates would never go above 4 percent or 5 percent. And everyone understood that only a few people would ever pay the tax. After ratification of the amendment, Congress passed the first income tax law in 1913. It provided for a 1 percent tax on incomes over $3,000 ($4,000 for a married couple)—a level exceeded by only 3 percent of American wage-earners. Indeed, only 19 percent of the lawyers and 21 percent of the bankers were affected by the law. A tax of up to 7 percent was levied on very high incomes—from $20,000 to over $500,000.

Rates went up during World War I but soon came down again. As recently as 1941, the federal income tax raised only $41 million annually. During World War II marginal rates soared to as high as 94 percent, but only a few paid these confiscatory rates. In 1947, after the severe inflation of the war years, 80 percent of the families in the United States had an annual income of less than $5,000. The effective tax rate was about 8.4 percent. For these Americans, taxes had doubled between 1939 and 1941 and doubled again between 1941 and 1947. Even so, a worker making $5,000, who was married and had two children, paid around $420 in income tax plus $30 in Social Security taxes. He faced a marginal tax rate of less than 20 percent.

Of course, today's dollar is worth only about one-fourth of the 1947 dollar, but the point is that in 1947, after the biggest war in history, very few people were in high marginal tax brackets.

The situation has changed dramatically. As a result of inflation and economic growth, today 80 percent of the families in the United States have incomes over $11,000, and 50 percent make more than $23,000. That means the average worker is facing taxes intended originally for the rich.

Moreover, maximum Social Security taxes have risen from a mere $30 annually in 1947 to $2,170 in 1982, a whopping 7,233 percent increase. For the first 20 years of Social Security, from 1937 to 1956, nobody contributed more in a year than today's worker pays every two weeks. In recent years federal tax liabilities have risen twice as fast as income for an average worker.

Three decades of inflation combined with a graduated tax rate have pushed most Americans into extremely high marginal tax brackets. The results are all around us: government spending out of control, average Americans unable to make ends meet, billions of dollars wasted on "tax shelters" instead of spent productively. And now we've got the spectacle in Washington of a Congress panting to roll back the recent tax cuts.

The politicians and special interests in Washington will never decide that taxes are too high. As long as the money keeps rolling in, they'll keep finding more ways to spend it—now, in a recession, they're even finding a need for tax increases. If we want taxes cut, for the sake of economic prosperity and individual freedom, we'll have to insist on it ourselves. And with all the talk of tax increases coming out of Washington right now, it's beginning to look like the only way to get taxes down and keep them down is by voting this tax-happy Congress out of office next November.●

REAGAN: STUBBORN OR STEADFAST

● Mr. ARMSTRONG. Mr. President, as the 1982 campaign heats up, it will become the business of many people to try and rewrite recent political history and blame the state of the economy on President Reagan and his economic initiatives.

A. U.S. News & World Report editorial of May 24, 1982, does an excellent job of putting our present problems in a factual perspective. The reasons for reducing the size and impact of the Federal Government are even more compelling today than in 1980. Interest rates that are causing so much damage in the economic system today are the direct result of the unrestrained growth of the Federal Government over the last few decades.

The economic well-being of every citizen depends upon the ability of this Congress to make the tough policy decisions that will put our country on the path to a balanced budget. Politi-

cal demagoguery will not eliminate the problems, but the kind of budgetary action that the U.S. Senate took 2 weeks ago will begin the process of restoring our country's fiscal stability. I commend this editorial to my colleagues as one way to keep our problems in perspective.

I ask to include this excellent editorial in the CONGRESSIONAL RECORD.

[Editorial from U.S. News & World Report, May 24, 1982]

REAGAN: STUBBORN OR STEADFAST?

(By Marvin Stone)

The President is under heavy fire these days, not only from Democrats but also from some members of his own party who feel he is being bullheaded about his budget.

Mr. Reagan is holding out for less government. He remains convinced that this longing is shared by the vast majority of Americans who elected him by a landslide 19 months ago.

The President, it seems, has a longer memory than most politicians. This was evident the other day in a speech in Washington when he reminded fellow Republicans why, while foes call him stubborn, he remains determined to rein in the growth of federal spending and the mammoth bureaucracy it has spawned. From his speech:

"Let's go to the American people. Let's remind them of the economic mess we faced when we took office [in January, 1981]:

"Inflation in double digits . . . for two years in a row, back to back;

"First time in peacetime, interest rates that had hit, yes, 21.5 percent;

"Productivity and the rate of growth in the gross national product down for the third year in a row. . . .

"Let's remind them that in 1976 the inflation rate stood at 4.8 [percent]. By 1980, it was 2½ times as high—12.4.

"Let's remind them that in December of 1976 the prime rate . . . averaged 6.4 percent. By December, 1980 . . . it reached 21.5 percent, a 200 percent increase.

"Let's remind them that when we took office, unemployment had been climbing and business failures increasing.

"When the recession hit us, it was our legacy from the years of boom and bust, of erratic spending and monetary policy. . . .

"Let's point out that for all of this, there's been one overriding cause—we've said it before and let's say it again—government is too big and it spends too much money.

"In the last 10 years, federal spending tripled.

"In the last five years, federal taxes doubled, largely because of the growth of social programs. In 1950, social programs cost the taxpayers 12 billion dollars; in 1980, nearly 300 billion dollars—an increase of an incredible 2,300 percent. In the same period, prices rose by 278 percent. So real social spending was actually 5½ times higher than in 1950.

"By 1980, 1 out of every 3 American families was receiving federal assistance of one sort or another—1 out of every 3 families. The budget for the Department of Health and Human Services—250 billion dollars, roughly—the third-largest budget in the world, exceeded only by the total budgets of the Soviet Union and the United States.

"Take just one social program as an illustration: Sixteen years ago, we were spending 65 million dollars on food stamps—65 million dollars; in 1981, we spent 11.3 billion dollars. That's an increase of over 16,000 percent. . . .

"Now, include in this picture the interest payments on our tremendous federal debt that . . . reached more than a trillion dollars last year. The yearly interest payments are 100 billion dollars, and that's as much as the entire federal budget was just 20 years ago. . . .

"In fact, if you take the cost of automatic spending increases and entitlement programs, add them to the interest payments and the federal debt and the other uncontrollables, and it means that 70 percent of the entire federal budget is made up of items over which the Congress and the administration are supposed to have no control. I wonder how some of you in the private sector would feel if you were told to rescue a sinking business, but only on the condition that you could work with 30 percent of that business's budget and the other 70 percent was off limits.

"So I think you can begin to understand the difficulty of halting the kind of momentum built up by the federal spending juggernaut over the past few decades."

Facts and figures such as those make it easier to understand why Mr. Reagan is standing firm.●

SENATOR ABDNOR DISCUSSES HARBOR DEVELOPMENT NEEDS

● Mr. DOMENICI. Mr. President, recently my good friend from South Dakota (Mr. ABDNOR) gave a speech before the National Association of Dredging Contractors. Senator ABDNOR, who is the chairman of the Senate's Subcommittee on Water Resources, spoke on the issue of harbor development. Over the past year, Senator ABDNOR has taken a strong lead on this issue.

Along with another of our colleagues, Senator MOYNIHAN, Senator ABDNOR introduced S. 1692, which was reported out of the Committee on Environment and Public Works in December 1981. It is an excellent piece of legislation, one I support strongly. S. 1692 represents not only sound public policy, but it provides a realistic approach to accelerating priority public works development.

In his speech, Senator ABDNOR details the budgetary problems we confront. As chairman of the Budget Committee, I am only too aware of the truths of his statements. Too often, these problems are avoided or ignored. Senator ABDNOR has not shirked his responsibility to convey these budgetary realities to our Nation.

Passage of S. 1692 will produce a more effective, less expensive national harbor development program. Senator ABDNOR is to be congratulated for his understanding of both budgetary and the water resources issues, and for his excellent legislation.

Mr. President, in order that my colleagues have the opportunity to review this fine speech, I ask that if it be printed at this point in the RECORD.

The speech follows:

SENATOR JAMES ABDNOR SPEECH TO THE NATIONAL DREDGING ASSOCIATION

Good afternoon. I am pleased to be here with you today. I am glad to have the opportunity to come and speak with you about an issue I believe to be of vital importance to this nation: the need for new deep-draft port development.

The Dredging Association has always taken an aggressive role in promoting development of our navigation system. I would like to commend you for focusing your attention on the critical issue of deep-draft coal port development.

NEED FOR COAL EXPORTS

Our country is confronted with a unique opportunity: It has the potential to become the world's largest supplier of steam coal. Many believe that in the next ten years, we could quadruple U.S. steam coal exports to 85 million tons. By the year 2000, U.S. coal exports could rise to 200 million tons and meet 40 percent of expected world demand.

Most likely, we will not be able to exploit this potential unless we establish a program which will allow us to construct two or three harbors with depths of 55 feet or more. These deep harbors, where we can efficiently handle very large colliers, will make a major coal export program economically viable.

Foreign buyers are now bidding on 50-year coal contracts. They have two concerns: The security of supply; and the price of that supply. We certainly can provide a secure supply of coal, but because of limited port capabilities, we cannot match our competitors' prices.

Presently, U.S. prices for coal delivered in 75,000 ton bulk vessels are about 20 to 30 percent higher than Australian and South African coal. These costs could be reduced if we reduce transportation costs, which are 25-30 percent of the total cost of delivered coal. If our ports had deeper channels and our American coal companies could use larger ships to deliver coal to foreign buyers, transportation costs could be substantially reduced. The French alone are constructing four coal ships which will carry 150,000 tons of coal. Use of larger ships could lead to ocean transportation costs 20 to 40 percent lower than the current costs.[1] There will be 60-75 foot harbors at Rotterdam, Marseilles, and Dunkirk to receive imported coal to distribute throughout northern and southern Europe. Both Australia and South Africa have port facilities which can handle large colliers. We have none.

The Corps of Engineers has developed cost estimates for channel deepening projects for several ports: Hampton Roads; Baltimore; New Orleans; and Mobile. Each is estimated at about half a billion dollars. I am an optimist, but I wouldn't even give odds on the prospect of this Administration budgeting two billion dollars for harbor construction projects over the next five or six years. To understand why, you have to understand the severity of our national budget problems.

I think this year, even more than last year, we realize that the old rules, the old ways of looking at the issue of water resources development have changed. Last year, I don't believe any of us really understood how serious the national budget crisis was. To some extent we all deluded ourselves that things weren't really all that different than they had been before. The fiscal crisis could be resolved within a few years. Then we could look at federal development of all public works projects in the same way that we had looked at them before. That

[1] These estimates are from International Coal Export Task Force Study.

hasn't been the case, and this year there is a new understanding that we have to accept the fact that the world has changed, and that we all have to restructure the system before it can work effectively in the future.

Let me just take a minute to talk about the enormity of the budget problem:

1. Unless we take some pretty drastic action, our budget deficit will be $180 billion. This is more than the entire fiscal year 1968 budget of Lyndon Johnson.

2. The 1983 appropriation to pay interest on the existing national debt will be larger than Johnson's fiscal year 1965 budget.

3. If we don't make adjustments in the tax laws, entitlement programs, or the defense budget, by 1985, even if we eliminate all discretionary non-defense accounts—in effect shut down the government—we still have a deficit.

4. Entitlement programs are now 60 percent of the total budget, and automatic adjustments in these programs have caused some serious problems. For example, because of cost of living increases, a four star general who retired 10 years ago is making $10,000 a year more than a four star general on active duty today. John McCormick was receiving a pension of $100,000, while his successor, Tip O'Neill only received $78,000.

5. The Medicare and Medicaid programs have increased by over 400 percent in the last 10 years. These programs have increased twice as fast as discretionary spending and four times as fast as the defense budget.

Our top priority in Congress is to deal with these problems. As much as we would like to deal with other issues which are also very important, we are severely restricted by budgetary reality. This is a critical fact we must accept before we can even discuss the issue of port development.

The President has made it clear that there will be no new harbor construction until there is a substantial shift in the way harbor projects are financed. While the Administration has taken a somewhat narrow fiscal approach to the problem, I believe OMB performed a public service by forcing our hand on the port development issue. Our federal port policy has been near bankruptcy for many years. At one time this policy served us well. That time has long since passed.

I propose a radical departure from the status quo, one that I believe will allow rapid coal port development. As I said before, coal exports will be expanded only if we construct two or three very deep harbors. The only way you're going to have these two or three ports develop is to get the Congress out of the direct authorization and appropriation process. I know this sounds strange, coming from a member of Congress, but if we don't remove this issue from the political process, we will not see the rapid deep-draft development we need. Congress may, just may, eventually authorize and appropriate funds for the most feasible projects. However, we certainly will waste both time and money attempting to do so. Other ports which are fortunate enough to be represented by politically-powerful Senators and Congressmen will expect to be deepened as well. The only effective way to see limited, but very rapid harbor development is to allow the private market to determine where that development should occur. This means that if a port wants to deepen, if it has a viable market for the deepened port, and if it can convince a financial source that the investment is worthwhile, then it can happen. Federal involvement would just hinder and slow down the necessary development.

On October 1, 1981, I introduced the National Harbor Improvement and Maintenance Act. My co-sponsor is the raining minority member of the Water Resources Subcommittee, Senator Daniel Patrick Moynihan of New York. Last December, the Environment and Public Works Committee reported the bill to the Senate by a vote of 13-3. Support for the bill cuts across party lines. I am hopeful that we will be able to schedule the bill for floor action early this summer, but we cannot do it without the strong, active support of these people interested in promoting an efficient, politically realistic plan.

PROVISIONS OF S. 1692

I would like to briefly describe the major components of the bill, and then take some time to focus on the construction provisions.

1. The bill authorizes $250,000,000 for each of the next five years to provide funds to the U.S. Army Corps of Engineers for maintenance dredging at harbor projects. It requires each non-federal public interest, such as a local port authority, to be responsible for 25 percent of the maintenance cost for each harbor. To eliminate any severe impact that this cost-sharing requirement might impose, the bill establishes a maximum cost for this local maintenance. This is estimated at only 6.9 cents per ton of commercial traffic. I intend that the local cost-sharing requirement will continue at this level.

2. The bill also requires that new harbor construction dredging be financed at full local expense. It does, however, provide for construction and maintenance of harbors for national defense vessels.

3. S. 1692 permits ports to recover their share of maintenance and construction costs from user fees. These fees must reflect benefits provided to their shipping customers.

4. Finally, the bill established a consolidated permitting procedure to mandate a maximum two year review period for all federal permits required for dredging projects.

CONSTRUCTION DREDGING POLICY

As I said before, the construction policy is most important to you. S. 1692 provides a new approach to deepen and widen harbors. Non-federal interests will finance all new construction dredging. This will allow the market to determine the projects with the highest priority and greatest economic efficiency. To make sure that construction can proceed when financing is arranged, S. 1692 also includes fast-track provisions that limit the processing and review of all necessary federal permits to a period of two years. This provision is extremely important. It will assure a port that once it has its financial arrangements in order, the federal permitting process will be completed. In some cases, it may be completed before financing is arranged. Port authorities will not have to experience costly delays, waiting for federal permits. The bill also requires that private contractors perform all construction dredging.

This is a very simple, but I believe, workable alternative to current practice.

Current federal policy provides for new harbor dredging decisions to be made through specific Congressional authorizations and appropriations. Congress authorizes a study for a construction project, the Corps of Engineers performs the study, estimating the costs and economic benefits. If the project has benefits greater than its cost, it may be authorized, and perhaps funded.

Traditionally, federal expenditures have been spread broadly, but thinly, among the nation's ports. Rather than target the federal investment, funds and work have been distributed widely among many ports along three coasts and the Great Lakes; 47 ports now have authorized depths of 40-45 feet. When one port obtains a deeper channel, many others have demanded the same deeper channel. If the demands are persistent enough and Congressional representation powerful enough, many channels are developed at the same rate. This not only costs a lot of money, it slows down the pace of all development. Obviously, this approach limits our nation's ability to develop the deep harbors needed to handle larger, more cost-effective colliers.

Unless federal policy is altered to recognize and encourage local initiative, we will miss vast opportunities for increasing coal export trade. Anything that involves Congress directly in the process of port-by-port authorization or appropriation will only delay the process of development, and attract more ports into the bidding for 55-foot channels.

The new policy of S. 1692 requires local interests to finance all future harbor improvements. This policy recognizes that any decision to expand a particular harbor is essentially a commercial decision. Therefore, the marketplace should determine future actions. Obviously, harbor expansion at a specific location provides regional benefits, and benefits to the nation as well. However, the same can be said of many localized activities. Unless we are willing to have the federal government allocate, spend and control a much larger percentage of our gross national product, however, we simply cannot afford to federally fund them all.

The budget deficit tells us that in very stark terms, and that is what the current debate over taxes and expenditures is really all about. All of this says to me that harbor construction dredging projects will be more timely and economical when the decision is made by the parties directly involved, rather than the federal government.

S. 1692 would allow port users to determine which ports should be constructed, and in what order. Shippers agree that, in the near future we need only two to three ports at a 55 foot depth.

We had a hearing last year where I asked port directors how many ports would like to expand. The directors estimated that, with full federal funding, close to 50 ports would compete for construction funds. If the federal government were to commit 50 percent of construction funding, about 10 ports are likely to be willing to finance the additional 50 percent. With requirements deep-draft port development. Our bill is not only an acceptance of this reality, but a vehicle to make this reality work for the good of the country.

There are other approaches to port development, but they are unlikely to provide a workable system. For example, using a "national uniform user fee" will, in effect, become an entitlement program for smaller ports. Major users of larger, more efficient ports will forever be forced to subsidize high cost development and maintenance at smaller ports, plus they will have to pay the full cost of deep-draft development at larger ports. A national uniform fee will not allow us to rapidly develop the deep-draft coal ports we need, where we need them. Politically speaking, entitlement programs are great, especially for those who are fortunate enough to be entitled to them by Congress.

But, as I indicated earlier, they are one of the major reasons we have the budgetary problems we do. We simply can no longer afford entitlement programs for every good cause. There are just too many "good causes." I do believe that port development and maintenance is a very good cause, and very much in the "national" interest. Unfortunately, though, it is just one of many good causes we cannot afford to fund as we would like to in the federal budget.

The Committee is very comfortable with S. 1692 as it is currently written; however, we would certainly be willing to consider amendments which may improve it. I am extremely pleased that the National Coal Association has recently taken a position on port development. The NCA position states that if federal funds are not available, the Association would support legislation which would:

1. Allow non-federal interests to finance and construct new development;
2. Allow these interests to impose user fees to recover these costs; and
3. Require fast-tracking of federal permits.

S. 1692 meets all these criteria. I am very pleased that NCA has taken the position they have. I consider this position to be crucial to the success of the bill. It tells us that a major user group realizes that if we want to rapidly expand our coal export capabilities, major users of those ports will have to pay for their expansion. And the Coal Association has decided that, since they may have to pay for their share of development, they want it to be where it does the most good, where it is most economical.

I would encourage the Dredging Association to review S. 1692. It is my hope that you will be able to endorse it and support it strongly. If we are going to move rapidly to expand our coal ports, I am convinced that S. 1692 is the best approach. As I said, I would welcome amendments; but it is the only bill dealing with this topic which is currently on the Senate Calendar. If we do not get this bill scheduled for floor action in the near future, we may very well lose the opportunity to resolve this problem during this Congress.●

THE SOIL EROSION PROBLEM

● Mr. ARMSTRONG. Mr. President, one of the Nation's leading conservation reporters, Mark Rohner of the Gannett News Service, has done an exceptional series on the gravity of the soil erosion problem. He points out that the Nation loses some 5 billion tons of topsoil each year and that the problem is getting worse.

But the most important aspect of this thesis is that the Federal Government is encouraging poor farming. We continue to provide financial incentives to farmers—often foreign investors—who plow marginal grasslands, hillsides, and forest lands. My sodbusters bill, S. 1825, would put a stop to such Government incentives and solve at least one cause of the problem.

Because this measure enjoys such widespread support across the country, and has received a great deal of attention, I ask that Mark Rohner's series on "Saving the Soil" be printed in the RECORD. I certainly encourage all my colleagues to read this information and act before it is too late.

The material follows:

SAVING THE SOIL

AMERICA'S DISAPPEARING LAND . . .

(By Mark Rohner)

ST. JOSEPH, MO.—Outside St. Joe, the landscape is slowly, invisibly creeping—rolling off hillsides, oozing across roads, choking ditches and culverts, turning streams brown with sediment.

Earl Lockridge stops his pickup beside a field of corn planted in rows running straight uphill. For half a mile on either side of the road, dark brown dirt lies in piles up to a foot deep, like moraines deposited by an invisible glacier. It's some of the 100 tons or more that literally flow off every sloping acre of this cornfield every year, covering the gravel road so thickly that county maintenance crews have to plow it off like snow.

Despite such graphic evidence of serious erosion—some of the heaviest in the country—farmers around here aren't willing to do much about it, says Lockridge, a local soil scientist with the U.S. department of Agriculture. Buck Burch, a USDA conservationist from nearby Clinton County, agrees. "People aren't going to realize they have a problem until it's too damn late," he says.

Ages ago, the wind piled some of the continent's richest soils along the Missouri River near here, depositing loess—fine glacial particles—to depths of 90 feet and carving it into hilly landforms found nowhere else on earth except China.

Its fertility is matched only by its fragility. The local name for loess—"sugar dirt"—describes what happens when it gets wet. On an unprotected slope, it just melts. The results are apparent. Roadside ditches are hard to find—eroding topsoil has slowly filled them level with the highways. Between fields, deep gullies are choked with brush.

The loess hills of northwest Missouri continue to produce bumper crops of corn and soybeans only because of the unmatched depth of the soil—measured in yards instead of inches. "You've got this much soil, how do you convince the landowner he's got a problem?" says Burch.

Farmers elsewhere aren't as fortunate; most have much less soil to lose.

Topsoil on most of the nation's 413 million acres of cropland ranges in depth from a few inches to a few feet—only half of what existed only a century ago in many areas of the Corn Belt. Water erosion every year steals from 2 billion to 5 billion tons of the soil that remains. More than a quarter of that loss occurs in three of the most important agricultural states—Iowa, Missouri and Illinois.

Like the loess laid down a particle at a time over unimaginable eons, new soil forms slowly, only 5 tons per acre—a layer no thicker than a sheet of paper—every year. Nearly a quarter of the nation's cropland—94 million acres—is losing ground as erosion carries away more topsoil each year than the 5 tons that nature puts back.

The danger lies in lost production at a time when one acre in three supplies a growing export market, while technological advances in farm productivity have begun to slow. To meet projections of "moderate" export growth—a rate that is already being exceeded—most pasture and forestland suitable for crops will have to be plowed up in the next 50 years. That means cropping more sloping land—and more erosion.

The worst erosion, at annual rates ranging from 10 to 30 tons per acre, but exceeding 100 tons on some farms, has been measured in the Corn Belt states of Iowa and Missouri and in the southern Mississippi Valley. These rates are heavy enough to cut crop yields by up to 30 percent within 50 years, the Agriculture Department estimates.

It has happened before.

Erosion turned the hills of northern Mississippi into wasteland during the first half of this century, as logging and continuous cotton planting ruined thousands of acres, leaving bare slopes, scarred with huge gullies, useless and abandoned. By 1939, 40 percent of the state's land was incapable of supporting a crop.

A herculean effort in the 1940s reclaimed the hillsides. In Lafayette County alone, pine trees were planted on 85,000 acres of ruined cropland, concentrating on the steepest slopes. Lesser slopes were converted to pasture, leaving row crops—the cause of much of the erosion—on lowlands where tillage could do the least harm.

Now, Mississippians are worried that things may be getting away from them again. The reclamation projects of the 1940s "are behind us," said Billy Ross Brown, district soil conservation commissioner from Lafayette County. "What's going to cost us millions is cropland erosion we haven't touched on."

"We in a sense really haven't kept up with the farmers," said Mackie Riddle, district conservationist. "They've plowed land up faster than we were able to treat it." Driving through the northern Mississippi hills, Riddle points our soybean fields surrounded by fences—a sure sign that another farmer has quit the cattle business, plowed up his pastures and planted them to soybeans, among the most erosive of crops.

Tom Benton, assistant state conservationist, estimates that in the last 10 years, about 1¼ million acres of Mississippi grassland has been planted to crops, most in the hilly northern third of the state. Resulting soil losses, he said, are up to 50 tons per acre, contributing to Mississippi's heavy cropland erosion rate, the third highest in the nation.

Losses in the cattle business have increasingly forced farmers to convert their pastures to corn and soybeans, the major export crops, for a more certain cash return. But they exact a heavy toll on the soil—all the more so because pastureland, almost by definition, tends to be steep and susceptible to heavy erosion once its grass cover is gone.

"Soybeans—conservationists wish we'd never seen the damn things," said Buck Burch, who has seen Clinton County, Mo., farmers convert 30,000 acres from pasture to cropland since 1970. "But they're an economic boon to agriculture here."

Milton Starness, a Lafayette County, Miss., farmer, is the rare producer who can afford to buck the trend. He has converted a heavily eroded soybean and sorghum farm back to pastureland when his less prosperous neighbors are going the other way. "Ten years ago, every farmer had cattle," he said. "Now, they have plowed pastures up and gone to soybeans and the soil is washing away."

"In our area right here—rolling land like this—whenever you plow it up, and with the big equipment you have now, you just tear that land up. You get a good rain, and the next morning that dirt is down in the Yocoma River bottom."

The consequences of intensive cropping on slopes that once grazed livestock are readily apparent in hilly north central Mis-

souri. Near Plattsburgh, farmer Larry Roberts shows a neighbor's fence buried in silt so deep that another fence had to be built on top of it. Not far away, a stream is so badly silted that two feet of water stands over a bridge.

Across the state, near Kirksville, conservationist Michael Koehler points out a soybean field scarred by a broad gully that runs to a culvert half-filled with silt. "It's a crime," he said. "They ought to put a guy in jail for that.

In each case, the cause is intensive cultivation of sloping land, including such destructive practices as:

Fall plowing, which leaves the soil unprotected all winter.

Planting straight up the hillside, instead of on the contour.

Ripping up terraces (one of the most effective means of controlling erosion) because they get in the way of big, heavy farm equipment.

Abandoning crop rotation in favor of continuous corn or soybeans.

Why do they do it?

"The bottom line, of course. It's that dollar," said Mississippi conservationist Tom Benton.

Absentee land ownership and high land prices get much of the blame.

"If a guy pays $1,500 an acre, what else can he do but plow it up?" said Burch of the farmers in his part of northwest Missouri. "He's got to plant fencerow to fencerow and plant a quick-return crop on it to pay for his property. And if he's getting 120 bushels to the acre, he doesn't give a tinker's dam whether he gets acceptable soil loss or not."

Then, in a complaint heard repeatedly in the Midwest and the South, there are the city folks who inherit a farm, rent it out expecting a maximum return, and don't want to hear about spending money on soil conserving practices.

Ray Beckham, who farms 1,400 acres on the Mississippi Delta, has done erosion control work—at $240 an acre—on his own land, but he can't do anything to protect the 300 acres he rents from an absentee owner.

"I finally got her to come down and sit down and talk about it," he said. "She listened, she rode around, but I don't think a thing is going to be done about it."

Few farmers can afford the kind of investment Beckham has made—particularly without financial help. But federal cost-sharing for erosion control practices has actually declined in recent years. And much of that money—distributed through a highly politicized system of county committees—has been ineffective, according to national studies that are borne out by interviews in the field.

More than half the money goes to farms that have minimal erosion problems. Often the money has been doled out for practices, such as reseeding existing pastures, that don't save much, if any, soil. Or it has been spent on fancy terrace systems that do the job, but at a cost—$250 an acre or more—that soon eats up the relatively meager federal funds available to each county.

There are effective, inexpensive ways of saving soil, but conservationists have trouble getting farmers to adopt the new cropping practices they involve.

Yet the economics of farming and conservation leave little choice, says Tom Barlow of the Natural Resources Defense Council, who has written extensively on soil conservation issues. "We can't afford to spend $34 million on each county, and I don't think we should," he said.

"Somebody's got to keep arguing for simple, inexpensive field management practices, or we could end up in this county spending billions and not having anything to show for it."

NO-TILL: A WAY TO SAVE SOIL

IPAVA, ILL.—When the rains came last spring, Loy McMullen stopped on the road separating his cornfield from a neighbor's and looked down into the ditches on either side.

"The water coming out of my neighbor's field into the ditch was yellow, so thick with mud you could cut it off with a knife. In my ditch, it was clean enough to drink," he said.

McMullen is one of a growing minority of farmers who have gotten erosion under control at little expense, often without government help and without the elaborate engineering that eats up conservation dollars to protect a few acres, while leaving many more untouched.

Tradition and politics have long favored approaches to soil conservation that have often turned out to be ineffective or too costly for widspread use. Until recently, McMullen's way of saving soil has taken a back seat.

McMullen and his neighbor both farm rolling ground in Edgar Lee Masters' Spoon River Valley in western Illinois, but their methods couldn't differ more.

The neighbor uses conventional deep plowing and discing that takes heavy equipment and repeated trips across the field to turn over and pulverize the soil. McMullen is a "no-till" farmer. He doesn't plow, he doesn't disc. With a specially designed planter, he just sows his corn into the stubble of last year's crop.

The crop residue holds his soil in place, while across the road, bare soil between his neighbor's rows of corn is washing, in little rills and broad sheets, slowly down the hillside.

"I could have terraced" the farm to control erosion, McMullen said, "but I don't think it would have done me any good. I can no-till cheaper."

Terracing—grading slopes into stair-steps that "walk" runoff downhill—is one of the most effective ways of controlling erosion, but also one of the costiest. In Illinois alone, the cost of terracing enough land to cut erosion by 58 percent is estimated at a minimum of $750 million, and could amount to twice that figure.

Without some kind of federal or state assistance, the cost of terracing—$250 or more an acre—is beyong the reach of all but the wealthiest farmers.

Yet in 1978, federal assistance for terracing in Illinois amounted to only $2 million, and saved soil on only 20,500 of the 15.2 million acres in the state that need some kind of conservation treatment.

Nationwide, the cost, public and private, of controlling all erosion would be around $250 billion, according to one official estimate. Another estimate, just of government costs, is that it would take a doubling of current expenditures, sustained for 50 years and reaching a total of more than $75 billion, to stop soil losses. Yet, the U.S. Agriculture Department's most optimistic projections call for expenditures to increase only about 3 percent annually.

Farmers in Clinton County, Mo., send county agent Bill Cecil 80 to 100 requests for soil conservation assistance every year. But Cecil says he can only fund about half of them out of his $55,000 to $60,000 annual allocation of federal money.

"The cost of terracing is getting pretty substantial," he said. "People are going to have to get into other alternatives than pushing dirt."

Elbert Dixon spent 20 years terracing his entire 720-acre Clinton County farm because, he said, "if we don't take care of the soil, where in the hell are we going to get the food from? If we hadn't done that, we wouldn't be farming what we are."

But now, he said, "I question whether I would do it today. It would cost a fortune. My first field was 'dozed for $18-$20 an hour. Now you're looking at $50 to $60 an hour."

Farmers, though, "can do a lot without spending much money," said Michael Koehler, a Department of Agriculture conservationist from Kirksville, Mo. "No-till is the thing that's going to save them. It's the least expensive, and it pretty well controls erosion."

The case for no-till farming, according to farmers experienced with the practice, is one of economics as well as conservation.

Not only has McMullen avoided the prohibitive cost of terracing his farm, he said he's also saving money on production costs. Instead of having to plow, disc, harrow and plant, "I've got just one trip over the field," for a big savings in fuel and wear and tear on machinery.

Larry Roberts, who uses no-till practices on his 245-acre farm in northwest Missouri, said that "if I can make this no-till work for me, three pieces of equipment is all I need—my tractor, my combine and my grain drill (a planter). I can spend money on conservation practices instead of machine storage. And I can take real good care of my machinery if I've only got three pieces to look after."

The savings are at least partially offset by the cost of the special planters—they run about $10,000 apiece—and by increased costs for chemicals. Herbicides have to be applied heavily on unplowed ground to prevent weeds from choking out the crop. The long-term effects of heavy chemical use remain an unanswered question about no-till farming.

Some farmers worry that no-till practices will cut their yields, or that buildups of crop residue will increase their problems with insects and mice. And no-till doesn't work well in cool, wet soils. But there is no debate about one thing: No-till saves soil.

Yet conservationists who try to sell farmers on no-till say the going is tough.

"It's just like me and the metric system," said McMullen of his neighbors' reluctance to change their practices.

"The No. 1 thing is attitude," said Koehler. "Grandpa's been plowing, dad's been plowing—a lot of people have just got that urge to plow. It looks pretty."

Even the most conscientious farmer sometimes yields to the temptation to spend a fine fall afternoon plowing a field, a destructive practice that gives conservationists fits. They call it "recreation tillage."

"I just love to farm," said one farmer who did it. "But I made a big mistake."

Another obstacle is the laughter and derision no-till farmers say they get from their neighbors. Drennan Bailey, a 26-year-old Missouri farmer who has been using no-till practices since he started out, recalled that "when I got up here, farmers said I was the craziest kid on earth.

Farmers like to wake up and look at that (plowed) dirt, and they saw me planting in trash. It looked like the most pathetic thing

you've ever seen. They thought I was just off the wall."

Soil-saving tillage techniques should not be viewed as "the answer to everything," said Neil Sampson of the National Association of Conservation Districts. "There is as much danger in that as the days of slapping some engineering solution everywhere."

There are areas where heavy rainfall can be controlled only by terracing and other types of structures, he said. But if farmers control as much erosion as possible using conservation tillage practices, he said, "the engineering is going to be far less costly."

Federal appropriations to help farmers undertake conservation projects have declined from $300 million a year in the 1930s to around $200 million currently. The money is distributed through a system of county commitees, and "there's a lot of politics involved," said Mike Larson, who works for three conservation districts in Illinois.

A few committees have set aside some of the money to make payments to farmers who try no-till practices, but in general, the committees "like big-money things" like terraces, he said.

One committee in Illinois, for example, recently helped pay for a farmer to terrace a 30-acre field, even though the nearly level acreage had no serious erosion problem. The $1,600 the committee spent on that 30 acres could have protected three times the acreage simply by paying it to farmers as an incentive to try no-till practices, said Steve Morgan of the Illinois Department of Natural Resources.

Worse, in the view of many conservationists, is the tendency of county committees to spread money around to as many farmers as possible, regardless of their erosion problems, for such things as seeding or liming pastures. Theoretically, this saves soil by improving vegetative cover, but as a practical matter, farmers are getting money for "land they were going to seed down anyway," Koehler said.

An Agriculture Department survey of 24,000 conservation grants to farmers showed that more than half were for seeding pastures and similar practices. Only 119 of the grants involved minimum tillage.

Moreover, the survey found that 52 percent of the grants were for farms, like the one in Illinois, where erosion is minor or non-existent. Meanwhile, serious erosion goes on unchecked.

"We're getting tired of the shotgun effect," said Larson. "We need to go to high priority areas. We need to convince people we're tired of doing farmers favors and we want to get some conservation accomplished."

DEVELOPMENT: A BUILDING THREAT

DEFIANCE, MO.— The signs begin appearing along Highway 94 a few miles past this quiet old village, set between rugged hills and flat, fertile bottomland along the Missouri River.

Separated by pastureland and fields planted in soybeans and corn, the signs advertise land in 3-acre lots, ready for development. As Highway 94 nears St. Louis, the signs become more numerous and the open fields give way to shopping centers, tract housing and bare land graded and staked.

Along the road another sign sums up what is happening in St. Charles County. It advertises The Farm Apartments, a development that evokes the county's agricultural character even as it takes a little more land out of farming.

Set in the middle of open pasture, The Farm Apartments are tiny, cheaply built townhouses, designed to look like barns, with a fake windmill out front. There are no real barns or windmills around here, only a few fields being tilled or grazed for a final few years before they produce "the last cash crop"—houses, factories, shopping centers.

Here in eastern St. Charles County, a narrow, fertile crescent nestled between the Missouri and Mississippi rivers, farmland is disappearing at the rate of more than 3,000 acres every year. Thousands of acres more are threatened as leapfrogging development brings farm and city into conflict.

It's a pattern repeated on the edges of most major cities in the country, and even around small, expansion-minded rural communities. Across the nation, urban development chews up 3 million acres of cropland every year. One third of those acres are irreplaceable prime farmland, flat and well-drained—the same qualities that make it dandy ground for development.

Such a site lies just across the Missouri from here, where rich floodplain farmland near the Interstate 70 bridge in St. Louis County was taken up by a huge, dreary commercial-industrial development known as Earth City. Now a new bridge is proposed, and some in St. Charles County fear it will bring greater pressure for development of the bottomland on their side of the river, land that now produces good crops of corn, soybeans and wheat.

In defending farmland against urbanization, "sometimes a good bad example is what you need," said Jack Broemmelsiek, who raises cattle near Defiance. "Earth City is a good goof in point."

The St. Charles County Conservation Board is pushing for policies that would keep development off the county's 161,000 acres of fertile flood-plain soil and channel it to poorer land.

"We don't think it's realistic to expect there won't be development this close to St. Louis," Broemmelsiek said.

Compared with erosion, urbanization has only recently come to be recognized as a threat to farm productivity.

But the National Agricultural Lands Study warned earlier this year that in the future, satisfying growing world food demand will depend more on bringing new land into production than on scientific increases in crop yields. At the current rate of increase in yields, meeting food demand in the year 2000 would take all the cropland now in production, plus nearly all of the grassland and forestland most suitable for cultivation, according to the study.

This makes prime farmland all the more important because it takes three or four acres of non-prime land, as a rule of thumb, to replace every prime acre that is lost, said Al Hidlebaugh of the Soil Conservation Service.

Replacing prime farmland often means bringing steep, erosive land under the plow. Thus, urbanization and erosion go hand in hand.

They go together in other ways. Urbanization made a moonscape out of a hillside near Oxford, Miss. Deep gullies slash through bare ground, exposing underground wiring and pipe, all that remains of a mobile home development that failed, leaving the land useless for farming or anything else.

Outside Canton, Ill., another sign advertises a 15-acre cornfield, zoned light industrial, for sale. While it waits for a buyer, it's being farmed intensively, producing heavy erosion that is rapidly silting in a private pond across the road.

"The reason he's using such poor management is because he knows it's going to be developed," said Mike Larson, who works for three soil conservation districts in the area. "He's just farming the hell out of it because it's worth $10,000 an acre for development."

Urbanization not only tempts farmers to abuse their land for a few years before selling out, it also makes it difficult to farm at all.

With suburban development come dogs, children, recreational vehicles, traffic—and complaints about the noise, odors and dust that go with normal farming operations.

Jack and Betty Broemmelsiek, who graze 225 head of cattle within sight of several subdivisions near here, said they have continuous conflict with some of their neighbors from the city who, Broemmelsiek said, "just don't realize the harm they can do to crops and livestock."

"Dogs are our worst problem with the neighbors," said Betty. "So many people move out here so their dogs can run." Others dump unwanted dogs by the roadside, and "they get hanging around and traveling in packs."

"I rolled over a dog with the truck the other day, and I was happy as a clam," she said.

She described what happened earlier this year when dogs came upon one of their cows while it was calving in a pasture and unable to move. "We took her water at 8:30 in the morning, then came back around 11. There were guts all over. The dogs had just slit her right open."

Then there are the people who dump trash, cut fences or open gates.

"You have to keep all the gates locked," said Betty. "Otherwise, the four-wheel-drive vehicles come in and make big ruts in the alfalfa field that can almost throw you off the tractor."

Sometimes, the aggravation reaches the point where the farmer sells out to a developer, and one more farm goes out of food production. The Broemmelsieks say they are staying, but "there's a developer who says I'm crazy," Betty said.

Across the road is a cornfield, being allowed to erode as it awaits development. Nearby is a wheat field being advertised for sale in 3-acre lots. Adjoining their property is 130 acres they passed up when it went on the market recently. Now, "horsey people, swimming pool people" live in about 20 houses there.

"As you get these little chunks out of food production, you begin to lose your agricultural supply companies," said Betty. "The grain elevator leaves"—making it all the more difficult to continue farming. "It's already happened in St. Louis County, but not yet here in St. Charles."

Zoning has preserved farmland in some urbanizing areas, but it's difficult to get officials to think about farmland as anything but undeveloped land, Broemmelsiek said.

Besides, he said, "farmers don't want it zoned so tight they can't sell it. That's their old-age security."

WASHINGTON: PART OF PROBLEM

WASHINGTON.—The horror of the '30s Dust Bowl, coming just a few years after a secretary of agriculture officially recognized soil erosion as "a national menace," mobilized the federal government into an all-out battle to protect the nation's topsoil.

Beginning with the achievements of the Civilian Conservation Corps, which in its first year of existence built 420,000 erosion-

control dams and planted 100,000 acres of trees, Washington has taken the lead in the nation's soil conservation efforts.

Yet, for all the good the government did through the CCC, and later the U.S. Department of Agriculture, many conservationists believe Washington has been part of the soil erosion problem.

The CCC experience "has instilled some very unfortunate mindsets" in federal conservation agencies, said Tom Barlow of the Natural Resources Defense Council.

"As they succeeded, they instilled the perception that erosion control is a federal responsibility, that erosion control is an add-on in farming to be addressed by federal (outside) technicians with federal (outside) dollars and that, in content, conservation is structural," he said in a letter to White House budget director David Stockman.

"In time, the federal conservation effort became a big public-works program. As more and more structural work was purchased, it was not coincidental that soil erosion rates on cropland climbed through the decades."

Although federal investment in conservation has been declining since the 1930s, the tendency, Barlow said, is still to look to the Washington pork barrel. It becomes, he said, "an excuse to do nothing:" Waiting for the government to solve the problem once and for all instead of making "simple and inexpensive" conservation practices—contour plowing, crop rotation, minimum tillage—a part of the way that land is farmed.

"The idea that you could throw the whole place in terraces and forget about it has led a lot of people astray, especially policy makers around here," said Neil Sampson of the National Association of Conservation Districts.

In recent years, though, conservationists have been concluding that you can't buy and build your way toward zero erosion. And even if you could, neither farmers nor the government could afford it.

Now, for the first time since the 1930s, the Agriculture Department has been asking questions about its soil conservation policies, and coming up with answers that fit in with the Reagan administration's ideas on federalism and budget austerity.

The money that the government had been doling out to help farmers install conservation practices—money that was often spent ineffectively—will now, it is proposed, be shared with the states. And, in a sharp break with the past, the administration is proposing to "target" its conservation money where erosion is at its worst, instead of spreading it around to please as many farmers and politicians as possible.

That philosophy has resulted, according to one study, in 52 percent of the government's conservation grants to farmers being spent on land where erosion is a minor problem. "They haven't been that selective in the past," said a top conservation official in the Agriculture Department. "But beginning with the programs next year, there is going to be a radical turnaround in that 52 percent."

Block grants to the states and the targeting of erosion funds are popular with the nation's governors, who point to innovative conservation programs in several states—notably Iowa and Illinois—as evidence that the states are taking on increasing responsibility for the protection of their soil resources.

But the new ideas are likely to be controversial. Block grant money is expected to come out of the politically popular Agricultural Conservation Program, which gives farmers money for terraces and other conservation projects. And targeting means some parts of the country will lose funds and conservation personnel, so they can be shifted elsewhere.

Does it make sense to spend more money on the most erosive, least productive land, rewarding areas that have done the poorest job on conservation? asks Sampson.

You could exhaust the money on the 15 percent of the land that produces 25 percent of the erosion, marginal farmland that shouldn't be farmed anyway," he said.

David Unger, associate chief of the Soil Conservation Service, said the concern is a valid one. "Just talking about tons of erosion reduced is not the whole answer, because not all tons are equally valuable. We need to target where there is the most potential damage to long-term agricultural productivity."

Another question: Who says the states will spend conservation money any more wisely than the federal government, especially since the block grants will come with few strings attached?

"As you push grants to the states, we anticipate that the very powerful structural construction lobby will organize to ensure that with time that money gets used to pour concrete, buy plastic pipe, finance a lot of fancy engineering blueprints and purchase heavy-duty excavating equipment," Barlow wrote to Stockman.

"In the process, 'software' conservation that serves few interests except the public interest in maintaining soil quality will get a lot of gushing rhetoric and erosion rates will climb."

Others have more confidence in the states. Twelve states provide grants or loans to farmers who undertake conservation work on their land. Fifteen have erosion-control laws. The most stringent, an Iowa law that provides penalties for farmers who violate local soil-loss standards, has become a model for other state legislation.

Originally, agriculture Secretary John Block wanted to use Block-grant money to encourage other states to adopt laws like Iowa's, but the Office of Management and Budget threw cold water on that idea.

Block has also discussed allowing the states to use their block grants to set up pilot programs, in which soil-conservation practices would become a condition for receiving federal crop-price support. That idea contains the seed of one of the most controversial soil-conservation measures—"cross compliance"—which means using federal farm programs as a reward for protecting the soil.

Block has been thinking about applying a form of cross compliance to Farmers Home Administration loans and perhaps to the new federal crop-insurance program.

Cross compliance is based on the theory that the government, by providing crop-price support, low-interest loans and other benefits, too often subsidizes the loss of soil. But cross compliance has been criticized as too onerous a burden for farmers and too heavy a federal instrusion into their management decisions.

However, said a Soil Conservation Service official, "voluntarism is not going to work. Ultimately, I think things are going to tighten up to where that is what's going to have to be."

Relying on the states and on incentives like cross compliance is not a substitute for continued federal financial support of conservation efforts such as providing farmers with technical assistance on conservation methods, Sampson said.

"We have never been able to come close to the on-farm technical assistance we had early in the conservation movement," he said. And although the Reagan administration is emphasizing technical assistance over pork-barrel projects, its overall funding for soil conservation is being cut by 20 percent, he noted.

"You pull the technicians out and I don't think the dollars will be spent well, whether public or private," he said.●

NATO SUMMIT DECLARATION AND PRESIDENT'S BONN SPEECH

(By request of Mr. BAKER, the following statement was ordered to be printed in the RECORD:)

● Mr. PERCY. Mr. President, last week President Reagan, as part of his dialog with our European friends and allies, participated in the NATO Summit in Bonn, and also addressed the West German Parliament.

For those who may question the relevance or effectiveness of the North Atlantic Alliance in today's world, the NATO heads of government reminded the world in the summit declaration that a free and voluntary alliance for mutual security and preservation of values "allows for a high degree of diversity. Therein lies our strength."

In two separate statements on defense posture and arms control issued with the summit declaration, the NATO leaders pledged to "continue to strengthen NATO's defense posture, with special regard to conventional forces," and stated that "militarily significant, equitable and verifiable agreements on arms control and disarmament contribute to the strengthening of peace and are an integral part of our security policies."

President Reagan addressed the West German people through their parliamentary representatives the day before on these same themes. He stressed that "without a strengthened Atlantic security, the possibility of military coercion will be very great." He cautioned against mistaking "the inevitable process of adjustment within the alliance for a dramatic divergence of interests." He assured Europeans that "the American commitment to Europe remains steady and strong. Europe's shores are our shores." He emphasized that "the nuclear threat is a terrible beast," and pointed to U.S. arms control proposals on nuclear weapons in Europe now under negotiation, on strategic nuclear weapons about to be negotiated, and on reductions in conventional forces in Europe.

Mr. President, I ask that the full text of the NATO Summit Declaration and President Reagan's speech in Bonn be printed in the RECORD.

The material follows:

NATO SUMMIT; DECLARATION

There follows the text of the NATO Summit Declaration approved by NATO

heads of state and government meeting in Bonn on June 18:

1. We, the representatives of the 16 members of the North Atlantic Alliance, reaffirm our dedication to the shared values and ideals on which our transatlantic partnership is based.

2. The accession of Spain to the North Atlantic Treaty, after its peaceful change to parliamentary democracy, bears witness to the vitality of the alliance as a force for peace and freedom.

3. Our alliance has preserved peace for a third of a century. It is an association of free nations joined together to preserve their security through mutual guarantees and collective self-defense as recognized by the United Nations Charter. It remains the essential instrument for deterring aggression by means of a strong defense and strengthening peace by means of constructive dialogue. Our solidarity in no way conflicts with the right of each of our countries to choose its own policies and internal development, and allows for a high degree of diversity. Therein lies our strength. In a spirit of mutual respect, we are prepared to adjust our aims and interests at all times through free and close consultations. These are the core of everyday allied cooperation and will be intensified appropriately. We are a partnership of equals, none dominant and none dominated.

4. The Soviet Union, for its part, requires the countries associated with it to act as a bloc, in order to preserve a rigid and imposed system. Moreover, experience shows that the Soviet Union is ultimately willing to threaten or use force beyond its own frontiers. Afghanistan and the Soviet attitude with regard to the Polish crisis show this clearly. The Soviet Union has devoted over the past decade a large part of its resources to a massive military buildup, far exceeding its defense needs and supporting the projection of military power on a global scale. While creating a threat of these dimensions, Warsaw Pact governments condemn western defense efforts as aggressive. While they ban unilateral disarmament movements in their own countries, they support demands for unilateral disarmament in the West.

5. International stability and world peace require greater restraint and responsibility on the part of the Soviet Union. We, for our part, reaffirming the principles and purposes of the alliance, set forth our program for peace in freedom:

(A) Our purpose is to prevent war and, while safeguarding democracy, to build the foundations of lasting peace. None of our weapons will ever be used except in response to attack. We respect the sovereignty, equality, independence and territorial integrity of all states. In fulfillment of our purpose, we shall maintain adequate military strength and political solidarity. On that basis, we will persevere in efforts to establish, whenever Soviet behavior makes this possible, a more constructive East-West relationship through dialogue, negotiation and mutually advantageous cooperation.

(B) Our purpose is to preserve the security of the North Altantic area by means of conventional and nuclear forces adequate to deter aggression and intimidation. This requires a sustained effort on the part of all the allies to improve their defense readiness and military capabilities, without seeking military superiority. Our countries have the necessary resources to undertake this effort. The presence of North American Armed Forces in Europe and the United States nuclear strategic commitment to Europe remain integral to allied security. Of equal importance are the maintenance and continued improvement of the defense capabilities of the European members of the alliance. We will seek to achieve greater effectiveness in the application of national resources to defense, giving due attention to possibilities for developing areas of practical cooperation. In this respect the allies concerned will urgently explore ways to take full advantage both technically and economically of emerging technologies. At the same time steps will be taken in the appropriate fora to restrict Warsaw Pact access to Western military relevant.

(C) Our purpose is to have a stable balance of forces at the lowest possible level, thereby strengthening peace and international security. We have initiated a comprehensive series of proposals for militarily significant, equitable, and verifiable agreements on the control and reduction of armaments. We fully support the efforts of the United States to negotiate with the Soviet Union for substantial reductions in the strategic nuclear weapons of the two countries, and for the establishment of strict and effective limitations on their intermediate-range nuclear weapons, starting with the total elimination of their landbased intermediate-range missiles, which are of most concern to each side.

We will continue to seek substantial reductions of conventional forces on both sides in Europe, and to reach agreement on measures which will serve to build confidence and enhance security in the whole of Europe. To this end, those of us whose countries participate in the negotiations on mutual and balanced force reductions in Vienna have agreed on a new initiative to give fresh impetus to these negotiations. We will also play an active part in wider international talks on arms control and disarmament; at the Second United Nations Special Session on Disarmament which has just opened in New York, we will work to give new momentum to these talks.

(D) Our purpose is to develop substantial and balanced East-West relations aimed at genuine detente. For this to be achieved, the sovereignty of all states, wherever situated, must be respected, human rights must not be sacrificed to state interests, the free movement of ideas must take the place of one-sided propaganda, the free movement of persons must be made possible, efforts must be made to achieve a military relationship characterized by stability and openness, and in general all principles and provisions of the Helsinki Final Act in their entirety must be applied. We, for our part, will always be ready to negotiate in this spirit and we look for tangible evidence that this attitude is reciprocated.

(E) Our purpose is to contribute to peaceful progress world-wide; we will work to remove the causes of instability such as under-development or tensions which encourage outside interference. We will continue to play our part in the struggle against hunger and poverty. Respect for genuine non-alignment is important for international stability. All of us have an interest in peace and security in other regions of the world. We will consult together as appropriate on events in these regions which may have implications for our security, taking into account our commonly identified objectives. Those of us who are in a position to do so will endeavor to respond to requests for assistance from sovereign states whose security and independence are threatened.

(F) Our purpose is to ensure economic and social stability for our countries, which will strengthen our joint capacity to safeguard our security. Sensitive to the effects of each country's policies on others, we attach the greatest importance to the curbing of inflation and a return to sustained growth and to high levels of employment. While noting the important part which our economic relations with the Warsaw Pact countries can play in the development of a stable East-West relationship, we will approach those relations in a prudent and diversified manner consistent with our political and security interests. Economic relations should be conducted on the basis of a balanced advantage for both sides. We undertake to manage financial relations with the Warsaw Pact countries on a sound economic basis, including commerical prudence also in the granting of export credits. We agree to exchange information in the appropriate fora on all aspects of our economic, commerical and financial relations with Warsaw Pact countries.

6. Nowhere has our commitment to common basic values been demonstrated more clearly than with regard to the situation in Germany and Berlin. We remain committed to the security and freedom of Berlin and continue to support efforts to maintain the calm situation in and around the city. The continued success of efforts by the Federal Republic of Germany to improve the relationship between the two German States is important to the safeguarding of peace in Europe. We recall that the rights and responsibilities of the four powers relating to Berlin and Germany as a whole remain unaffected and confirm our support for the political objective of the Federal Republic of Germany to work towards a state of peace in Europe in which the German people regains its unity through free self-determination.

7. We condemn all acts of international terrorism. They constitute flagrant violations of human dignity and rights and are a threat to the conduct of normal international relations. In accordance with our national legislation, we stress the need for the most effective cooperation possible to prevent and suppress this scourge.

8. We call upon the Soviet Union to abide by internationally accepted standards of behavior without which there can be no prospect of stable international relations, and to join now with us in the search for constructive relations, arms reductions and world peace.

NATO Summit: Separate Document on Arms Control

There follows below the text of the separate document on arms control approved by NATO heads of state and government meeting in Bonn on June 10:

1. As indicated in our declaration of today, we, the representatives of the 16 members of the North Atlantic Alliance, hereby set out our detailed positions on arms control and disarmament:

2. Militarily significant, equitable and verifiable agreements on arms control and disarmament contribute to the strengthening of peace and are an integral part of our security policies. Western proposals offer the possibility of substantial reductions in United States and Soviet strategic arms and intermediate-range weapons and in conventional forces in Europe, as well as of confidence-building measures covering the whole of Europe:

In the forthcoming strategic arms reductions talks (START), we call on the Soviet Union to agree to significant reductions in United States and Soviet strategic forces, focussed on the most destabilizing intercontinental systems.

In the negotiations on intermediate-range nuclear forces (INF); which are conducted within the START framework and are based on the December 1979 decision on INF modernization and arms control, and the United States proposal for the complete elimination of all longer-range land-based INF missiles of the United States and the Soviet Union holds promise for an equitable outcome and enhanced security for all.

Those of us participating in the Vienna negotiations on mutual and balanced force reductions (MBFR) will soon present a draft treaty embodying a new, comprehensive proposal designed to give renewed momentum to these negotiations and achieve the long-standing objectives of enhancing stability and security in Europe. They stress that the Western treaty proposal, if accepted, will commit all participants whose forces are involved—European and North American—to participate in accordance with the principle of collectivity in substantial manpower reductions leading to equal collective ceilings for the forces of Eastern and Western participants in central Europe, based on agreed data, with associated measured designed to strenghten confidence and enhance verification.

In CSCE, the proposal for a conference on confidence and Security-building measures and disarmament in Europe as part of a balanced outcome on the Madrid CSCE follow-up meeting would open the way to increased transparency and enhanced stability in the whole of Europe from the Atlantic to the Urals.

3. At the same time, we are continuing our efforts to promote stable peace on a global scale:

In the Committee on Disarmament in Geneva, the allies will actively pursue efforts to obtain equitable and verifiable agreements including a total ban on chemical weapons.

In the Second Special Session on Disarmament of the United Nations General Assembly now in progress, we trust that new impetus will be given to negotiations current and in prospect, especially by promoting military openness and verification, that the need for strict observance of the principle of the renunciation of force enshrined in the United Nations Charter will be reaffirmed, and that compliance with existing agreements will be strengthened.

4. We appeal to all states to cooperate with us in these efforts to strengthen peace and security. In particular, we call on the Soviet Union to translate its professed commitment to disarmament into active steps aimed at achieving concrete, balanced and verifiable results at the negotiating table.

NATO Summit: Separate Document on Defense

There follows below the text of the separate document on defense approved by NATO heads of state and government meeting in Bonn on June 10:

1. As indicated in the declaration of today, we, the representatives of those members of the North Atlantic Alliance taking part in its integrated defense structure hereby set out our detailed positions on defense. We welcome the intention of Spain to participate in the integrated defense structure, and the readiness of the President of the Spanish Government to associate himself with this document, while noting that the modalities of Spanish participation have still to be worked out.

2. Pursuant to the principles set out in the program for peace and freedom, we agree that, in accordance with current NATO defense plans, and within the context of NATO strategy and its triad of forces, we will continue to strengthen NATO's defense posture, with special regard to conventional forces. Efforts of our nations in support of the decisions reached at Washington in 1978 have led to improved defensive capabilities. Notwithstanding this progress, it is clear, as documented in the recently published comparison of NATO and Warsaw Pact forces, that continuing efforts are essential to alliance security. Against this background, we will:

Fulfill to the greatest extent possible the NATO force goals for the next six years, including measures to improve the readiness of the standing forces and the readiness and mobilization capability of reserve forces. Note was taken of the recently concluded agreement between the United States and the Federal Republic of Germany for wartime host nation support.

Continue to implement measures identified in the long-term defense program designed to enhance our overall defense capabilities.

Continue to improve NATO planning procedures and explore other ways of achieving greater effectiveness in the application of national resources to defense, especially in the conventional field. In that regard, we will continue to give due attention to fair burden-sharing and to possibilities for developing areas of practical cooperation from which we can all benefit.

Explore ways to take full advantage both technically and economically of emerging technologies, especially to improve conventional defense, and take steps necessary to restrict the transfer of military relevant technology to the Warsaw pact.

3. Noting that developments beyond the NATO area may threaten our vital interests, we reaffirm the need to consult with a view to sharing assessments and identifying common objectives, taking full account of the effect on NATO security and defense capability, as well as of the national interests of member countries. Recognizing that the policies which nations adopt in this field are a matter for national decision, we agree to examine collectively in the appropriate NATO bodies the requirements which may arise for the defense of the NATO area as a result of deployments by individual member states outside that area. Steps which may be taken by individual allies in the light of such consultations to facilitate possible military deployments beyond the NATO area can represent an important contribution to Western security.

Text of the Address by the President to the Bundestag

I am very honored to speak to you today and thus to all the people of Germany. Next year we will jointly celebrate the 300th Anniversary of the first German settlement in the American colonies. The 13 families who came to our new land were the forerunners of more than seven million German immigrants to the United States. Today more Americans claim German ancestry than any other.

These Germans cleared and cultivated our land, built our industries, and advanced our arts and sciences. In honor of 300 years of German contributions in America, President Carstens and I have agreed today that he will pay an official visit to the United States in October of 1983 to celebrate the occasion.

The German people have given us so much, we like to think that we've repaid some of that debt. Our American Revolution was the first revolution in modern history to be fought for the right of self-government and the guarantee of civil liberties. That spirit was contagious. In 1849 the Frankfurt Parliament's statement of basic human rights guaranteed freedom of expression, freedom of religion, and equality before the law. And these principles live today in the basic law of the Federal Republic. Many peoples to the east still wait for such rights.

The United States is proud of your democracy, but we cannot take credit for it. Heinrich Heine, in speaking of those who built the awe-inspiring cathedrals of medieval times, said that "in those days people had convictions. We moderns have only opinions and it requires something more than opinions he said, to build a Gothic cathedral." Over the past 30 years, the convictions of the German people have built a cathedral of democracy—a great and glorious testament to your ideals.

We in America genuinely admire the free society you have built in only a few decades. And we understand all the better what you have accomplished, because of our own history. Americans speak with the deepest reverence of those founding fathers and first citizens who gave us the freedoms that we enjoy today. And even though they lived over 200 years ago, we carry them in our hearts as well as in our history books.

I believe future generations of Germans will look to you here today and to your fellow Germans with the same profound respect and appreciation. You have built a free society with an abiding faith in human dignity—the crowning ideal of Western civilization. This will not be forgotten. You will be saluted and honored by this Republic's descendents over the centuries to come.

Yesterday, before the British Parliament, I spoke of the values of Western civilization and the necessity to help all peoples gain the institutions of freedom. In many ways, in many places, our ideals are being tested today. We are meeting this afternoon between two important summits, the gathering of leading industrial democracies at Versailles and the assembling of the Atlantic Alliance here in Bonn tomorrow. Critical and complex problems face us. But our dilemmas will be made easier if we remember our partnership is based on a common Western heritage and a faith in democracy.

I believe this partnership of the Atlantic Alliance nations is motivated primarily by the search for peace. Inner peace for our citizens and peace among nations.

Why inner peace? Because democracy allows for self-expression. It respects man's dignity and creativity. It operates by rule of law, not by terror or coercion. It is government with the consent of the governed. As a result, citizens of the Atlantic Alliance enjoy an unprecedented level of material and spiritual well-being. And they are free to find their own personal peace.

We also seek peace among nations. The Psalmist said, "seek peace and pursue it." Well, our foreign policies are based on this principle and directed toward this end. The noblest objective of our diplomacy is the patient and difficult task of reconciling our adversaries to peace. And I know we all look

forward to the day when the only industry of war will be the research of historians.

But the simple hope for peace is not enough. We must remember something that Friedrich Schiller said, "The most pious man can't stay in peace if it doesn't please his evil neighbor." So there must be a method to our search, a method that recognized the dangers and realities of the world. During Chancellor Schmidt's State visit to Washington last year, I said that your Republic was "perched on a cliff of freedom." I wasn't saying anything the German people do not already know. Living as you do in the heart of a divided Europe, you can see more clearly than others than there are Governments at peace neither with their own peoples nor the world.

I don't believe any reasonable observer can deny that there is a threat to both peace and freedom today. It is as stark as the gash of a border that separates the German people. We are menaced by a power that openly condemns our values and answers our restraint with a relentless military build-up.

We cannot simply assume every nation wants the peace we so earnestly desire. The Polish people would tell us there are those who would use military force to repress others who want only basic human rights. The Freedom Fighters of Afghanistan would tell us as well that the threat of aggression has not receded from the world.

Without a strengthened Atlantic security, the possibility of military coercion will be very great. We must continue to improve our defenses if we are to preserve peace and freedom. This is not an impossible task; for almost 40 years, we have succeeded in deterring war. Our method has been to organize our defensive capabilities, both nuclear and conventional, so that an aggressor could have no hope of military victory. The Alliance has carried its strength not as a battle flag, but as a banner of peace. Deterrence has kept that peace, and we must continue to take the steps necessary to make deterrence credible.

This depends in part on a strong America. A national effort, entailing sacrifices by the American people, is now underway to make long-overdue improvements in our military posture. The American people support this effort because they understand how fundamental it is to keeping the peace they so fervently desire.

We also are resolved to maintain the presence of well-equipped and trained forces in Europe, and our strategic forces will be modernized and remain committed to the Alliance. By these actions, the people of the United States are saying, "We are with you Germany. You are not alone." Our adversaries would be foolishly mistaken should they gamble that Americans would abandon their Alliance responsibilities, no matter how severe the test.

Alliance security depends on a fully credible conventional defense to which all allies contribute. There is a danger that any conflict could escalate to a nuclear war. Strong conventional forces can make the danger of conventional or nuclear conflict more remote. Reasonable strength in and of itself is not bad; it is honorable when used to maintain peace or defend deeply held beliefs.

One of the first chores is to fulfill our commitments to each other by continuing to strengthen our conventional defenses. This must include improving the readiness of our standing forces and the ability of those forces to operate as one. We must also apply the West's technological genius to improving our conventional deterrence.

There can be no doubt that we as an Alliance have the means to improve our conventional defenses. Our peoples hold values of individual liberty and dignity that time and again they have proven willing to defend. Our economic energy vastly exceeds that of our adversaries. Our free system has produced technological advances that other systems, with their stifling ideologies, cannot hope to equal. All of these resources are available to our defense.

Yes, many of our nations currently are experiencing economic difficulties. Yet we must nevertheless guarantee that our security does not suffer as a result. We've made strides in conventional defenses over the last few years despite our economic problems, and we have disproved the pessimists who contend that our efforts are futile. The more we close the conventional gap, the less the risks of aggression or nuclear conflict.

The soil of Germany, and every other ally, is of vital concern to each member of the Alliance, and this fundamental commitment is embodied in the North Atlantic Treaty. But it will be an empty pledge unless we insure that American forces are ready to reinforce Europe and Europe is ready to receive them. I am encouraged by the recent agreement on wartime host nation support. This pact strengthens our ability to deter aggression in Europe and demonstrates our common determination to respond to attack.

Just as each ally shares fully in the security of the Alliance, each is responsible for shouldering a fair share of the burden. Now that, of course, often leads to a difference of opinion, and criticism of our Alliance is as old as the partnership itself.

But voices have now been raised on both sides of the Atlantic that mistake the inevitable process of adjustment within the Alliance for a dramatic divergence of interests. Some Americans think that Europeans are too little concerned for their own security, some would unilaterally reduce the number of American troops deployed in Europe. And in Europe itself, we hear the idea that the American presence, rather than contributing to peace, either has no deterrent value or actually increases the risk that our allies may be attacked.

These arguments ignore both the history and the reality of the transatlantic coalition.

Let me assure you that the American commitment to Europe remains steady and strong. Europe's shores are our shores. Europe's borders are our borders. And we will stand with you in defense of our heritage of liberty and dignity. The American people recognize Europe's substantial contributions to our joint security. Nowhere is that contribution more evident than here in the Federal Republic. German citizens host the forces of six nations. German soliders and reservists provide the backbone of NATO's conventional deterrent in the heartland of Europe. Your Bundegwehr is a model for the integration of defense needs with a democratic way of life. And you have not shrunk from the heavy responsibility of accepting the nuclear forces necessary for deterrence.

I ask your help in fulfilling another responsibility. Many American citizens don't believe that their counterparts in Europe—especially younger citizens—really understand the United States presence there. If you will work toward explaining the United States role to people on this side of the Atlantic, I will explain it to those on the other side.

In recent months, both in your country and mine, there has been renewed public concern about the threat of nuclear war and the arms buildup. I know it is not easy, especially for the German people, to live in the gale of intimidation that blows from the east.

If I might quote Heine again, he almost foretold the fears of nuclear war when he wrote, "wild, dark times are rumbling toward us, and the prophet who wishes to write a new apocalypse will have to invent entirely new beasts, and beasts so terrible that the ancient animal symbols . . . will seem like cooing doves and cupids in comparision." The nuclear threat is a terrible beast. Perhaps the banner carried in one of the nuclear demonstrations here in Germany said it best. The sign read, "I am afraid." I know of no Western leader who doesn't sympathize with that earnest plea. To those who march for peace, my heart is with you. I would be at the head of your parade if I believe marching alone could bring about a more secure world. And to the 2,800 women in Filderstadt who sent a petition for peace to President Brezhnev and me, let me say I, myself, would sign your petition if I thought it could bring about harmony. I understand genuine concerns.

The women of Filderstadt and I share the same goal. The question is how to proceed. We must think through the consequences of how we reduce the dangers to peace.

Those who advocate that we unilaterally forego the modernization of our forces must prove that this will enhance our security and lead to moderation by the other side—in short, that it will advance, rather than undermine, the preservation of the peace. The weight of recent history does not support this notion.

Those who demand that we renounce the use of a crucial element of our deterrent strategy must show how this would decrease the likelihood of war. It is only by comparision with a nuclear war that the suffering caused by conventional war seems a lesser evil. Our goal must be to deter war of any kind.

And those who decry the failure of arms control efforts to achieve substantial results must consider where the fault lies. I would remind them it is the United States that has proposed to ban land-based intermediate-range nuclear missiles—the missiles most threatening to Europe. It is the United States that has proposed and will pursue deep cuts in strategic systems. It is the West that has long sought the detailed exchanges of information on forces and effective verification procedures. And it is dictatorships, not democracies, that need militarism to control their own people and impose their system on others. We in the West—Germans, Americans, our other allies—are deeply committed to continuing efforts to restrict the arms competition. Common sense demands that we persevere. I invite those who genuinely seek effective and lasting arms control to stand behind the far-reaching proposals that we have put forward. In return I pledge that we will sustain the closest of consultations with our allies.

On November 18th, I outlined a broad and ambitious arms control program. One element calls for reducing land-based intermediate-range nuclear missiles to zero on each side. If carried out, it would eliminate the growing threat to Western Europe posed by the U.S.S.R.'s modern SS-20 rockets, and it would make unnecessary the NATO decision to deploy American intermediate-range systems. And, by the way, I cannot understand

why, among some, there is a greater fear of weapons NATO is to deploy than of weapons the Soviet Union already has deployed. Our proposal is fair because it imposes equal limits and obligations on both sides and it calls for significant reductions, not merely a capping of an existing high level of destructive power. As you know, we have made this proposal in Geneva, where negotiations have been underway since the end of November last year. We intend to pursue those negotiations intensively. I regard them as a significant test of the Soviets' willingness to enter into meaningful arms control agreements.

On May 9th, we proposed to the Soviet Union that strategic arms reductional talks begin this month in Geneva. The U.S.S.R. has agreed, and talks will begin on June 29th. We in the United States want to focus on the most destabilizing systems, and thus reduce the risk of war. And that is why in the first phase we propose to reduce substantially the number of ballistic missile warheads and the missiles themselves. In the second phase we will seek an equal ceiling on other elements of our strategic forces, including ballistic missile throw weight, at less than current American levels. We will handle cruise missiles and bombers in an equitable fashion. We will negotiate in good faith, and undertake these talks with the same seriousness of purpose that has marked our preparations over the last several months.

Another element of the program I outlined was a call for reductions in conventional forces in Europe. From the earliest postwar years, the Western democracies have faced the ominous reality that massive Soviet conventional forces would remain stationed where they do not belong. The muscle of Soviet forces in Central Europe far exceeds legitimate defense needs. Their presence is made more threatening still by a military doctrine that emphasizes mobility and surprise attack. And as history shows, these troops have built a legacy of intimidation and repression.

In response, the NATO allies must show they have the will and capacity to deter any conventional attack or any attempt to intimidate us. Yet we also will continue the search for responsible ways to reduce NATO and Warsaw Pact military personnel to equal levels.

In recent weeks, we in the Alliance have consulted on how best to invigorate the Vienna negotiations on mutual and balanced force reductions. Based on these consultations, Western representatives in the Vienna talks soon will make a proposal by which the two alliances would reduce their respective ground force personnel in verifiable stages to a total of 700,000 men and their combined ground and air force personnel to a level of 900,000 men.

While the agreement would not eliminate the threat nor spare our citizens the task of maintaining a substantial defensive force, it could constitute a major step toward a safer Europe for both East and West. It could lead to military stability at lower levels and lessen the dangers of miscalculation and of surprise attack. And it also would demonstrate the political will of the two alliances to enhance stability by limiting their forces in the central area of their military competition.

The West has established a clear set of goals. We as an alliance will press forward with plans to improve our own conventional forces in Europe. At the same time, we propose an arms control agreement to equalize conventional forces at a significantly lower level.

We will move ahead with our preparations to modernize our nuclear forces in Europe. But, again, we also will work unceasingly to gain acceptance in Geneva of our proposal to ban land-based intermediate-range nuclear missiles.

In the United States, we will move forward with the plans I announced last year to modernize our strategic nuclear forces, which play so vital a role in maintaining peace by deterring war. Yet we also have proposed that Strategic Arms Reductions Talks begin, and we will pursue them determinedly.

In each of these areas our policies are based on the conviction that a stable military balance at the lowest possible level will help further the cause of peace. The other side will respond in good faith to these initiatives only if it believes we are resolved to provide for our own defense. Unless convinced that we will unite and stay united behind these arms control initiatives and modernization programs, our adversaries will seek to divide us from one another and our peoples from their leaders.

I am optimistic about our relationship with the Soviet Union if the Western nations remain true to their values and true to each other. I believe in Western civilization and in its moral power. I believe deeply in the principles the West esteems And guided by these ideals, I believe we can find a nonsense, workable, and lasting policy that will keep the peace.

Earlier I said the German people had built a remarkable cathedral of democracy. But we still have other work ahead. We must build a cathedral of peace, where nations are safe from war and where people need not fear for their liberties. I've heard the history of the famous cathedral at Cologne—how those beautiful soaring spires miraculously survived the destruction all around them, including part of the church itself.

Let us build a cathedral as the people of Cologne built theirs—with the deepest commitment and determination. Let us build as they did—not just for ourselves but for the generations beyond. For if we construct our peace properly, it will endure as long as the spires of Cologne.●

VOICE OF REASON RISES FROM CONGRESS HALLS

● Mr. ARMSTRONG. Mr. President, Congressman JAKE PICKLE of Texas is one of the genuine experts on social security in the Congress. He has been working diligently for a responsible, bipartisan solution to the problems that now afflict the social security system. A recent article by Don Phillips gives credit to Congressman PICKLE for his courageous and statesmanlike approach to the necessity for keeping the system solvent and assuring the security of our retired citizens. I include this article entitled, "Voice of Reason Rises From Congress Halls" in the CONGRESSIONAL RECORD and commend it to my colleagues as an example of true leadership during a time that calls for political courage.

The article follows:

[From the Sterling Journal-Advocate, May 25, 1982]

VOICE OF REASON RISES FROM CONGRESS HALLS

(By Don Phillips)

WASHINGTON (UPI).—From time to time, a voice of reason rises above the partisan fray on the floors of Congress. Usually no one listens.

Rep. Jake Pickle, D-Texas, on the surface, is an unlikely voice of reason. He comes from a good partisan political background, having been elected to Lyndon Johnson's old House seat when the master politician was elected to the Senate. Close your eyes, and you can almost hear Johnson when Pickle rolls that Texas drawl off his lips.

But Pickle has gained the respect of both Democrats and Republicans as chairman of the Social Security subcommittee of the House Ways and Means Committee. He has made a constant—but fruitless—effort to find a long-term solution to the funding problems of the Social Security system.

When President Reagan earlier this month backed the Senate Budget Committee budget resolution that included $40 billion in savings from Social Security, the gloves came off in the House and Senate. Charges and countercharges flew, and blame was flowing through the halls.

In the middle of the fray, Pickle made a brief House floor speech that bears repeating in full:

"Mr. Speaker," he said, "the president and the speaker say there will be no cuts in Social Security. Members of the Senate say there will be no cuts in Social Security. Members of the House Budget Committee say there will be no cuts in Social Security.

"It is an easy political bell to pull. It rings well.

"Let me caution my colleagues that every bell we hear is not the Liberty Bell.

"We are all getting very busy saying what we will not do regarding Social Security, and absolutely no one is saying what we will do to meet the real problems this program faces.

"All we are doing is heating this up politically like a post oak stove.

"When it comes to Social Security, I do not think the people care so much what the Republican or Democratic position is. I think they care about Social Security. They know we have problems. I think they would rather see those problems fixed than see us continue to run and duck for another year. People are losing confidence in Social Security by this delay.

"A final thought—we will need about $10 billion a year for the next four years just to keep enough money in the retirement fund to enable us to go home on an occasional recess knowing the funds can hold out until we get back.

"We had better start thinking very hard about where we are going to get that kind of money for this program. And we better start thinking very hard about the long-range changes that we need to restore overall confidence in Social Security and do it now.

"All the promises of today will mean nothing if we not act soon."

Pickle has been giving some version of that same speech for some time. No one really has listened until now, and there's even less likelihood that anyone will listen in this congressional election year.

This problem is that the electorate, particularly Social Security recipients, are listening too much to the strident voices of

partisan politics and too little to the Jake Pickles of Congress.●

VALUES CLARIFICATION IN EDUCATION

● Mr. EAST. Mr. President, I would like to share with my colleagues an article which appeared in the Wall Street Journal, Monday, April 12, 1982. Mr. Richard A. Baer, Jr., author of "Parents, Schools, and Values Clarification," discusses the teaching method developed by Louis E. Raths, Merrill Harmin, and Sidney B. Simon back in the midsixties known as values clarification. This teaching method seemed to encourage teachers to allow students to decide for themselves whether it was right or wrong to lie, steal, obey their parents, and to generally decide for themselves what were acceptable values.

I commend Mr. Baer for his coverage of the subject of values clarification, and I ask that a copy of this article be printed in the RECORD.

The article follows:

PARENTS, SCHOOLS AND VALUES CLARIFICATION

(By Richard A. Baer, Jr.)

Back in the mid-1960s, social scientists Louis E. Raths, Merrill Harmin and Sidney B. Simon developed the teaching method known as Values Clarification, advertising it as an ideal way to deal with values without taking sides or indoctrinating students in one particular value position. Since "by definition and right . . . values are personal things" ("Values and Teaching," 1966), teachers should never try to teach children correct values. To tell a student stealing is wrong or that kindness and loyalty are good values, would be, according to Values Clarification, to manipulate and coerce a student. Teachers should help students discover and clarify their own personal values instead of trying to force someone else's values on them.

Spread by teacher workshops, paid for in part by state and federal tax dollars, Values Clarification caught on quickly in the early 1970s and became popular with many teachers and administrators. Its use in public school sex-education classes and by local Planned Parenthood groups was particularly noteworthy, for whether intended or not, adolescents were in effect given the message that parents, the school or society had no right to tell them what standards should guide sexual behavior. Whether premarital sex was right or wrong, for instance, adolescents would discover for themselves as they were helped to clarify their personal values.

Parents did not react immediately. But when children began to report over dinner that class discussion had been about whether lying was sometimes permissible and whether they should always obey their parents, it wasn't long before groups of parents began to mobilize against Values Clarification.

EMOTIONS OUTSTRIPPED LOGIC

Many of these parents were Christian fundamentalists. Their arguments were not couched in the sophisticated jargon of philosophy or social science, and sometimes emotions outstripped logic. But they left little doubt that they thought Values Clarification was teaching their children a kind of ethical relativism.

Instead of meeting such objections with solid arguments of their own, many educators attacked the objectors, dismissing their criticisms as little more than a reactionary fundamentalist response to education innovation.

This is precisely what happened, for example, in the spring of 1979 in a dispute over Values Clarification in the consolidated school system of Spencer and Van Etten, two small Upstate New York communites not far from Elmira. Supporters of Values Clarification referred early in the conflict to the concerned parents as simplistic, anti-intellectual and opposed to independent thought. One teacher accused them of having ties with national right-wing groups. But what was most embarrassing about this dispute was that it soon became apparent to several outside observers (including myself) that these "anti-intellectual" parents had a better grasp of the philosophical issues involved than the professional educators.

Martin Eger, professor of philosophy and physics at the City University of New York, pointed out in a spring 1981 article in the Public Interest that the climate of trust eroded rapidly after the school at first denied that Values Clarification made up any part of the required curriculum. When it became public knowledge that it did form the basis of at least one required course in vocational decision-making, school authorities still refused to meet in open, mediated dialogue with the protesters. The parents were left with no recourse but to accept the use of Values Clarification—which they thought would violate their consciences—or attempt a political solution by entering their own candidates in school board elections.

The basic complaints of the parents in Spencer-Van Etten and in many similar cases have now been largely substantiated. Over the past seven years, nonfundamentalist scholars from major universities—including professors Kenneth A. Strike of Cornell, Alan L. Lockwood of the University of Wisconsin and John S. Stewart, formerly of Michigan State University—have faulted Values Clarification on at least a dozen counts. The list of critics also includes William J. Bennett, recently appointed by President Reagan as chairman of the National Endowment for the Humanities, and Edwin J. Delattre, president of St. John's College in Annapolis. The major objections of these writers are virtually identical with those initially raised by religious fundamentalists and other parents' group.

First, contrary to what its proponents claim, Values Clarification is not values neutral. Even on the level of particular ethical decisions, where the authors try hard to be neutral, they succeed only partially. As Messrs. Bennett and Delattre point out, the approach used in such Values Clarification strategies as Sidney Simon's "Priorities" "emphatically indoctrinates—by encouraging and even exhorting the student to narcissistic self-gratification."

And on the deeper level of what philosophers call "metaethics"—that is, critical analysis and theory about the nature of values as such—the claim to neutrality is entirely misleading. At this more basic level, the originators of Values Clarification simply assume that their own subjectivist theory of values is correct. By affirming the complete relativity of all values, they in effect equate values with personal tastes and preferences. If parents object to their children using pot or engaging in premarital sex, the theory behind Values Clarification makes it appropriate for the child to respond, "But that's just your value judgment. Don't force it on me."

Furthermore, Values Clarification indoctrinates students in ethical relativism, for its proponents push their own position on their captive student audiences and never suggest that thoughtful people may choose alternatives. Sidney Simon, Howard Kirschenbaum and other Values Clarification authors repeatedly belittle teachers of traditional values. Such teachers, they claim, "moralize," "preach," "manipulate" and "whip the child into line." Their positions are "rigid" and they rely on "religion and other cultural truisms."

The second major fault, according to the University of Wisconsin's Alan Lockwood, is that "a substantial proportion of the content and methods of Values Clarification constitutes a threat to the privacy rights of students and their families." To be sure, the method permits students to say "I pass" when the teacher asks them to complete such open-ended sentences as "If I had 24 hours to live. . . .", "Secretly I wish . . ." or "My parents are usually. . . ." But many of these "projective techniques" are designed in such a fashion, Mr. Lockwood claims, that students often will realize too late that they have divulged more about themselves and their families than they wish or feel is appropriate in a public setting. Moreover, the method itself incorporates pressure toward self-disclosure.

CONTRADICTING THE BIBLE

A third criticism of Values Clarification is that by presupposing very specific views about human nature and society, it becomes a kind of "religious" position in its own right which competes directly with other religious views. For instance, Values Clarification theory consistently presents the individual self as the final arbiter of value truth (individuals must develop their own values "out of personal choices"), and it assumes that the good life is one of self-fulfillment and self-actualization. These positions directly contradict the Biblical view that God is the ultimate lawgiver and that the good life is to be found only in losing oneself in the service of God and of one's neighbor.

The use of Values Clarification in public schools or even by such quasi-public agencies as Planned Parenthood constitutes a direct violation of First Amendment protection against the establishment of religion, one at least as objectionable as the attempt by some fundamentalists to require the teaching of creationism in the public schools. Schools that use the method are, probably unwittingly, fostering the establishment of one particular "religion" and by doing so are abusing the rights of those who hold differing positions.

The controversy over Values Clarification tells us something about the quality of public discourse in this country. The educational establishment and the press ought to recognize that there is as much diversity amoung religious fundamentalists as among Catholics, Jews and liberal Protestants. Gratuitous sniping against blacks, women, Jews, Chicanos and Roman Catholics is no longer tolerated, but somehow fundamentalists who speak out against a development like Values Clarification remain fair game for the worst kinds of prejudicial attack. A bit more fairness is long overdue.●

THE PROPOSED SIBERIAN NATURAL GAS PIPELINE

● Mr. ARMSTRONG. Mr. President, Our colleague, Senator GARN, and others have demonstrated that the proposed Siberian natural gas pipeline makes neither political nor moral sense. Milton Copulos, the director of energy studies at the Heritage Foundation, in an article printed in the Washington Times June 8, has now demonstrated that it makes no economic sense, either. I ask that Mr. Copulos' article, entitled: "The Yamal Pipeline: A Two-Phase Alternative," be printed in the RECORD.

The article follows:

[From the Washington Times, June 8, 1982]

THE YAMAL PIPELINE: A TWO-PHASE ALTERNATIVE

(By Milton Copulos)

Snaking its way some 3,000 miles from the frozen wastes of Soviet Siberia to terminals in 10 West European nations, the Yamal pipeline was heralded as the final realization of the long-anticipated East-West trade bonanza.

To West European sponsors, it seemed too good to be true. Not only was Moscow going to sell them some 40 billion cubic meters of natural gas annually, it also was going to purchase $15 billion worth of equipment, technology and materials from West Europe. The deal even was being financed by a consortium of West European banks offering government-backed loans.

However, in the United States the project was greeted with serious skepticism as many, including Reagan administration officials, saw it as a threat to Europe's security. Although European officials publicly dismissed U.S. concerns, arguing that the Soviets were a more reliable supplier than the Middle East, many indicated privately that they would consider alternatives.

Since stimulating Europe's sagging economy was a major factor behind the pipeline project, they cautioned that any proposed alternative must address the economic as well as the energy consequences of the deal.

Finding a suitable alternative presented the pipeline's opponents with a formidable task. Any option would have to be capable of delivering the needed energy within the same time frame anticipated for the initial deliveries of Moscow's gas. It would have to create the same sort of investing opportunities. And it would have to do so with a more secure and reliable source of supply.

As difficult as the problem seems, an alternative to Soviet gas does exist. It consists of two elements: A joint venture between private firms in Europe and the United States to increase American coal export capacity, and the development of Norwegian natural gas reserves in the North Sea. Together, these projects not only will eliminate the need for Soviet gas, but will strengthen and stimulate the economies of Western Europe and the United States.

American coal has always been viewed by Europe as an important potential energy source as witnessed by the rapid increase in steam coal exports to European Economic Community members in recent years. The trouble is, present U.S. port and handling facilities, cannot accommodate huge, 150,000 dead-weight ton "Super Colliers" that are expected to carry the bulk of the world coal trade in the future.

If American ports are not renovated to make provisions for these giants of the sea lanes, the United States will lose its market to such competitors as Australia, South Africa, and even Poland. In these days of fiscal restraint, however, the traditional method of financing and conducting such renovations—with government financing and Army Corps of Engineers management—is no longer feasible.

Moreover the delays (up to 21 years) would not permit the fast action current market conditions mandate. The solution is to have the private sector finance and manage the port reconstruction.

This could be done by creating "coal export zones," and "coal export investment companies." Zones would be designated by the Department of Commerce at the request of a port. The award of the designation would allow them to take advantage of certain "fast-tracking" provisions eliminating red tape, recently approved in congressional committee, and to license coal export investment companies.

The purpose of the companies would be to assemble the financing, expertise and project sponsors to renovate the port. Among partners in a coal export investment company joint venture could be European firms interested in making greater use of U.S. coal.

This would provide an investment outlet for their capital, opportunities to sell equipment and technology and a chance to participate in the long-term profits of a U.S. coal boom. As such, this would provide even more economic stimulus than the proposed pipeline from Siberia.

The second element, the development of Norwegian North Sea gas reserves, may prove particularly timely. While the completion date for the Yamal pipeline is 1986, recent events cast doubt that it will be met.

Moscow, starved for hard currency, already has begun to renege on its commitments to purchase technology and equipment from Western Europe, indicating that it intends to manufacture many components of the pipeline within the Soviet Union. While this is bitterly disappointing to the project's European sponsors, many observers believe the Russians will find they cannot internalize the construction and eventually will have to go to outside suppliers any way.

Such delays may well push the delivery date for the Siberian gas to 1990 or beyond—a date coinciding with the time Norway expects its North Sea gas to be ready for export.

Norway has enormous reserves of North Sea natural gas—more than four times the amount discovered on Alaska's North Slope. Developing these reserves is difficult and expensive, but a task well within modern technology's limits. Although there is some concern in Norway over the environmental and socio-economic impacts of a too-rapid development, the Norwegian government has indicated that it is willing to develop oil and gas reserves as aggressively as market conditions dictate.

To illustrate this, Norwegian officials frequently note that no oil company has ever had a request to develop a field turned down. These same officials, though, are concerned that their country's favorable attitude towards oil and gas development is not widely perceived. They emphasize in private discussions that Norway is not only willing, but eager to market its natural gas as soon as it becomes available.

It is evident that Norway does represent a long-term alternative to Moscow's gas. Moreover, since construction of a distribution system, storage terminals and other necessary facilities would probably be beyond that nation's industrial capacity, Norwegian gas creates yet another opportunity for Europe to stimulate its heavy industries.

In short, a workable alternative to Moscow's gas exists and meets all of the criteria necessary to make it preferable to the Yamal pipeline project. It would stimulate the European economy, provide the necessary energy and, most of all, be a secure and stable source of supply.●

WHAT PRIME MINISTER SUN REALLY SAID ABOUT UNIFICATION

● Mr. GOLDWATER. Mr. President, last Thursday, Prime Minister Sun Yun-suan of Taiwan delivered a brief statement in Taipei at a reception honoring participants attending the 11th Sino-American Conference on Mainland China. Prime Minister Sun's remarks were erroneously reported in the American press as indicating a major change in the Taiwan Government's attitude toward the nine-point reunification offer made by Communist China.

The way the American news media represented it, Taiwan seemed to show flexibility in its previous stand against the so-called Chinese Communist peace offer. In particular, it was reported that Prime Minister Sun had, for the first time, not called on the Communist regime to give up communism before the two sides entered talks.

These reports surprised me because I had just returned from Taiwan where everyone with whom I met insisted the Communist offer is unacceptable and is no more than a propaganda technique to weaken Taiwan's international status.

Mr. President, I could not believe Taiwan had changed its policy so drastically and suddenly, and I obtained a copy of the official press release of Prime Minister Sun's remarks to read it for myself. The truth, as revealed in his actual statement, is far different than the news media described it.

In reality, Prime Minister Sun condemned the Communist peace proposal and gave no sign that his government would sit down and discuss unification with Red China. In his words, the Communist offer is "a gimmick to deceive the people of the world" and is really a demand for the acceptance of Communist sovereignty over Taiwan and the freedom to use force if the peace talks should fail.

He specifically called on the mainland regime to give up the socialist road and Communist Party leadership. There are the first signs of a change in some practices by the Communist regime, and this development should be encouraged, but reunification can only occur, he said, with the passage of time after a change in the mainland

government from hostile communism to freedom and democracy. There is no Taiwan issue, only the issue of whether there will be one free China or a Communist China.

What the American press, and I hope the administration, should realize is that no government, certainly not the Republic of China on Taiwan, could enter into negotiations to discuss its own extinction. Yet this is exactly what the Peking regime wants, by war or otherwise.

Mr. President, I ask that the full transcript of Prime Minister Sun's remarks may appear at this point in the RECORD.

The transcript of remarks follows:

TAIPEI, June 10, 1982.—Prime Minister Sun Yun-suan today told Chinese and American scholars attending the 11th Sino-American Conference on Mainland China that there is no "Taiwan issue"—only the "China issue" of whether there is to be "a strong and hostile Communist China or a peace-loving non-Communist China."

If there is to be a peaceful China, he said, the problem of China's future should be left to the decision of the Chinese people as a whole.

Prime Minister Sun noted that the Chinese Communists had advanced a nine-point peace proposal but said it is only "a gimmick to deceive the people of the world," and to create a "phony image of peace."

The Communist laid down two preconditions, he said: (1) acceptance of Chinese Communist sovereignty over Taiwan, and (2) invasion by force if peace talks fail. The Communists are really calling for the surrender of the Republic of China, he said, and called on the free world to "recognize the Chinese Communist regime's conspiracy of attempting to disarm free China and communize its people through the employment of diplomatic pressure."

Free China, the Prime Minister said, is proposing to unify China on the basis of Dr. Sun Yat-sen's three principles of the people: democracy, nationalism and the people's livelihood. He said these principles are intended to establish a country of the people, by the people and for the people.

The three principles have already succeeded in Taiwan, Prime Minister Sun said, and compelled the Chinese Communists to admit that mainland China cannot catch up with the Republic of China economically.

The Prime Minister also noted that the Communists had followed the Republic of China's example in:

Recognizing the greatness of Sun Yat-sen and the success of his principles.

Imitating ROC export processing zones.

Seeking foreign capital for the expansion of exports.

Giving priority to agriculture.

Allowing limited economic individualism.

Prime Minister Sun said the "Chinese Communist regime has been compelled to bow to reality and make an aboutface after a series of setbacks."

He called on the Chinese Communists to give up their "four principles" of the socialist road, Communist party leadership, dictatorship of the proletariat and ideological fealty to the thought of Marx, Lenin and Mao

Chinese unification, he said, "should be based on the free will of the Chinese people as a whole." If this will is followed, he indicated, the Communists will scrap the four principles and take further steps to change their way of life.

"If the political, economic, social and cultural gaps between the Chinese mainland and free China continue to narrow," Prime Minister Sun said, "the conditions for peaceful reunification can gradually mature. The obstacles to reunification will be reduced naturally with the passage of time."

He called upon the scholars to undertake studies to serve mankind's well-being and achieve "an in-depth understanding of the reality of the Chinese mainland."

Among scholars from the United States attending the conference were Kenneth Rush of the Atlantic Council of the United States, Leonard Unger of the Fletcher School of Law and Diplomacy, former U.S. Ambassador to ROC, Ray S. Cline of Georgetown University, Robert F. Dernberger of the University of Michigan, Robert L. Downen of Georgetown University, Harold Hinton of George Washington University, Edward Luttwak of Georgetown University, Thomas A. Metzger of the University of California at San Diego, Jan S. Prybyla of Pennsylvania State University, Robert A. Scalapino of the University of California at Berkeley, Donald S. Zagoria of Columbia University and Parris H. Chang of Pennsylvania State University.●

SHALOM SINAI, ROAD TO PEACE

● Mr. LEVIN. Mr. President, this week Senator DODD is hosting an exhibit of photographs in the rotunda of the Russell Building. This extraordinary series of pictures entitled, "Shalom Sinai, Road to Peace" collects some of the work done by Farag Peri, one of Israel's most distinguished photographers.

The exhibit is more than a moving esthetic experience. It is, as well, a personal and a political statement of some significance. The photographer is an Iraqi Jew who left Iraq in the midfifties because of the persecution and problems which were—and still are—endemic in that nation. He struggled to make a living in Israel and finally succeeded in establishing a reputation as a photographer and as the owner of the largest photo studio in Tel Aviv.

On a political level, in the midst of the conflict in Lebanon, this exhibit indicates just how much Israel is willing to do for peace. The Sinai, that was returned to Egypt earlier this year, represented more than an economic loss and a military risk; it involved a psychological pain on the part of the people of Israel. The Sinai is a beautiful region—as this exhibit makes clear—and it had become a part of the life of the Israeli people. Not only was their blood buried in the sands; their hopes and dreams were reflected in the farms and the towns and the roads they had constructed in the region. Yet they followed the Camp David requirements and returned the land. They were willing to make that sacrifice for peace.

Now, as we confront the crisis in Lebanon, the question we face is whether the United States is willing to make a similar sacrifice; whether we are willing to ignore the easy path of generating diplomatic generalizations designed to cover over the conflict or whether we are willing to take the risks that real peace requires.

We took those risks at Camp David and the results have inspired hope. I believe that a similar opportunity is available to us now in Lebanon.

Israel is not at war with Lebanon. Israel was engaged in a war with the PLO and the Syrians. Israel has no interest in holding land in Lebanon. Israel has a compelling national interest in preventing the PLO and the Syrians from holding land in Lebanon.

That is what this entire conflict is about: The fact that the PLO used Lebanon to shell Israel villages and the Syrians used Lebanon as a base for their own military machine. Israel could not allow a continuation of the devastating attacks being launched against her people from Lebanon. The United States recognized that reality when we supported a cease-fire; but the temporary nature of the arrangement negotiated by Mr. Habib was recognized even by Secretary of State Haig who admitted that it failed to address the underlying causes of the conflict.

Now there is an opportunity to do more than put a mask over an ugly scar; we can attempt to deal with the problems which exist in Lebanon just as we dealt with the problems that existed between Israel and Egypt. At a minimum, American policy ought to be guided by three basic principles: an internationally secured buffer zone between Israel and Lebanon, the establishment of a strong and secure central government in Lebanon, and withdrawal of Syrian, PLO, and Israel forces from Lebanon.

It will not be easy to achieve these goals, but it was not easy for Israel to leave the Sinai or for Egypt to agree to a peace treaty with Israel. But Israel did withdraw from the Sinai and Egypt did sign a peace treaty. They did so, I believe, because they wanted peace and because the United States showed them how to achieve it. We must be willing to accept that role in Lebanon. And if we do, I believe peace is possible again.

Mr. President, I hope my colleagues will take the opportunity afforded to them by the exhibition of Mr. Peri's photographs to think about the sacrifices that have been made for peace in the past and the alternative to peace which we see in the present. Given that choice, I strongly urge our Government to become deeply involved in the negotiations now taking place in the Middle East and secure a lasting peace in the region.

Finally, Mr. President, as my colleagues look at the photographs of

Mr. Peri, I hope they will consider some arguments which I advanced in a speech I gave last week to the American Lebanese League here in Washington and the arguments made in a recent compelling editorial in the June 23 edition of the New Republic. Toward that end, I submit for the RECORD the text of my remarks and the New Republic editorial.

The material follows:

REMARKS BY SENATOR CARL LEVIN TO THE AMERICAN LEBANESE LEAGUE

Again blood is being spilled in your ancestral homeland. There is, despite the cease-fire, a sense of death in the air and a fear that the sky may be blotted out again by the dust clouds of bombs. And there is a terrifying possibility that what we are seeing now—all the pain, all the terror, all the death—may be nothing but an opening scene in a play whose plot features a finale from which the region, and perhaps the world will never recover.

Why? Why is the lovely land so full of history being subjected to this torture again? Where do we look for hope? Those are the questions I want to address today. I want to look at the past, not simply for the purpose of engaging in retrospective regret, but in an attempt to get a better sense of what we need to do to assure—as we must—that Lebanon will regain and retain her freedom and independence.

My direct experience with Lebanon came in the winter of 1980. At that time, during a tour of the Middle East, I became the first United States Senator in many years to visit Lebanon. I was impressed and depressed by what I saw there. My meetings with President Sarkis and Defense Minister Skaff were all too brief—but they were long enough for me to gain some understanding of the twisted strands of history and fate which were slowly strangling the life force of the Lebanese nation.

Upon my return, I wrote a letter to President-Elect Reagan. I said then that "the life of this tiny nation, a microcosm of the Middle East's problems, is literally at stake. We have ignored Lebanon. But its people's suffering, not of their own making, is as obvious as the Syrian tanks which man Syrian check-points all over her roads." In that letter, I pleaded with the President-Elect to become personally involved in the difficult negotiations which would be required to bring peace to Lebanon and some semblance of sanity to the region. I told him that without personal Presidential involvement—with all the risks that entailed—there would be no solution to the Lebanese crisis.

My assessment was shared by Robert Basil, your Chairman, who has told the Congress time and time again, that the United States must become directly involved in securing Lebanon's security and independence. In the absence of such involvement, Mr. Basil warned, "all the antagonists use Lebanon as the ground upon which violence takes place. As long as this neutral ground is available . . . there is little direct penalty associated with endlessly protracting the conflict and resisting a negotiated settlement."

And for years, Mr. Basil's fears were confirmed. Lebanon was the battleground of the Middle East, the epicenter of terrorism and death, a proving-ground for weapons of war and a testing center for destruction. And the United States, for the most part, simply sat back and allowed it to happen. We let Lebanon down. We were content to try to contain most of the violence of the region in that one land.

But American policy makers should have known that it was not possible to contain in Lebanon a terror capable of consuming the world. Nature abhors a vacuum—and human nature rushes to fill one. Lebanon was a vacuum in the universe of power politics. The PLO and the Syrians moved in to fill a void with the power of destruction.

Israel could not allow that vacuum to be filled with the shells that tore through the air and destroyed her villages anymore than the people of Lebanon could stand for the destruction of Zahle by the Syrians or the sacking and takeover of Damour by the PLO.

No, without strong, direct American involvement, an armed conflict was inevitable in Lebanon. There was no strong direct American involvement. And now there is an armed conflict.

America recently seemed to begin to realize the urgent need to pay attention to Lebanon. On May 26, Secretary of State Haig elevated Lebanon to a more central role in America's Middle East concerns. He finally recognized that "Lebanon today is a focal point of danger." He also realized that the cease-fire arranged by Ambassador Habib could not endure "while the problems at the root of the conflict continue to fester." But, despite the rhetoric and in face of that recognition, Secretary Haig did not appear to attach any urgency to American action. All he promised was that "the President has . . . directed Ambassador Habib to return to the Middle East soon to discuss our ideas . . . with . . . concerned states."

Ambassador Habib was dispatched—but the "soon" did not come soon enough. He reached the Middle East to discover blood in the sands, bodies in the streets and crisis in the air.

But, at least he reached the Middle East. Secretary of State Haig has apparently declined to travel to the region, preferring to take a journey for peace only when the conditions for peace had already been achieved. While he properly was willing to become involved prior to an agreement between England and Argentina, in Lebanon he preferred to await a "more flexible" posture. While a cease-fire now exists between Syria and Israel anyway, no settlement will come from that cease-fire unless American involvement—direct and personal and forceful American involvement—spurs settlement discussions along.

In what direction ought we try to move those discussions, and along what paths do we want negotiations to travel? While the military and diplomatic picture is a fluid one, I can provide an outline for action which might turn this war into a real opportunity for a lasting peace.

First and foremost, Lebanon needs and deserves to be free from foreign influence—whether that be Syrian or Palestinian or Israeli. Lebanon's people deserve and demand the right to rule their own destiny rather than being used as pawns in a giant chess game in which their land constitutes a pock-marked board. American influence must be directed to securing agreements which guarantee the independence and sovereignty of Lebanon. Israel's public statements and actions indicate that they have no desire to establish a permanent military presence in Lebanon.

Their goal has been to establish a buffer zone which will protect her people from the kind of shelling which has dashed so many lives and hopes for so many years. Once arrangements are made to secure that buffer zone, or otherwise to protect Israel from attack, Israel's withdrawal should follow.

Second, we need to negotiate the conditions for such a withdrawal. In the process, we must not settle for the kind of cosmetic solution the last cease-fire created. We have to address some of the more basic and fundamental causes of conflict. President Reagan's suggestion of Israeli withdrawal, is only half right. What it misses is any way to control border incidents, any mechanism for protecting Israeli villages from bombardment, any method of freeing the Lebanese and the Israeli's from the threats of terrorism. Accordingly, I would formulate America's goal in a more comprehensive form. I see it as involving three essential elements: a joint withdrawal of Israeli and Syrian forces; the creation of a multi-national peace-keeping force similar to the one now in the Sinai which includes American participation; and a strong and independent central government capable of establishing national policy and controlling the Palestinians by disarming them.

These three essential elements of American policy, withdrawal of Syrian and Israeli forces, establishing a multi-national peace-keeping force, and a central government strong enough to disarm the PLO, would go a long way toward resolving many of Lebanon's problems. As Mr. Basil pointed out in April of this year, "Syria no longer plays a constructive role in Lebanon and should withdraw its forces. . . . "Syria's objective is political hegemony over Lebanon and . . . Syria has actually been the major source of upheaval and instability in Lebanon."

To the extent that the Israeli action has set up the conditions which may lead to a Syrian withdrawal and re-emerging of a strong Lebanese central government, this war—even with its destructive impact—offers an historic opportunity to give Lebanon back to the Lebanese.

While ultimately the prospects for a secure Lebanon cannot be guaranteed by the action of other nations—other nations can help establish the conditions required to secure stability. The Lebanese must be assured a free Presidential election this August. The central government must become stronger and the election which creates that government must be secured. America should be willing to do whatever it can to safeguard that election. We joined in efforts to assure that free elections would be held in El Salvador—surely we ought to be willing to do at least as much in a country whose future is so directly related to our national interest.

In the same sense, we must do what is required to make sure that there is a country left to govern. The damage and destruction of this war is extensive. The requirement to rebuild is pressing and America should be willing to provide assistance. But as much as Lebanon needs aid—and as much as America ought to provide it—Lebanon also needs to be left alone to work out its own destiny. Our assistance, to the extent it is required and requested, should not imply or involve or participation in the internal decision-making process of the Lebanese government.

There is yet another rebuilding process that must also take place—but this process involves building a recognition of reality in the region. I indicated earlier that the vacuum in Lebanon made this tragic conflict inevitable. But there was another factor which made this tragedy inevitable as well—the failure of so many states in the region

to accept Israel's right to exist. The states of the Middle East must see, finally see, that Israel is a reality. The war of attrition must cease and a process of accommodation must begin. There can be no peace for Lebanon, no peace for Syria, no peace for Israel, no peace for the Middle East or the world until every country and every people in the region accept the reality of Israel's existence.

That recognition, painful as it may be for some, may emerge from this latest round of death and destruction. And a hope emerges as a result—a hope that this latest tragedy may be the last tragedy for Lebanon.

There can be no question about the necessity of securing and safeguarding Lebanese independence and territorial integrity. But there can be no doubt that this goal was impossible as long as Syria and the PLO were free to control Lebanon—ask the people who lived in Damour or Zahle what PLO and Syrian rule meant. It will be impossible to achieve that goal if Lebanon continues to harbor a direct and pervasive threat to Israel's security—ask the people of Beirut if independence and freedom from fear is possible when PLO headquarters are located in civilian population centers. It will be impossible to achieve that goal if America is not willing to take the risks that peace requires—ask the Egyptians and Israelis if peace is possible without dramatic American involvement.

But peace is possible and independence is obtainable. It requires action, it requires faith, it requires courage. The people of Lebanon have the faith and courage. Let us hope that they can transmit enough of it to the United States so that we can act in ways which will justify and redeem their suffering.

[From the New Republic, June 23, 1982]

LEBANON CAN NOW BE LEBANON

What has been called the Israeli invasion of Lebanon is, in reality, the latest round in the war between the PLO and Israel. It is being fought not against but in Lebanon, the ground chosen by the PLO. But this round is being fought on Israel's terms—between armed soldiers. The PLO prefers to conduct the war on other terms: placing bombs in buses and schoolhouses, launching rockets over the heads of U.N. peacekeeping troops into the villages of northern Israel, shooting unarmed Israeli diplomats. However much the PLO may be dismayed at the prospect of facing Israeli soldiers rather than civilians, it has never been equivocal about the fact that its principal vocation is war with Israel. Although there are Palestinians with a vision of coexistence with Israel, the PLO declares its goal to be the "extermination" of Israel "economically, politically, militarily, culturally, and ideologically." It goes further. It treats Palestinians who speak of coexistence as traitors, and has a long record of assassinations to prove it. (Indeed, one of the reasons it has been hard to find West Bank Palestinians willing to join the autonomy talks is that they know to do so risks death at the hands of the PLO. The PLO recently gunned down two Palestinian moderates, father and son, on the West Bank.)

Since the PLO grievance with Israel is Israel's existence, it is hardly surprising that the relationship between the two is one of conflict. Not so the relationship between Israel and Lebanon. Until the arrival of the PLO in the south, Lebanon had been living in de facto peace with Israel for more than twenty years. Israel has never had any designs on Lebanese territory. Lebanon stayed out of all the wars between Israel and the Arab states after 1948, and Israel respected the frontier. In the 1967 war, for example, Lebanon was the only Israeli neighbor that did not attack, and, although Lebanon is by far the weakest neighboring state, Israel repaid Lebanon's peaceful intentions by not firing a shot across the border.

All that changed in the early 1970s, when the PLO, which was then based in Jordan, tried to overthrow King Hussein. Hussein launched a bloody war against the PLO in 1970 and drove it out of Jordan. ("Black September," the terrorist group named in memory of that war, avenged Hussein's 1970 massacre of four thousand Palestinians by murdering Israeli athletes at the Munich Olympics in 1972.) The PLO then reestablished itself in southern Lebanon, where it joined forces with dissident Lebanese Moslems to overthrow the delicate constitutional arrangements under which Lebanese Moslems and Christians had coexisted for almost forty years. The result was another bloody civil war, this time in Lebanon. In 1975 and 1976 alone, this civil war killed more than fifty thousand people. With the total breakdown of central governmental authority, Syria moved in with twenty-five thousand troops and the PLO took control of the south, which borders on Israel. It is from the south that the PLO conducted its war against Israel, a war not only over the West Bank or Jerusalem, but over Tel Aviv and, more immediately, over Israel's northern Galilee. For seven years, the PLO launched raids, rockets, and long-range artillery into the Galilee. Last week Israel decided to put an end to those attacks once and for all.

The Israeli attack on PLO bases in southern Lebanon was not retaliation for the attack on Ambassador Shlomo Argov in London. Nor was it, as Italian President Sandro Pertini grotesquely suggested, "tribal justice." It was a military operation designed to guarantee the safety of Israel's northern population against PLO attack by pushing the PLO and its guns out of range of northern Israel. Israel tried to accomplish this once before. In 1978 it launched a similar incursion into Lebanon. But it was forced to retreat under heavy American pressure, and its troops were replaced by a weak, porous U.N. force which allowed the PLO to reestablish bases from which it infiltrated and launched rocket attacks against Israel.

A year ago the Reagan Administration tried to paper over the conflict with a ceasefire arranged by Ambassador Philip Habib. Under cover of that ceasefire, the PLO continued infiltration across other borders (the Israelis recently captured a three-man terrorist squad crossing from Jordan into Israel) and indiscriminate attacks on civilians in Israel and diplomats and prominent Jews in Europe. The PLO also used the ceasefire to transform itself from a guerrilla force into a modern army. It poured tons of heavy equipment into its bases in southern Lebanon, equipping them with Soviet-made tanks and heavy mobile rocket launches and artillery. When Israel did launch an air strike last Friday (that was retaliation for the shooting of its ambassador to England), the PLO responded with a barrage of rockets and artillery that blanketed the Galilee from the Mediterranean to the Syrian border. As a result, in the words of New York Times correspondent David K. Shipler, "life has disintegrated" in northern Israel. No country charged with defending its citizens could allow such a situation to endure.

As we write, the Israeli attack is a military success. It is pushing the PLO beyond artillery range of Israel. It will also succeed in destroying the military infrastructure of the PLO, at least for years to come. No one pretends that it will mean the end of the PLO or the end of the PLO-Israel war. That will come only when the PLO either achieves a victory (the liquidation of Israel) or transforms itself into a body seeking accommodation with Israel. But Israel's action against the PLO—at a terribly high price not only to combatants but also to civilians caught in the crossfire—does dramatically change the constellation of forces in Lebanon. It thus offers a unique opportunity to put Lebanon back together again, and, in the process, to enhance the security of America's allies in the region.

Unless, that is, this unique opportunity is undone by American diplomacy. Judging from the questions that appear to be uppermost in official minds, there is reason to be apprehensive. The current touchstone appears to be the arcane question of whether Israel's use of U.S.-made weapons in Lebanon was defensive or offensive: if offensive, then the U.S. is obliged, it is said, to take some sanctions against Israel. We believe that any fair reading of the history of the PLO's self-declared war of attrition against Israel leads to the conclusion that Israel's actions were defensive. But the real question facing the U.S. in this rapidly changing situation is not whether Israel's actions meet certain definitions of legality, but whether they help bring about what the U.S. seeks in the area: sovereignty for Lebanon, security for America's allies, and peace.

One wonders if some senior Administration policy-makers are even asking themselves these questions. The reflective approach at the State Department appears to be that the purpose of diplomacy is to restore whatever status quo existed yesterday—even if it led directly to war. The current U.N. resolution, calling for unconditional Israeli withdrawal, neatly embodies this wisdom, and that resolution enjoys the acquiescence of the Reagan Administration. However, to their credit, President Reagan and Secretary of State Haig appear to be giving the resolution only lip service. And for good reason. America has two overriding interests in Lebanon: first, to bring about a reconsititution of Lebanon as it was before the PLO and Syrian invasions; and, second, to reduce the influence of the PLO, which has consistently sought to wreck the major U.S. achievement in the Middle East—the Camp David accords—and to destabilize conservative Arab regimes and potential allies like Egypt, Jordan, and the Gulf states.

A prerequisite for the return of sovereignty to Lebanon and tranquility to its people is the removal of *all* foreign armed forces—Syrian, PLO, and Israeli—from its soil, and an accommodation between the indigenous Christian and Moslem populations. That was impossible before the Israeli action of last week. But it is possible now. One does not have to ignore the terrible suffering caused by war to recognize that it can sometimes create the conditions for peace, as the 1967 and 1973 wars did for Egypt and Israel. Israel now holds an important bargaining chip: southern Lebanon. It should be required to offer it in exchange for a mutual withdrawal of all foreign forces and the restoration of Lebanon to the Lebanese. That would be the boldest solution, and it would best serve both the U.S. and the long-suffer-

ing Lebanese. The worst possible U.S. diplomacy, and the one that would make this Lebanese reconstruction impossible, would be to force Israel back to its borders unconditionally. Such a move would also squander the other assets that Israel has acquired at high cost in bloody fighting: an end to the war of attrition across the Israeli-Lebanese border and a significant reduction of PLO influence, not only in Lebanon but throughout the Middle East.

Those who complain about the alleged damage Israel's actions have done to American interests in the area overlook the threat that the PLO and Syria pose to the United States and to its Arab friends in the region. This threat is, indeed, the only way to understand what Radio Lebanon called "the stunning silence" of moderate Arab states regarding Israel's action in Lebanon. These moderate states, from Egypt to Oman, despite perfunctory and mild chastisement of Israel, are quite satisfied with Israel's actions. They fear PLO subversion, which they have attempted to buy off with lip service and tribute in the past. President Mubarak of Egypt cannot forget PLO and Syrian rejoicing at the murder of his predecessor; King Hussein of Jordan cannot forget that the PLO tried to overthrow him in 1970, with Syrian help; and Prince Fahd of Saudi Arabia cannot forget that the PLO and Syria, in conjunction with other rejectionist states, torpedoed his much-vaunted peace plan at the Fez summit in Morocco.

Also, the PLO, the Syrians, and the other rejectionists have supported Iran in its war with Iraq. Iran is now winning, and has issued ominous threats to Saudi Arabia and the other oil states who backed Iraq. These states, no models of stability to start with, can only be relieved to see Syria and the PLO discomfited and Iran distracted from its drive in the Persian Gulf. Thus, it should come as no surprise that the Arab states most friendly to the U.S. have been quiet about Israel's action. Yet senior White House officials leaked to CBS News that they were "furious" over Israel's action, because it lessened the chances of peace in the Middle East. How? It weakens the PLO and Syria, bitter enemies of the Camp David accords. It reduces their ability to destabilize Mubarak and to blackmail Hussein and moderate Palestinians who might contemplate joining Camp David. And it ends a seven-year war of attrition which has been a constant source of tensions.

The U.S. has an opportunity to try for a comprehensive settlement in Lebanon. At a minimum, however, the U.S. objective should be the establishment of a southern Lebanon free of PLO influence. U.S. diplomacy should not exhaust its creative powers in devising linguistic formulas at the U.N. that are condemnatory enough to satisfy Arab sensibilities and conciliatory enough not to alienate Israel. Nor should there be attempts to repeat the 1981 "success" of Mr. Habib. The fact that influential Presidential aides like James Baker can characterize last year's Habib mission as a success is a measure of how muddled American thinking on Lebanon has become. Mr. Habib's mission was a failure from beginning to end. He was sent to the Middle East to remove Syrian missiles from Lebanon, and the ceasefire he negotiated did not remove them; it protected them. (Now Israel has destroyed them. The Syrians made this virtually inevitable early last week by adding to the six SAM antiaircraft batteries already in place twelve new ones. These threatened the entire Israeli military operation in Lebanon, and could have been a cover for a Syrian ground assault which Syrian troop movements into Lebanon seemed to presage.) During the ceasefire the PLO rearmed massively with heavy weapons; and in the end, of course, the ceasefire, having solved nothing, broke down completely. American diplomacy will not stand many such successes. On the other hand, if the U.S. is resolute in demanding that *all* foreign forces be withdrawn from Lebanon, it has the opportunity to turn this latest sad chapter in Lebanon's history into the beginning of its national reconstruction.●

"MIGHTY MISSISSIPPI" AND THE BATTLE OVER WATERWAY USER CHARGES

● Mr. STAFFORD. Mr. President, many Senators will remember the long struggle that was undertaken by our colleague from New Mexico, Mr. DOMENICI to impose a system of inland waterway user charges. that effort was described in a series of articles that appeared during 1977 and 1978 in the Washington Post, and was described later by T. R. Reid in a book entitled, "Congressional Odyssey, the Saga of a Senate Bill."

Now Marquis Childs, the Pulitzer Prize-winning columnist who for several decades was a correspondent for the St. Louis Post-Dispatch, has written a new and interesting book on the Mississippi River. This book, "Mighty Mississippi, Biography of a River," concludes with a chapter describing the development of the user charge battle, and Senator DOMENICI's efforts.

The book is a good one. I hope that my colleagues will read it once it is published on June 21 by Ticknor & Fields of New Haven, Conn.

To give my colleagues a taste of this fine book, Mr. President, I ask that a copy of the user charges chapter be printed at this point in the RECORD.

The material follows:

THE MONEY GAME

The great river may have been tamed, dredged, docked, converted to a canal, but who owned it was still the question in 1978, in a world the prophets of the past could never have conceived. In the view of the visionaries, the railroads—the monsters that had stood in the way of the prosperity and independence of the vast middle region of the nation—were ailing. Planes, trucks, and buses had cut deeply into the near monopoly they once enjoyed. Highways crisscrossing the nation had been built at the cost of many billions of dollars, derived in no small part from the taxing power of the federal government. Airports had come into being with the help of federal largesse.

How did the river, the great canal, fit into this late-twentieth-century picture? The answer came, surprisingly enough, from Senator Pete Domenici of New Mexico. The river was to all intents and purposes the property of the great corporations that used it free of charge while the federal government paid out millions each year—with inflation, closer to a billion dollars—for the upkeep of the locks and dams on the Mississippi system. With the help of two perceptive staffers, Harold Brayman and Lee Rawls, who saw in the issue political rewards for a senator virtually unknown up to that point, Pete Domenici, the Republican senator from New Mexico, set out to bring the corporate giants to heel with a user fee that would pay at least part of the cost the taxpayer was bearing.

While it got comparatively little public attention, what followed was one of the bitterest conflicts in the history of the river system. The issue was money, pure and simple. The corporations—oil, steel, chemicals, a variety of consumer goods—had had a long-standing free ride. Their barges moved from plant to plant, from raw-material resources to manufacturing plants, along a waterway kept in first-rate operation by the federal government. The railroads had long protested the inequity of this free ride, and that protest was ever louder as revenues fell off and the cost of maintaining deteriorating rail lines constantly increased.

The battle began when Pete Domenici put in a bill providing for a user fee, small in the first instance and mounting year by year. Seldom has the Capitol seen such armies of well-heeled lobbyists as marched up the hill to contest in committee hearing rooms and to propagandize in private hideouts. Tempers often flared as witness after witness rolled up the record. At one point, as Domenici was testifying, a bold advocate of the barge lines rose in the crowded hearing room to shout, "Why are you pushing this? It isn't any of your business." Those familiar with Domenici's feisty independence felt that if any further incentive were needed, this provided it. He was outraged that a lobbyist could tell him that the public's business wasn't his business.

This was when the Democrats still controlled the Senate as well as the House, and the Reagan revolution was still well beyond the horizon. As Brayman and Rawls plotted with Domenici to put through the user fee they recognized a key opponent in Senator Russell Long of Louisiana. As chairman of the Committee on Finance, the ultimate authority on all taxation and for that matter on spending as well, he exercised his unrivaled power with the wiles of the good old boy from Louisiana. The chairmanship is only one of the tentacles Long had thrust deep into the Senate structure. With his five terms in the Senate he had acquired a knowledge and a skill making it almost impossible to get a bill past him that he opposed. His fondest concern is the oil and gas resources of his state and the commerce of New Orleans. It was a foregone conclusion that Long would be opposed to Domenici's user bill.

His good-old-boy facade masking his power and his vigilance over the whole legislative process, Long could afford to lie doggo as the lobbyists marshaled their forces on the battlements. The barge lines, virtually all subsidiaries of the great corporations, hauled each year millions of tons of grain, iron ore, and chemicals on the Mississippi, the Ohio, and smaller tributaries. With a remarkably efficient organization, as many as twenty-five or thirty barges were liked in a flotilla pushed by a single propeller-driven craft.

In hearing after hearing the railroads made the case that the right-of-way for the barge lines was free while the railroads paid to maintain their tracks, and that they paid as well a variety of state and local taxes. This difference made it impossible, the railroad spokesmen argued, to compete with the free ride of the barges—the ride being paid for by the federal government at a cost

for maintenance alone of as much as $1 billion a year.

In the lobbying battle curious currents beneath the surface now and then came to light. As the conflict continued, money was no concern. Lawyers with lobbying skills, both Republicans and Democrats, got fat contracts. They haunted the Capitol for one side or the other. Surprising transformations occurred. George Smathers, a former Democratic senator from Florida, had been a hired gun for the Association of American Railroads. A personable, smooth-talking type, he had been employed to lobby in favor of a user fee. Switching sides, he joined up with the American Inland Waterways Committee, for a fee that could only be a guess since lobby registration does not require precise figures.

According to one estimate, each side spent at least a half million dollars on bill S. 790. Montgomery Ward and the makers of Saran Wrap poured in money on the barge side, while the often obscure subsidiaries of large corporations financed the railroad lobby. At times comic contradictions came to light, all of this, of course, with the public having little or no knowledge of the conflict, or what it might mean in ultimate prices at the checkout counter. U.S. Steel managed to be on both sides. One of their subsidiaries, Ohio Barge Line, Inc., contributed to the fight against the user charge. Another wholly owned Steel subsidiary, the Elgin, Joliet and Eastern Railroad, put out for the railroad side.

Skilled in the ways of the Senate, Domenici's staffers had from the outset prodded the senator to stay with the cause even though at times the head count made it look hopeless. They came up with a strategy they believed was the surest, perhaps the only, way to success as time ran out and Long threatened a filibuster. That was to link the user fee with reconstruction of Lock and Dam 26 at Alton, Illinois. After many years in operation, 26 had all but broken down, and threatened to cause a major slowdown in Mississippi traffic. Many senators opposing a user fee were resolute in their determination that Lock and Dam 26 be rebuilt. The cost to the government would be from $400 to $600 million. Ardent river senators argued that given the inevitable delay in barge operation it was important to get on with 26 as quickly as possible.

S. 790 was transformed to link Lock 26 with the user fee. This was an astute move since it presented a difficult choice to the advocates of the free ride for the barge lines, one of whom was Adlai Stevenson III of Illinois. Preparing for his retirement at the end of his second term, he had put his opposition to the user fee at the top of his priority list. Yet he seems to have failed to understand how essential was the linkage, and that was his weakness as the fight went on. Other proponents for the barges, like Republican Senator John Danforth of Saint Louis, were more realistic.

A great deal of influence had been brought to bear to insure passage of S. 790. Brock Adams, then secretary of transportation, had become one of the staunchest advocates of the need to bring at least some equity into the rate structure by making barges pay at least part of the cost of their right-of-way. He had persuaded President Carter to favor a user fee, and the president had at one point spent several hours phoning from *Air Force One* to senators he hoped to win over. The initial cost of the 23,000 miles of the river system, the main streams and their tributaries—$3 or $4 or however many billions—had long been written off. It was the maintenance paid each year by Congress that Domenici and the other advocates of the user fee hoped to recover, at least in part.

After months of tugging and pulling on both sides of the conflict, floor debate on S. 790 began in the Senate on June 22, 1978. Domenici and his lieutenants, Brayman and Rawls, were in the front row, prepared for what they feared would be a lengthy session. Before the debate had really begun Stevenson put in an amendment calling for an eighteen-month study of the user fee while leaving intact, of course, the authorization for 26. This would have effectively killed the user fee since it was the propitious moment for passage, and after a year and a half no one would remember what it was all about. A complication for Domenici was parliamentary. Senators rushing to vote in response to the buzzer sounding in every office would have to vote nay to kill the amendment since it took precedence. That was a hazard. Domenici and his staffers were worried when they saw Long walk onto the Senate floor in mid-afternoon with the text of what was obviously a lengthy speech and a half dozen books, carefully marked up. Was this the ammunition for a filibuster that would bury the bill?

But with that fine good-old-boy confidence in the outcome, Long rose to say that while he had considered presenting his views in extenso (shorthand for filibuster), he had decided that those views were already pretty well known and so he thought the time had come for a vote. The only conclusion was that the old master had accepted a faulty head count. That was obvious as the tally went on. Nays to kill the amendment and ayes were tied. A rare silence settled down on the floor and the galleries as the count went on. And then finally the tally clerk: "The ayes are forty-four and the nays are fifty-one and the amendment offered by the gentleman from Illinois is rejected." Domenici's face is not one to reflect elation, but as he was congratulated by friends and foes alike it came close to that. Passage of S. 790 was then a foregone conclusion, and late in the day the vote was seventy-one to twenty.

What followed was a seemingly interminable backing and filling between Senate and House. Jealously guarding their prerogative over all taxation, leaders in the House, conspicuously Al Ullman, then chairman of Ways and Means, held that the user fee was a tax. Between House Speaker Thomas P. (Tip) O'Neill, Jr., and the White House a series of maneuvers went on. O'Neill could tell the House that the president would veto the authorization for Lock and Dam 26 unless a user fee was tied in with it. That may have been the clincher. So the House passed a minor tax measure to which it was hoped the Senate could attach good old S. 790. Approval of both houses was essential as the adjournment deadline drew perilously close.

Once again it was Adlai Stevenson who played a trick card. On a quiet Saturday afternoon when the Senate was almost deserted, preoccupied with moving routine legislation, the senator from Illinois dropped in an amendment authorizing construction of 26 to a pending measure. He assured a senator who inquired that this was just a normal waterways project. When Brayman, skimming the CONGRESSIONAL RECORD on Monday, discovered what Stevenson had done he exploded. It was deliberate deception. He and Rawls immediately telephoned Domenici, who was campaigning for reelection in a remote corner of New Mexico. You've got to come back or we've had it, they told him.

Domenici took the night flight from Albuquerque and arrived at the Capitol red-eyed and unshaven. By a happy coincidence he ran into Senator Long on the elevator going with Brayman and Rawls to his office. The good old boy was in a beneficent mood, having realized that he could not defeat the user fee. He would not let Stevenson get away with that trick. "Don't you worry," he told Domenici, "I'll see that you get your bill." The way he managed it was a classic illustration of Long's mastery. He had, he said, a few little old bills that had come over from the House. He always kept back a few little old bills, and he'd get one of them out and attach the user fee—Lock and Dam 26 to it.

And that was the way it worked. The Domenici bill was attached to a minor tax measure providing federal tax exemption for gains by certain organizations and individuals from tax-exempt bingo games.

There were a few last minute hitches with adjournment twenty-six hours away. In the House an earnest member from Iowa, Berkley Bedell, rose to say that the proposed tax to be imposed on the fuel used by the barges—four cents a gallon, or $40 million a year—to go into an Inland Waterways Trust Fund, was far too small. It would not begin to recover the costs involved in maintaining the system. Since Speaker of the House Tip O'Neill has some of the same skills as the good old boy from Louisiana, the House came up with the required two-thirds majority for a measure sent over from the Senate.

After the Reagan landslide in 1980, the Washington scene was entirely changed. The newspapers in New Mexico had given considerable play to Domenici's victory in the barge fight, which contributed to his reelection in 1978. Beginning his second term in the Senate he was a commanding figure. With the Republican majority the senator from New Mexico became chairman of the Senate Budget Committee. In that office he played an important part in putting through the Reagan budget cuts.

A fee for use of a right-of-way paid for the federal government was no longer in itself a controversy. It was logical in light of the deep cuts he put through in welfare programs that President Reagan should take it up. He did that in his televised address to the nation in September of 1981:

"When the federal government provides a service directly to a particular industry or to a group of citizens, I believe that those who receive the benefits should bear the cost.

"For example, this next year the federal government will spend $525 million to maintain river harbors, tunnels, locks, and dams for the maritime industries. Yacht owners, commercial vessels, and the airlines will receive services worth $2.8 billion from Uncle Sam.

"My spring budget proposals included legislation that would authorize the federal government to recover a total of $980 million from the users of these services through fees. That is only a third of the $3.3 billion it will cost the government to provide these services."

Here was a conservative Republican president calling for an end to the bonus that America's largest corporations had cherished for years. Senator Robert T. Stafford of Vermont, chairman of the Environment and Natural Resources Committee, put in a bill to escalate the user fee through 1986. A

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cosponsor was Senator James Abdnor of South Dakota, chairman of the subcommittee on water resources. But there were delays as the sponsors waited on a report from the Department of Transportation. That report on the various means of transportation and their costs had been called for in Domenici's user-fee bill.

While he was preoccupied with the duties of his chairmanship Domenici also pursued his interest in the user fee. The Stafford bill called for recovery of 100 percent of the maintenance costs. Domenici put in an amendment providing escalation up to 75 percent of recovery.

Needless to say, the lobbyists were as active as ever. The barge lines has two generously staffed organizations, one in New York and one in Washington, and a battery of lawyers, several of whom had been active in the fray from the beginning. In propaganda spread around the country, particularly in areas where barge traffic is important, they spread a new line: the railroads were subsidized; what about those great land grants that mean large fortunes for the men who built the transcontinental railroads? Here was a subsidy far exceeding that which went to the river system. Ably staffed, the Association of American Railroads gave all possible aid and comfort to those in Congress pushing the user fee.

But the process was bound to be long drawn out. Every delaying tactic was used by each side in the struggle. And the barge lines, with all their political and financial clout, could not be too concerned. Testimony by the Office of Management and Budget showed that the small fee applied under the Domenici bill had produced scarcely half of the estimated $40 million; why, no else seemed to know.

There was a slightly comic turn when the critical issue of the sale of the AWACS planes to Saudi Arabia, part of the largest arms deal ever, was before the Senate. Senator Russell Long, who had not hitherto declared his intention, was reported to be the swing vote. As it turned out, his was not the swing vote since two Republican senators did last-minute quick changes. Long told reporters that morning that he was going to listen to the debate and then decide. This was so contrary to his usual custom that it occasioned no little laughter in the Senate press gallery. In any event, he was one of the fifty-two who gave President Reagan his triumph. And the good old boy was on the side of the powers that might or might not push the user fee to some measure proportionate to the benefit derived by the barge lines. The cynics could believe that he had received a slight hint from those same powers that he did not have too much to worry about.

That this political chess game for high stakes should be the end of the saga of the river I am reluctant to believe. Domenici feels that with the barge lines required to pay for their right-of-way, they will see to it that the river regains something of the character and distinction of another day. I will fall back on Mark Twain: to assume that the stream has been tamed, docked, subdued once and for all is highly dangerous.

What will happen now that commerce moves with a schedule dictated by the big users is hard to imagine. The lock tenders turn up for their shifts with disciplined regularity, well-paid servants of the government in Washington. The Army Corps of Engineers is a dedicated nursemaid, keeping maintenance up to the mark through constant vigilance. But in the sprawling terrain of the river system anything can happen—an unprecedented drought, perhaps, with a disastrous decline in the water resources of the valley.

Certainly it is still too early to write the finish in dollars and cents, and nothing more, after all the turbulence of men and flood and violent encounter. The transformation has been so complete: from the canoes of Nicolet and La Salle to the locks and dams of a canal for waterborn traffic on a scale that even dreamers who foresaw another Golconda on the banks of the Mississippi could never have imagined—four centuries of discovery and conflict, encompassing so much of life and death, joy and sorrow, triumph and tragedy.●

FREDERICK, MD.

● Mr. MATHIAS. Mr. President, it is no secret that Frederick, Md., has a special place in my heart. I was born and raised in Frederick as were many of my forebears.

There are those who would tell you that I doubt that life exists north of the Monocacy River. But that is not true. I just have my doubts about the quality of life north of the Monocacy.

And, I am not alone in that. In fact, not long ago the Washington Post took a look at Frederick and found much to marvel at in its quality of life. The result was a lyric editorial entitled "One Clean City: Frederick."

Now, as the summer nears and with it the urge to explore the nearby countryside, I call this editorial to my colleagues' attention in the thought that if I have not yet convinced them of the wonders of western Maryland, it will surely do so.

One word of caution about the Post editorial must be inserted here: If you really want to approach Frederick properly, take the Buckeystown Pike and not Interstate 270. But, any approach to Frederick is better than no approach. If you do not believe me, read the Post June 1, 1982, editorial which I submit for the RECORD.

The editorial follows:

ONE CLEAN CITY: FREDERICK

If you are traveling along Interstate 270 this summer, you might want to leave the highway for a few minutes and visit Frederick, Md. If you want to see what a really spick-and-span small city (population 30,000) looks like, this is the place.

When the Maryland Municipal League held a convention in Frederick two years ago, teasing delegates asked Mayor Ron Young how he had managed to get the citizens to wash down the streets for their benefit. But the mayor has no such persuasive power. None is needed. Frederick was originally settled by people who set great store by a shipshape city, and, rather magically, the tradition has been maintained.

To begin with, there is a citizen commitment to cleanliness and order which, repeated visits prove, is on evidence in every part of town. Sidewalks are swept, trash is securely bagged, and it is unusual to see even a piece of Kleenex or an ice cream wrapper on the street. The Boy Scouts volunteer for clean-up duty and the Downtown Merchants Association schedules regular days on which store owners and their employees lend a hand to spruce up. Looking over the results, a visitor feels like donning white gloves and running a finger along the curb.

These private efforts are more than matched by the city government. Working from the midnight shift, city workers collect the trash three times a week in every neighborhood. Downtown streets are swept six nights a week and every single street in the city is cleaned at least twice a week.

The National Trust for Historic Preservation has honored Frederick for restoration of the downtown area. More than 1,000 buildings have been renovated in the last five years. Six hundred new trees have been planted on the downtown streets, and plans have been drawn for the creation of a linear park that will run through the middle of the city.

Frederick is growing. It has attracted new industry and residents who commute to jobs in Washington and Baltimore. It is growing without losing that special sense of community pride which has made it a truly lovely city. The citizens and the government care about the physical appearance of the town. Their efforts dignify those who live there and dazzle those who drop in.

FLINT APPRECIATION WEEK FOR THE CHARLES STEWART MOTT FOUNDATION

● Mr. RIEGLE. Mr. President, Flint, Mich., is the home of the Charles Stewart Mott Foundation, a foundation which is being honored this week for the lasting and far-reaching contributions that Charles Stewart Mott and his foundation have made to many individuals and organizations. Recipients of grants and aid from this foundation have gone on to become leaders in many fields throughout Michigan and the rest of the United States.

Charles Stewart Mott, the respected founder of this organization, was educated as an engineer and moved his Weston-Mott company from Utica, N.Y., to Flint, Mich., in 1906 to build wheels and axles for Buick and other developing automotive firms. By selling his company to General Motors on a stock exchange basis, Mott was able to accumulate the wealth necessary to create this foundation which we now honor.

Charles Stewart Mott ran successfully for mayor in 1912 and 1913, and in that office he began what was to be a steady program of charitable acts and contributions to his community. Incorporation of the foundation in 1926 formalized Mott's charitable giving and gave him the assurance that finds he left for philanthropic, charitable, and educational purposes would be used in accordance with his ideals and values.

One of the early programs funded by Mott was a medical and dental clinic for schoolchildren, which grew into Mott Children's Health Center. He also provided for a building for Flint's Hurley Hospital and land for a city park. He donated land to the YMCA for its programs and instituted

a summer camp for underprivileged boys. The foundation's contributions to Flint schools has exceeded $100 million.

The never-interrupted flow of foundation dollars has continued its influence on Flint schools by providing breakfasts for undernourished children, homemaking instructions for their mothers, and a specialized curriculum for potential dropouts. Foundation money has also subsidized jobs and special guidance for young offenders of the law.

Mott furthered his contributions by recognizing a need for educational opportunities beyond high school for those who could not afford to go away to college. In 1950, he challenged the voters of Flint to vote in favor of a $7 million bond issue which, combined with his personal contribution of $1 million would establish a 4-year college in Flint. The bond issue was approved, and as a result Flint now has both Mott Community College and a campus of the University of Michigan.

In the 1960's the foundation began developing national Outreach programs. The "Flint model" of community education was spreading, and the foundation made its first grants to establish community education centers. There now are over 80 of these centers serving many communities around the country.

The 1970's brought two dramatic changes. One was the adoption of a foundation operating philosophy that established a dynamic system of missions, or program areas, all dedicated to "making community a practical reality." Almost overnight there was a marked increase in national programing as the foundation reached out to support projects demonstrating the principles of pluralistic philosophy.

The other major development involved the direction of support to Flint school programs that had been funded for many years. A decision was made in 1977 that would begin a gradual phaseout of grants for many ongoing programs over the next 10 years, but would also lift the 5-million-dollar-a-year ceiling on grants to the schools. Flint schools were invited to submit proposals for new and innovative programs to continue and strengthen the long history of guidance and aid to Flint area youths. Two programs which have been developed are a prevocational center, and a program of experience based career education.

Mr. President, I want to commend the Charles Stewart Mott Foundation for everything that it has done for the community of Flint, the State of Michigan, and our country in general. I hope that its worthwhile endeavors will be able to continue in Charles Stewart Mott's honor, and that the benefits of his contributions will continue to be enjoyed for many generations to come.●

DR. OPAL H. MANN

● Mr. HUDDLESTON. Mr. President, I call the Senate's attention to the fact that Dr. Opal H. Mann, who served as Deputy Administrator, Home Economics and Human Nutrition, Extension Service, U.S. Department of Agriculture, has retired after 37 years of dedicated Government service.

Like many cooperative extension service professionals in administrative positions, Dr. Mann came up through the ranks. She began her extension experience at the age of 8 as a 4-H Club member in Morgan County, Ky. She entered the cooperative extension service in 1945 as an assistant county home demonstration agent in Breathitt County, Ky., later becoming the county home demonstration agent for Pike County. She was the district leader of home demonstration agents in Lexington, and then State program specialist at the University of Kentucky before coming to the national office as Assistant Deputy Administrator, Home Economics, Extension Service, USDA, in 1971.

In her position as an Administrator at the Federal level, Dr. Mann provided leadership to home economics programs in the national system of the cooperative extension service. She has had a leading role in determining program focus and has coordinated all facets of the national home economics programs, setting national priorities and directions with the help of State leaders of extension home economics at the State land-grant universities. One of the nationwide programs administered by Dr. Mann was the expanded food and nutrition education program which employs 4,877 aides and has reached 270,000 families with nutrition education.

In all her teaching Dr. Mann has followed the mandate of the Smith-Lever Act, "to aid in diffusing among the people of the United States useful and practical information on subjects relating to * * * home economics, and to encourage the application of the same." Extension home economics programs have been performing this task since 1914, when passage of the Smith-Lever Act led to the establishment of the cooperative extension service system. This legislation provided for a unique partnership of Federal, U.S. Department of Agriculture; State, land-grant universities; and local, county, parish, district, or city governments in jointly funded and planned programs. Last year over 30 million contracts were reached through extension home economics programs.

Dr. Mann has served as adviser to the National Extension Homemakers Council, a group of over 500,000 volunteer homemakers who have provided a pool of lay leadership for family living programs at local, State, national, and international levels. She is author and coauthor of numerous publications, and a popular speaker before national groups and organizations. As a leader in the home economic profession, Dr. Mann's appearances on network television and radio broadcasts have successfully advanced the opportunities and applications available in the field. Her scholastic excellence and professional achievements, for which she has received many honors, have led to the establishment of educational scholarships and fellowships; for her contribution in the field of traffic safety she received commendation from the Governor of Kentucky; and from her extension peers, the Epsilon Sigma Phi Meritorious Award for service to her profession.

Dr. Mann. holds a doctorate degree in adult education from the Ohio State University; a master's degree in home economics education, and a bachelor's degree in general home economics from the University of Kentucky. She was born in Morgan County, Ky. She and her husband, Arnold C. Mann, have two children, Patricia Ganter of Erwin, Tenn. and Gene Mann of Lexington, Ky. Her mother, Mrs. James A. Hurley, and grandmother, Mrs. Mary A. Engle who celebrated her 100th birthday last summer, are residents of West Liberty, Ky. Dr. Mann and her husband will continue to reside in College Park, Md., for the immediate future.

With pride and great admiration for the achievements of a fellow Kentuckian, I commend for the Senate's recognition the lifelong contributions of Dr. Opal H. Mann in assuring for our Nation the finest in extension home economics programs.●

EFFECT OF THE EQUAL RIGHTS AMENDMENT

● Mr. TSONGAS. Mr. President, I would like to share with my colleagues the second part of a three-part report by the U.S. Commission on Civil Rights concerning the equal rights amendment. The CONGRESSIONAL RECORD of yesterday contained part 1.

I ask that this excerpt of the report be printed in the RECORD.

The report follows:

EFFECT OF THE EQUAL RIGHTS AMENDMENT

The current status of women's rights underscores the continuing need for the ERA as a solid and permanent constitutional basis for achieving sex equality under the law. The fundamental legal principle to be established by the Equal Rights Amendment is that the law "must deal with the individual attributes of the particular person and not with stereotypes . . . based on sex." [1]

Footnotes at end of article.

The amendment will apply to any law, policy, or practice in which the government is directly or substantially involved.[2] Legislative history and a growing body of law defining "government action" with respect to other constitutional provisions make clear that the ERA will not affect private conduct that the government does not normally regulate.[3] Purely social relationships between men and women and the very private decisions of an individual to be a full-time homemaker, for example, will be outside the purview of the ERA.[4]

The extensive legislative history indicating what congressional proponents intended the proposed amendment to accomplish is an important source for understanding its effect. Congressional reports and debates undoubtedly will be relied upon by the courts as a guide in interpreting the Equal Rights Amendment.[5]

A second source for understanding and anticipating the effects of the ERA comes from the experience in the 14 States that since 1970 have enacted provisions in their own constitutions prohibiting discrimination based on sex.[6] Taking the Federal Government's lead, these States already have mandated equal rights under law for women and men within their borders. The experience of these "ERA States" in conforming their laws and policies to this mandate provides an important model for ERA implementation on a national level. Despite some dire predictions of the potential effect of the Equal Rights Amendment on the "fabric" of the Nation, the State experience has been one of substantial strides toward equality.

The value of the State experience in predicting the Federal amendment's effect is enhanced by the fact that many States have drawn heavily on the Federal legislative history in interpreting and implementing their own provisions.[7] This source for understanding the Federal ERA's effect was not available when Congress adopted the Equal Rights Amendment in 1972. It confirms that the ERA is an appropriate measure to remedy the lengthy history and persistent reality of sex-based discrimination.

ERA IMPLEMENTATION: OVERVIEW

Statutory reform through the legislative process

The proposed Federal Equal Rights Amendment will "take effect two years after the date of ratification," allowing the States and the Federal Government ample time to bring their laws, policies, and practices into conformance with the ERA. At both the State and Federal levels, lawmakers already have undertaken comprehensive reviews of existing statutes to bring them into compliance with the principle of sex equality. This is particularly clear in several ERA States, where the most successful attempts have been facilitated by a statewide task force or commission appointed to oversee the legislative conformance process.[8]

The orderly legislative review followed in State ERA jurisdictions indicates that the necessary changes do not produce the chaos predicted by ERA opponents. The first step in this review process is identifying laws that contain discriminatory sex-based language[9] or that, while neutral on their face, affect women and men differently.[10]

A great majority of the statutes have needed merely cosmetic changes, as where, for example, the pronoun "he" or "his" was used generically and sex-neutral language was substituted. The remaining statutes—those requiring more fundamental, substantive reform—have been addressed in an attempt to harmonize the underlying social policy of the statute with the principle of sex equality.

A review of the Federal ERA's legislative history indicates that it is intended to require changes in all sex-based statutes, unless the gender lines are based on unique physical characteristics or are deemed necessary to protect other constitutional rights such as privacy.[11] Examples of explicit gender lines that must be sex-neutralized under the Equal Rights Amendment are found in laws that on their face:

Limit opportunities for one sex only, such as laws that prohibit women from working in particular jobs;[12] place quotas on the number of women in the military, with its concomitant benefits such as inservice training and GI loans and mortgages;[13] limit employment benefits for working women and their dependents;[14] or limit the right of married women to control their own property.[15]

Confer supposed benefits (often illusory) on women only, such as alimony upon divorce only for wives[16] or minimum wages or rest periods only for female employees.[17]

Make age distinctions on the basis of sex, such as setting different ages for employment[18] or marriage[19] for males and females.

With respect to statutes that draw gender lines on the basis of unique physical differences, the ERA's legislative history makes clear that they are exempt from the otherwise absolute prohibition against gender-based distinctions. Thus, laws that regulate sperm banks or provide programs for prenatal care will not be invalidated under the ERA.[20] However, since the physical characteristics involved must be unique, this category of laws is narrow. It does not include, for example, assumptions about women or men because of statistical groupings, such as those used by insurance companies in pension plans.[21] Further, to survive ERA scrutiny, laws dealing with unique physical characteristics must be narrowly drawn and serve compelling state interests.[22]

In addition, laws providing for the separation of males and females—for example, in public restrooms or dormitories—would not be invalidated under the Equal Rights Amendment, because privacy is a right protected by the Constitution.[23] Although ERA opponents like to characterize this as uncertain and suggest that the amendment will require sex-integrated restrooms, the legislative history of the ERA clearly refutes his argument, as does the experience of States with ERA provisions.[24]

Finally, congressional debate and experience under State ERA provisions make clear that the ERA does not inhibit a State from prohibiting homosexual marriage.[25]

Once it is determined that a particular law must be sex neutralized under the ERA, States and the Federal Government have considerable flexibility in deciding how to end the impermissible sex bias. They may either extend the law in question to cover women and men equally or nullify it entirely. As the Senate report on the ERA stated: "It is expected that laws which are discriminatory and restrictive will be striken entirely as the court did . . . [with] a law banning women from a certain occupation. On the other hand, it is expected that those laws which provide a meaningful protection would be expanded to include both men and women as for example minimum wage laws."[26]

In some States, such as New Mexico, simple language changes and fundamental substantive reform were completed shortly after passage of the State ERA. Not surprisingly, ERA conformance, as with any comprehensive legal change, has not occurred overnight in every State with an equal rights amendment. This transition period is what Congress anticipated in providing for the 2-year grace period before the Equal Rights Amendment would take final effect.

Judicial application and interpretation

The experience under State equal rights amendments has not included extensive litigation, particularly in those States where comprehensive legislative reform answered most questions about the ERA's meaning. Where State courts have decided cases that raised ERA issues, however, they have tended to adhere closely to the legislative history of the Federal Equal Rights Amendment in interpreting their State amendments.

The most significant development has been a standard of review in sex discrimination cases that clearly exceeds the standard applied by Federal courts in such cases under the 14th amendment. Most ERA States have used the same legal test that Federal courts now apply to race but not to sex classifications: distinctions between the sexes are automatically considered "suspect," and the State can justify such classifications only by showing that it has a compelling interest in the legislative purpose and that the sex distinction is essential to achieving that goal.[27]

In Pennsylvania, the State courts have moved beyond even the "suspect classification" test and adopted standards approaching the "absolute ban" against sex discrimination set out in the legislative history of the Federal ERA.[28] Since adoption of the State ERA in 1971, the high court of Pennsylvania has struck down all gender-based laws that have come before it or has fashioned sex-neutral alternatives through careful judicial construction.[29]

Relying on Federal legislative history, State courts have also adopted limited exceptions to the mandate against statutory gender lines and discriminatory government actions. For example, basic privacy and morality issues have been carefully handled by the courts. The New Mexico Supreme Court dismissed an ERA challenge to a State university rule against coed visitation in the dormitories, recognizing that this rule derived from accepted standards of privacy and social mores and had neither the intent nor the effect of invidious discrimination between men and women.[30] The Washington courts have refused to hold that their State ERA requires validation of homosexual marriage otherwise unrecognized under State law.[31] Also, sex-based definitions of rape have been upheld against State ERA challenges under the "unique physical characteristics" doctrine.[32]

SUBSTANTIVE REFORM UNDER STATE ERA'S

Domestic relations

One of the primary areas of substantive law reform under State ERAs has been in domestic relations. This is an area of law traditionally riddled with gender-based definitions of rights and responsibilities that embody deeply imbedded stereotypes about women and men. This also is an area that ERA opponents frequently point to for examples of how the Equal Rights Amendment would damage the "special status" of women under the law and within society at large.

Foremost, ERA opponents have warned that ratification of the amendment would

result in the repeal of laws obligating men to support their families.[33] In none of the ERA States, however, have laws requiring husbands to support dependent wives and children been repealed.[34] Nor have these laws been rewritten to require a "fifty-fifty" breakdown in the financial responsibilities of men and women during marriage or at the time of divorce. Instead, legal standards for support in these States now look to the actual needs and capabilities of each family member, not simply to the gender of the individual.[35] This result is consistent with the legislative history of the Federal ERA.[36]

For example, the Texas Family Code now provides that "each spouse has the duty to support his or her minor children."[37] The Texas Court of Civil Appeals has ruled consistently that the ERA:

* * * does not require that the parents make mathematically equal contributions for the support of their children. It only provides that each parent has the equal obligation, in accordance with his or her ability, to contribute money or services which are necessary for the support and maintenance of his or her children.[38]

The Pennsylvania Supreme Court also has ruled that the "equal obligation" of men and women to support their families under the ERA does not mean mathematical equality in dollars and cents. In fact, courts in Pennsylvania must count in the balance not only the differing capabilities of each spouse to earn money outside the home, but the economic value of the services being provided by the homemaker spouse as well.[39] Recently, the Superior Court of Pennsylvania ruled that the ERA did not require any direct financial contribution to child support by a mother who felt it necessary to be at home with her young children.[40] Her services at home were valued, as were the financial contributions of the supporting father.

Of course, there are women who have been charged with the support of their husband or children under sex-neutral family support laws. When the public distortions of these cases are set aside, however, the equity of the court decisions becomes clear.

For example, countless editorials and debates about the dangers of the ERA have referred to the Pennsylvania case of *Buonocore v. Buonocore*,[41] which charged the noncustodial mother with child support. But under the facts of the *Buonocore* case, this was quite fair. In 1973 Agnes Buonocore moved out of the marital home, leaving her husband and their two minor children. A year later, after she had shown no interest in taking custody of the children and had contributed nothing toward their support, her husband sued her for a contribution to child support. At that time she was earning a net weekly salary equivalent to her husband's, whose expenses included raising two young children. The Superior Court of Pennsylvania upheld an award of $30 a week support againt Mrs. Buonocore, an award that certainly would not have been newsworthy if she had been a man.

Another case—this one from Maryland—that underscores the fairness of the "mutual responsibility" doctrine of the Equal Rights Amendment is *Tignor v. Tignor*.[42] At the time the marriage dissolved, Mr. Tignor sued Mrs. Tignor for support, since he is blind and had relied on his wife's financial support during the marriage. This extra information clarifies the court's willingness to require Mrs. Tignor to continue supporting her husband after the marriage ended.

The growing recognition of "mutual family responsibility" in ERA States has brought with it needed confirmation of a married woman's economic rights in the marital partnership. In Maryland and Pennsylvania, for example, courts have relied on the ERA to abolish the common law presumption that all household goods belong to the husband.[43]

One of these cases, *DiFlorido v. DiFlorido*, involved a woman who sought on divorce to recover a portion of the personal property, jewelry, household furniture, and other effects accumulated by the couple during their 10-year marriage. Since Pennsylvania had a legal presumption that all household goods belonged to the husband, Mr. DiFlorido challenged his wife's right to receive any portion of the marital effects. The Supreme Court of Pennsylvania declared the one-sided presumption unconstitutional, ruling for the first time that both spouses should share equally in the distribution of marital assets. Pointing to the ERA, the court noted: "we cannot accept an approach that would base ownership of household items on proof of funding alone, since to do so . . . would fail to acknowledge the *equally important* and often substantial nonmonetary contributions made by either spouse."[44]

Massachusetts also has changed its marriage dissolution laws under the State ERA to provide for consideration of the value of the contributions of the homemaker in making an equitable distribution of marital property at divorce.[45] Another important change in Massachusetts law is the sex neutralization of its "homestead protection." Previously, as "head of household," a man could protect his family homestead against debts of up to $30,000. After a woman, who was the sole support of a dependent husband and child, was turned down under this law, the obvious sex bias and inequity of this result prompted the legislature to extend homestead rights to women as part of their State ERA implementation process.[46]

Adoption of the ERA also has equalized marital property laws in States with "community property" systems. In New Mexico, before adoption of the ERA in 1972, the husband's rights to control over the income and assets of the marriage were exclusive. A married woman could not even sign a stock-option agreement with her own employer or advertise the family washing machine for sale without her husband's consent. Now, husband and wife share equally in the management of the community property.[47] One direct benefit of shared management for a homemaker in New Mexico is that she can establish credit in here own name on the basis of her half-control of the community assets.

Employment

The steps taken by various ERA States to sex neutralize the allocation of worker's compensation benefits illustrate a State's flexibility in determining its route for achieving sex equality. Traditionally, many workers' compensation systems automatically awarded survivor's or dependent's benefits to the families of male workers, on the presumption that wives and children were dependent on the husband's income. The family of a female worker, on the other hand, usually had to present proof that they had depended on her income in order to collect survivor's or dependent's benefits. This stereotype not only penalized male survivors and minor dependents, but also directly discriminated against women workers by undercutting the value of their wage-earning years to their families.

Faced with the need to sex neutralize these benefit plans, ERA States have taken different approaches. Washington now has automatic presumptions of dependency for the family of both male and female workers, while Maryland and Virginia require some proof of actual dependency by any spouse or children before benefits can be assigned.[48] Thus, two different social and fiscal policies can both lead to successful ERA conformance.

In Pennsylvania, a number of official opinions of the attorney general, issued pursuant to the State ERA, have had a significant effect on employment opportunities for women. For example, girls can no longer be prevented from working as newspaper carriers,[49] and women have the right to be barbers and cut men's hair.[50] Height requirements for certain public jobs, such as the State police, have been reexamined under the State ERA.[51] In addition, the attorney general has ruled that the State will deny liquor licenses to public establishments that discriminate in the employment of, or refuse to serve, women.[52]

Criminal law

In criminal law, there also have been positive results under State ERAs. The primary statutes called into question because of sex-based definitions have been prostitution and rape laws.

No ERA State has legalized prostitution. Rather, all but Alaska are now operating under sex-neutral statutes, in compliance with the ERA. Connecticut's new statute is a particularly good example of conformance to both the legal and social policy implications of sex equality.[53] Both prostitutes and patrons are defined sex neutrally and risk the same criminal penalties, thereby equalizing the effect of these laws on individual women and men. Moreover, third parties who promote or profit from prostitution are subject to even stricter penalties, depending on the level of coercion involved and the age of the prostitute.

Similarly, most ERA States have neutralized their rape statutes so that both men and women are protected against sexual assaults of all varieties. In addition, many of these States have redefined their rules of evidence and standards of proof in rape cases to do away with sex-biased and unfair evidence rules.[54]

In achieving these reforms, State courts have not overturned criminal convictions of any type as a result of an ERA challenge.[55] Rather, courts have upheld valid convictions, while neutralizing any underlying sex-based provisions related to sentencing or age differences.[56]

Since 1970, Illinois, Texas, and New Mexico[57] have amended their juvenile justice statutes to apply equally to male and female minors, and Pennsylvania has amended sex-based sentencing laws.[58] In addition, Massachusetts, New Mexico, and Pennsylvania have begun steps to give women access to the greater range of programs available at male correctional facilities in ways that do not jeopardize the security or privacy rights of individual inmates.[59]

Education

State ERAs also have promoted positive reform of education. In a number of States, effective ERA challenges have been raised to State and local rules or regulations limiting the participation of girls in athletics programs of public schools.[60] These cases

have involved contact sports such as football that are exempted by regulations under Title IX (the Federal law against sex discrimination in education). The result has been to open up competition for athletically inclined girls in sports formerly available to boys only.

In Massachusetts, a special trust established to provide financial aid to young men attending law school has now been opened to women as well, as a result of the State ERA.[61] Here again, Title IX would not have reached such sex bias unless the trust was financed with Federal funds.

In another case, involving different standards for access to housing at a State university, a Texas court struck down the school's rule prohibiting female students from choosing housing off campus. The court also extended to male students the right to have on-campus facilities made available to them.[62]

FOOTNOTES

[1] *Senate Report, supra,* at 12.

[2] *See* sec. 1: "Equality of rights under the law shall not be denied or abridged *by the United States or by any State* on account of sex." (emphasis added)

[3] *See, e.g., Senate Report, supra,* at 12. The equal protection clauses of the 5th and 14th amendments similarly apply only to government action, and a substantial body of case law has developed on this issue. *See, e.g.,* Brown, Emerson, Falk, and Freedman, *The Equal Rights Amendment: A Constitutional Basis for Equal Rights for Women,* 80 Yale L.J. 871, 905–06 (1971).

[4] *Senate Report, supra,* at 11.

[5] The Senate Judiciary Committee report represents the views of the proponents on both the House and Senate Judiciary Committees. *See* Citizen's Advisory Council on the Status of Women, *Interpretation of Equal Rights Amendment in Accordance with Legislative History* (1974).

[6] Alas. Const. art I, § 3 (1972); Const. Colo. art. II, § 29 (1973); Conn. Const. art I, § 20 (1974); Hawaii Const. art. I§§4, 21 (1972); Ill. Const. art. I, § 18 (1970); Md. Decl. of Rts. art. 46 (1972); Mass. Const. art. I (1976); Mont. Const. art. II, § 4 (Supp. 1977); N.H. Const. Pt. 1, art. 2d (1974); Const. of New Mex. art. II., § 18 (1973); Purdon's Pa. Const. Ann. art. I, § 28 (1971); Tex. Const. art. I,§ 3a (1972); Va. Const. Art I, § 11 (1971); Wash. Const. art. 31, §§ 1, 2 (1972). In addition, Utah and Wyoming adopted constitutional provisions regarding sex equality at the turn of the century, bringing the total number of States with equal rights provisions to 16. The Utah and Wyoming provisions, however, have resulted in little modern-day application and are unrelated in their legislative history to the proposed Federal ERA.

[7] For a detailed discussion of the State ERA implementation process, *see* Brown et al., *Women's Rights and the Law, supra.*

[8] *See, e.g.,* State of Connecticut, General Assembly, Office of Legislative Research, *The Potential Impact of the Proposed Equal Rights Amendment on Connecticut Statutes,* No. 15 (March 1973); G.A. Gherardini, Illinois Legislative Council, Methods of Implementing the Equal Rights Amendment (mimeographed, January 1973); Governor's Commission to Study Implementation of the Equal Rights Amendment, *Annual Legislative Analysis, ERA Commission Sponsored Bills* (Annapolis, Md., May 1976).

[9] In some cases, sex-based terminology may not be discriminatory (e.g., "All men and women who are citizens") or may be inconsequential to the constitutional mandate of the ERA (e.g., "the keeping of female cats").

[10] *See* Brown et. al, *Women's Rights and the Law, supra,* at 16–19. Examples of laws neutral on their face that may have a disparate effect on members of one sex include those pertaining to homemakers, discussed *supra,* ch. 2, "Family Law."

[11] *See Senate Report, supra,* at 12 and 17; K. Davidson et al., *Sex-Based Discrimination* 111–12 (1974).

[12] *See, e.g.,* 30 U.S.C. § 187 (1970); Ohio Rev. Code Ann. § 4107.43 (1973).

[13] 10 U.S.C. § 8208 (1975). *See generally,* Binkin and Bach, *Women in the Military* (Brookings Institute, July 1977).

[14] *See, e.g.,* Ga. Code Ann. § 114–413, 414; Idaho Code §§ 72–410 (1973); Mo. Ann. Stat. § 287.240 (Vernon 1972).

[15] *See* La. Civ. Code Art. 2404, 2334 ("head and master law"). Revisions in this law were adopted in July 1978, but will not become effective until 1980. *See* La. House Bill No. 1569.

[16] *See, e.g.,* Me. Rev. Stat. Ann. Tit. 19 § 721 (1965); Nevada Rev. Stat. § 125.150 (1975) (husband eligible to receive alimony only if disabled).

[17] *See, e.g.,* La. Rev. Stat. Ann. §§ 23-333 (1964). Wyo. Stat. Ann. Tit. 27 § 27–218 (1967).

[18] *See, e.g.,* 41 U.S.C. § 35.

[19] *See* Brown et al., *Women's Rights and the Law, supra,* at 100.

[20] Brown et al., *The Equal Rights Amendment . . ., supra,* at 893–96.

[21] In Manhart v. City of Los Angeles, —U.S.—, 46 U.S.L.W. 4347 (1978), Title VII's ban on sex discrimination in employment was relied on to invalidate the use of sex-based actuarial tables for setting rates in employer-operated pension plans. However, plans that are not employer operated are beyond the reach of Title VII and, therefore, can continue to use sex-based rates. Where these plans or practices are regulated by the government, so that the "state action" requirement is satisfied, the ERA can be relied upon to challenge them.

[22] *See* Brown et al., *The Equal Rights Amendment . . ., supra,* at 894. The strict scrutiny to be given classifications allegedly based on unique physical characteristics may produce different results when applied, for example, to laws establishing medical leave for childbearing and those concerning income protection plans for workers disabled by pregnancy. The former relate closely to the reproductive function and serve the public interest in maternal and infant health. In contrast, as far as employment is concerned, disabilities related to pregnancy are no different from other temporary disabilities, since both involve a temporary inability to work. It is arguable that the employer has no unique interest in maternal and child health distinct from its interest in the health and well-being of all employees. *See* brief *amici curiae* of Women's Law Project and American Civil Liberties Union, General Electric Co. v. Gilbert, U.S. Supreme Court, October Term, 1975.

[23] *See* Griswold v. Connecticut, 381 U.S. 479 (1965). While opponents of the ERA often link it with reproductive freedom for women, it is clear that the ERA is not necessary to establish the right of women to such freedom. The right to choose between abortion and childbirth already has been delineated by the Supreme Court as protected under the Constitution's right to privacy. See Roe v. Wade, 410 U.S. 113 (1973).

[24] *Senate Report, supra,* at 12.

[25] *See, e.g.,* comments of Sen. Birch Bayh, 118 Cong. Rec. 9331 (1972); Singer v. Hara, 11 Wash. App. 247, 522 P.2d 1187 (1974).

[26] *See, Senate Report, supra,* at 15.

[27] *See, e.g.,* People v. Ellis, 57 Ill. 2d 127, 130, 311 N.E. 2d 98, 10 (1974), in which the Illinois Supreme Court stated: In contrast to the Federal Constitution, which, thus far, does not contain the Equal Rights Amendment, the [Illinois] constitution of 1970 contains section 18 of article I, and in view of its explicit language, and the debates, we find inescapable the conclusion that it was intended to supplement and expand the guaranties of the equal protection provision of the Bill of Rights and requires us to hold that a classification based on sex is a "suspect classification" which to be held valid must withstand "strict judicial scrutiny." *Id.* at 101.

[28] "The thrust of the Equal Rights Amendment is to insure equality of rights under the law and to eliminate sex as a basis for distinction. The sex of citizens of this Commonwealth is no longer a permissible factor in the determination of their legal rights and legal responsibilities." Henderson v. Henderson, 458 Pa. 97, 327 A.2d 60 (Pa. Sup. Ct. 1974).

[29] *See* Brown et al., *Women's Rights and the Law, supra,* at 24–27, table 2.1.

[30] Futrell v. Ahrens, 88 N.M. 284, 540 P.2d 214 (Sup. Ct. 1975).

[31] Singer v. Hara, 11 Wash. App. 247, 522 P.2d 1187 (1974); *see also,* Opinion of the Colorado Att. Gen., Apr. 24, 1975.

[32] People v. Green, 514 P.2d 769 (Colo. 1973); People v. Medrano, 321 N.W.2d 97 (Ill. App. Ct. 1974); Brooks v. Maryland, 330 A.2d 760 (Md. Ct. of Spec. App. 1975); Finley v. State of Texas, 527 S.W.2d 553 (Tex. Ct. of Crim. App. 1975); and State v. Young, 523 P.2d 946 (Wash. App. Ct. 1974).

[33] *See* discussion, *supra,* ch. 2, "Family Law."

[34] Although Pennsylvania does not require a husband to support a dependent wife after divorce, this is totally unrelated to the State ERA, since Pennsylvania has not provided for alimony for men *or* women for more than 100 years. In 1977 the Maryland Court of Appeals struck down a criminal desertion statute that only applied to the desertion of wives by their husbands. Coleman v. State, 37 Md. App. 322 (1977). The Maryland Legislature immediately reenacted this criminal remedy for nonsupport in sex-neutral form. *See* H.B. 1170 (1978).

[35] Indeed, as of 1976, only six States still had laws charging fathers with sole responsibility for the support of children after divorce: Georgia, Idaho, Maine, Nevada, South Dakota, and Wyoming. *See* Brown et al., *Women's Rights and the Law, supra,* at 152–55. Only 15 States still have alimony statutes phrased in terms of the "husband's" responsibility. *Id.* at 130–34.

[36] *See Senate Report, supra,* at 17.

[37] *Texas Family Code Ann.* § 4.02 (1975).

[38] Friedman v. Friedman, 521 S.W.2d 111, 115 (Tex. Ct. of Civ. App. 1975); *see also,* Cooper v. Cooper, 513 S.W.2d 229, 234 (Tex. Ct. of Civ. App. 1974).

[39] See Conway V. Dana, 218 A.2d 324 (Pa. Sup. Ct. 1974); Green v. Freiheit, Vic. No. 1015 (Fam. Div., 1st Jud. Dist., October Term 1973).

[40] Wasiolek v. Wasiolek, 380 A.2d 400 (Pa. Sup. Ct. 1977).

[41] Com. ex. rel. Buonocore v. Buonocore, 340 A.2d 579 (Pa. Sup. Ct. 1975).

[42] Tignor v. Tignor, Div. No. 12601 (Md. Cir. Ct., Anne Arundel County, 1974).

[43] Bender v. Bender, Civ. No. 152, September Term (Filing May 10, 1978, Md. Ct. of App.); DiFlorido v. DiFlorido, 331 A.2d 174 (Pa. Sup. Ct. 1975).

[44] DiFlorido V. DiFlorido, *supra,* 331 A.2d at 179 (emphasis in original).

[45] Mass code Ann. ch. 209, § 32, as amended by ch. 609 of L. 1977.

[46] Mass code Ann. ch. 188, as amended by ch. 791 of L. 1977.

[47] New Mexico Stat. Ann. § 57–4A–8 (1953, *as added by* L. 1973, ch 320, § 10 *as amended by* L. 1975, ch. 246. § 6. See New Mexico Commission on the Status of Women, *The New Mexico Equal Rights Amendment* (1978).

[48] *Compare* Washington Rev. Code Ann. § 51.32.050 (1962) *with* Md. Ann. Code, art. 101 § 36 (1964) *and* Va Code Ann, § 65,1–65, 66 (1950).

[49] Pa. A.G. Op. No. 71 (1971).

[50] Pa. A.G. Op. No. 69, No. 75 (1971).

[51] Pa. A.G. Op. No. 57 (1973).

[52] Pa. A.G. Op. No. 55 (1974.

[53] Conn. Gen. Stat. Ann. § 53a–83 (Rev. 1975).

[54] *See, e.g.,* Mont. Rev. Code Ann., § 94–5 502 (1969), *as amended* by L. 1973, ch. 513, § 1 and L. 1975, ch. 2, § 1 and ch. 129, § 1. *See generally,* Brown et al., *Women's Rights and the Law, supra* at 58–59.

[55] *See* no. 32, ch. 3, *supra.*

[56] Brown et al., *Women's Rights and the Law, supra* at 33–34.

[57] Ill. Ann Stat., ch. 37, § 702–2 (1972); Tex. Fam. Code, § 51.02 (1975); N.M. Stat. Ann., § 42–7–5 (1975 Supp.).

[58] *See* Commonwealth v. Butler, 328 A.2d 851 (Pa 1974), for a history of Pennsylvania's sentencing laws.

[59] *See* Note, *The Sexual Segration of American Prisons,* 82 Yale L.J. 1229 (1973); Brown et al., *Women's Rights and the Law, supra,* at 90–91 n. 2.

[60] *See e.g.,* Commonwealth v. Pennsylvania Interscholastic Athletic Association, 334 A.2d 839 (Commonwealth Ct 1975) (striking down bylaws prohibiting competition between boys and girls in interscholastic sports); Darrin V. Gould, 85 Wash. 2d 859, 540 P.2d 885 (Sup. Ct. 1975) (striking down regulation prohibiting girls from playing on high school football team); Mora v. St. Vrain Valley Sch. Dist., Civ. No. 75–3182–1 (Boulder County, Colo., Dist Ct., Dec. 3, 1975) (temporary restraining order issued against rule forbidding girls to practice or play with boy's basketball team).

[61] Ebitz v. Pioneer National Bank, 361 N.E. 2d 225 (Mass. 1977).

[62] Texas Woman's Univ. V. Chayklintaste, 521 S.W.2d 949 (Tex. Civ. App. 1975). In another Texas case involving a public school regulation forbidding long hair for male students, the court of civil appeals in Houston interpreted the State ERA as a "suspect classification" analysis, but refrained from applying any judicial standard to the regulation on the ground that the court should not interfere in the daily rulemaking of the schools. Mercer V.

Board of Trustees, North Forest Ind. Sch. Dist., 538 S.W.2d 201 (Tex. Civ. App. 1976).

THE BALTIC

● Mr. LEVIN. Mr. President, Baltic freedom blossomed for a few short years in the early part of this century but was utterly ravaged by Soviet invasion, occupation and subsequent incorporation into the U.S.S.R.

Estonians, Latvians, and Lithuanians long shared the common goal of establishing politically independent states. The goal was realized in 1920 when the Soviets signed peace treaties with each of the three tiny nations recognizing "without reservations" their independence and "relinquished for all time" all rights of sovereignty over them.

The Baltic peoples thrived for two decades enjoying national independence and self-government. Entering into diplomatic relations with foreign governments and joining the League of Nations, the Baltic States assumed the responsibilities of independent nations in global politics and were recognized as such by the international community. Estonian, Latvian, and Lithuanian national identities were further developed as religious, educational, and cultural activities flourished. The years between 1920 and 1940 are recognized by many as a "Baltic Renaissance." It is a tragedy that their rebirth was not permitted a natural maturation process—that their progress was aborted by illegal Soviet intervention.

In the late 1930's, the Baltic States fell victim to the power struggle between Nazi Germany and the Soviet Union. A secret protocol of a 1939 nonaggression pact between the two powers marked the first phase of the obliteration of the independent Baltic States. By mid-1949, they were incorporated against their will into the Soviet Union. Then in June 1941, to consolidate their hold and to minimize dissent, the Soviets instigated a series of mass deportations from the Baltic States to Siberia and several other sites in the U.S.S.R. In deporting large numbers of the Baltic people, Lithuanian, Latvian, and Estonian ethnic and cultural integrity was dealt a cruel blow by the Soviets. The situation was exacerbated by a forced infusion of Russians. The two-pronged policy of deportation and colonization was devised specifically to eradicate Baltic nationalism, languages, and cultures and thereby produce an acquiescent territory. The Soviet campaign to extinguish all vestiges of freedom and self-determination continues to this day.

While the Soviets have geopolitical dominance over the Baltic nations, they have not harnassed the Baltic people's spirit. The desire to reestablish politically independent states burns incessantly in the hearts of Baltic peoples everywhere. The United States and many other nations still reject the forced annexation by the U.S.S.R. and would like to see Latvia, Estonia, and Lithuania as free nations expressing the political will of their people. Accordingly, it is appropriate that we focus attention on the issue by proclaiming June 14 as "Baltic Freedom Day."●

THE SENIOR COMMUNITY SERVICES EMPLOYMENT PROGRAM TITLE V OF THE OLDER AMERICANS ACT

Mr. HEINZ. Mr. President, as chairman of the Special Committee on Aging, I would like to commend the Appropriations Committee for restoring forward funding for the senior community services employment program, title V of the Older Americans Act.

The inclusion of $210 million in the urgent supplemental appropriations bill (H.R. 5922), will enable the title V program to carry the present level of 54,200 job opportunities for older Americans from July 1, 1982 through June 30, 1983. It will supplement the $66.5 million included in the continuing resolution for a total of $277.1 million.

The intent of Congress, when it passed the Older Americans Act Amendments of 1981, was to continue this vital and successful support program. The title V employment program makes it possible for senior centers and nutrition sites to more ably serve older Americans. Last year, almost half of the 54,000 older workers in this program worked in services for the elderly: Over 7,000, were in nutrition services; over 5,000, worked in senior centers; and 4,000, worked in outreach and referral services.

At a hearing held in February on the food stamp and nutrition program, the Special Committee heard testimony from State and area agency on aging officials and indicated that they would have no way of replacing senior aides who are currently working in these programs. The loss of these community service jobs would have a domino effect and would threaten the ability of local agencies to continue to provide other services funded under the Older Americans Act.

In addition to maintaining the title V program, the expressed intent of Congress in the Older Americans Act Amendments of 1981 was to continue the current Department of Labor "forward funding" practice. Section 508(b) of the act provides that amounts appropriated for any fiscal year shall be used on a July 1–June 30 basis. The urgent supplemental, therefore brings the appropriation process into conformity with the authorizing legislation.

The restoration of $210.5 million for the community services employment for older Americans in the urgent supplemental, along with the $66.5 million authorized by the continuing resolution (Public Law 97-92) for fiscal 1982, will provide a total of $277 million for this program. As noted in the Appropriation Committee's report, this is the same level of funding as the fiscal year 1981 appropriation and the fiscal year 1982 budget request. It will continue to support 54,200 part time job opportunities for older persons—the same number of job slots as authorized under the Older Americans Act Amendments of 1981.

Mr. President, several weeks ago the Senate passed the first concurrent budget resolution. In effect, that resolution places a freeze on nondefense discretionary programs. Essentially, it holds many programs, including title V, at the same levels as those appropriated in fiscal year 1982. Therefore, the inclusion of the $210 million in this appropriations bill is consistent with the level of funding provided under the budget resolution.

The importance of employment opportunities to the economic security, the health, and the personal fulfillment of older Americans is a critical concern to all of us. We know that the vast majority of older men and women want to have the opportunity to continue some form of work. I believe title V can help fulfill that opportunity. It is a program that has demonstrated the significant contributions older workers can and do make to our society, and I will continue to urge my colleagues to maintain their strong support of this important program.

HIGH TECHNOLOGY: MASSACHUSETTS' POT O'GOLD

● Mr. TSONGAS. Mr. President, America's prospects for long-term economic growth rest with the knowledge-intensive industries of high technology. The future strength of these industries depends on a well-educated and well-trained work force. Awareness is growing that a commitment to education is not only a commitment to social goals, but an economic necessity.

I would like to share with my colleagues some remarks made by Howard Foley, president of Massachusetts High Technology Council—a distinguished business association. Mr. Foley urges that businesses should increasingly think of support for education as an investment. In his words,

Strategically, logistically, and financially, industry must be a partner—providing assistance—recognizing that an intelligent investment in education is an enlightened investment in its own future expansion, growth and ultimate success.

Mr. Foley's comments articulately emphasize that industry, government, and academia share a common agenda in preparing for the economic challenges of tomorrow.

I ask that Mr. Foley's comments be printed in the RECORD.

The comments follows:

HIGH TECHNOLOGY: MASSACHUSETTS; POT O'GOLD

(By Howard P. Foley, President, Massachusetts High Technology Council, Inc.)

For those of you who might not be familiar with the Massachusetts High Technology Council, we are an association of 125

high technology companies. Most of our members can be characterized as growth-oriented, high-value-added, knowledge-intensive companies that spend proportionately large amounts of money on research and development, and depend primarily on high technology for their products and services. We employ about 115,000 people in Massachusetts, and about 85,000 more throughout the rest of the world. Sales world-wide last year totalled about $11 billion and we invested almost $2 billion in new plant and equipment—up 36 percent from 1980.

We are in business to nurture the profitable growth of the Massachusetts high technology industry. Compared to other industrialized States, Massachusetts has one of the lowest unemployment rates in the country. High tech has not had the severe problems other manufacturing industries have had in this recession, and even though we've slowed down quite a bit, the "help wanted" pages of the Sunday papers are still filled with high tech ads looking for engineers and computer scientists.

However, we are suffering from our own success. The reason so many positions are unfilled is simple—the supply of technical talent has finally been outstripped by industry demand—and unless the high tech industry, government, and educators work together to alleviate this concern, our State, and all those who live and work in the commonwealth, could be in trouble.

Up until very recently, State government and education—as institutions—played minor roles in high tech growth and expansion. Historically, much of the high tech industry in Massachusetts grew out of the space and defense programs, and the baby computer and communications businesses of the fifties and sixties.

During this time, while many of our high tech company presidents were in engineering school, and others were working on aerospace and defense-related projects in both the public and private sectors, they saw unlimited opportunities to commercialize some of their own ideas using high technology. Some talked a few banks into investing seed capital, others talked commitments out of farsighted venture capitalists, and still others simply mortgaged everything they had and began working seven days a week out of their garages. People put their money behind an idea, and then worked like hell to create new markets, satisfy the demands of emerging ones, and make the product turn a profit.

I might add that even without taking a pro-active role, and I want to emphasize the word "pro-active," Massachusetts educators played a big part in high tech development simply by offering a superb education to students who chose to study here—for it is quality education, more so than anything else, that spawns high tech development. High tech companies must have a growing supply of technical talent—engineers, technicans, programmers, and the like. High tech is in the "brains business," and brainpower is to us in Massachusetts what waterpower was to our old textile mills. Without it, high tech grinds to a stop.

For two hundred years, Massachusetts has had an outstanding educational infrastructure—independently supported institutions at first, with publicly supported institutions coming in later on—and the talent pool provided by academia fueled the past twenty years of high technology growth.

However, the present output of engineers, computer scientists, and technicians from our area school is no longer keeping pace with the demand of industry, and as talent shortages grow in other States, recruiting expeditions by out-of-State firms seeking to hire our technical talent away continue to intensify. Many recruiters talk about the high heating bills and severe winters characteristics of New England, but most simply compare personal income tax burdens and cost of living differentials—which are traditionally high in Massachusetts—to sell the so-called "Sun Belt" to Massachusetts engineers and computer scientists. In many cases, the numbers can do all the talking.

To counter this, our State government, academia, and industry must continue to cooperate, collaborate, and commiserate. All three must play a real pro-active role to ensure the continued growth and expansion of the high tech industry. It has become, and will continue to be, the indispensable economic core of our region's industrial and economic development.

This means working to keep the statewide personal tax burden competitive, thereby attracting technical talent from other States, and making it easier for home-grown engineers and computer scientists to stay in the commonwealth. It also means working to expand the capacity of our technical and educational programs, and improving the quality of the programs we already have. Massachusetts has made a lot of progress in the last three years on both fronts, but much more still remains to be done.

We should be able to hold our own with any other State when it comes to the production of degree professionals. Yet, we find today that Texas annually graduates more electronics engineers and computer science majors than we do.

In 1958, Texas graduated 492 and Massachusetts graduated 781. In 1981, Texas graduated about 4,000 and we graduated about 3,000. That's against projected demand, just from our member companies, of about 3,000 a year over the next several years. Worse still, about 25 percent of the Massachusetts graduates will leave the State after they graduate.

Nationally, this country produces, per capita, only half as many engineers as Japan, Further, only 5.8 percent of their bachelors degrees are in engineering, and in West Germany, over 37 percent of their bachelors degrees are in engineering. We're told the U.S.S.R. and the eastern block countries are doing even better.

One recent initiative in Massachusetts that combines the expertise and resources of all three groups is the proposed High Technology Park Corporation. Its first project—a $40 million microelectronics center, will train students and working engineers in advanced semiconductor design, test, and fabrication techniques, and will be staffed by university faculty and loaned industry professionals.

The proposed center represents a three-part strategy to strengthen the microelectronic industry in Massachusetts by offering: (1) an up-to-date lab facility for engineering and computer science students and faculty, (2) comprehensive retraining and upgrading programs for industry employees: and (3) a chip-making facility that will give students and teachers a chance to see if their designs really work. The initial $40 million investment will be split by the State and the high technology industry on a 50/50 basis.

Another program that has been supported by industry is a new kind of MBA program at Northeastern University in Boston. Starting in September 1982, Northeastern's School of Business Administration will offer a specialized and accelerated MBA program in high technology. The first of its kind in the country, the degree program consists of twenty-eight courses, including nine traditional MBA courses and sixteen new or redesigned courses, specializing in topics like technological forecasting, R. & D. management, and new product management.

The high technology MBA is aimed at technically-oriented people—engineers, scientists, computer and technical specialists—and high tech managers, and meets at night, allowing professionals to continue to work while attending school.

On our own, the High Tech Council has implemented a number of programs designed to help expand capacity and improve quality in the short term. We have established electronic technician training programs in our community colleges for technical paraprofessionals, stepped up recruiting efforts at out-of-State engineering schools, and worked with the State and community college system to initiate tech writing and computer programing courses for former school teachers who have been laid off due to declining enrollments.

To help, over the long term, we recently developed and formally endorsed a "white paper" on industry/university relations, geared specifically toward expanding engineering and computer science education opportunities over time, and improving existing curricula.

Specifically, there are eight points:

One—view support for higher education as an improvement in human resource development, and not as a charitable contribution.

Two—increase member companies' support for higher education in 1982 to 2 percent of their annual R. & D. expenditures, and then sustain that support on an annual basis for the foreseeable future.

Three—continue to identify and replicate collaborative activities that already work well, and further work to implement others.

Four—anticipate the future by working with universities to develop more relevant curricula and research projects.

Five—recruit more professionally and more actively at regional universities, and sustain recruiting programs in lean years, and not just in growth years.

Six—develop new, and expand current, jointly-sponsored programs in continuing education with universities. In the future, "learn while you earn" will be the norm and not the exception.

Seven—become more visible and more active as supporters of elementary and secondary level education—promote high tech careers, stress the importance of computer literacy, help strengthen math and science curricula, and work to improve teaching methods and techniques.

Eight—continue to encourage the State government to increase its support for higher education, particularly with regard to technical education.

Not surprisingly, the 2 percent of R. & D. support for higher education has attracted the most attention. In fact, many news stories and editorials have adopted it as "the 2 percent solution," and translated it into a minimum investment of $15 million in higher education in Massachusetts—just from our 125 member companies.

We are not, however, serving as a foundation or central money fund. Instead, we act as a facilitator and clearinghouse—bringing individual companies together with colleges and universities, so that they may develop mutually beneficial one-on-one relation-

ships that involve more than just financial assistance and equipment donations.

We help both sides help each other, if we think we need to be involved, but we prefer to let the companies that are donating the time and money has it out directly with the educators.

Many of our members are already involved in university relations programs with local schools, and in order to strengthen the linkage and recognize its importance—one company—analog devices—has taken university programs out of its corporate contributions committee, and established a separate university relations committee—headed by its vice president for strategic planning.

Some of the programs our companies currently participate in include: Career development faculty chairs—whereby a company finances salary and equipment costs for a new or expanding high technology program at a college or university over an extended period of time, improving the quality of life for the professor, and the quality of technical education for the students.

Adjunct professorships—whereby companies "loan" employees to colleges and universities to teach courses in their chosen fields of expertise once or twice a week. Data General, for example, has two employees teaching at Lowell University on part-time basis.

Curriculum and faculty development and assistance—whereby companies help schools expand or improve technical curricula by providing technical assistance and company training programs. Lowell University, for example, has three professors enrolled in training courses at Data General, while the High Tech Council has just published a guide for universities interested in developing computer science and engineering programs that deals with the skills and knowledge requisite to high tech employment upon graduation. Also, women who have math or science backgrounds, but lack the technical degrees, are presently earning masters degrees in electrical engineering and computer science at Northeastern University in a new "women in engineering" program, facilitated by the High Tech Council, and sponsored jointly with the Bay State Skills Corporation and Northeastern University.

Learn-while-you-earn and continuing education—whereby companies offer part-time consulting contracts to engineering and computer science masters and Ph. D. candidates to encourage them to go on with their education by alleviating some of the financial pain that accompanies this decision—and develop retraining programs with colleges and universities that are used to bring older employees up to speed with new technology.

I don't have the time to go into all the programs we use, but if you wish additional information concerning these, please ask me for it later.

I might add that current Federal tax policy concerning R. & D. tax credits and equipment donation deductions have made corporate investment in higher education virtually painless, and I would not be surprised to see many companies follow the lead of Wang Laboratories of Lowell, Massachusetts, which recently made its first contribution to higher education—A $3 million equipment donation to the Massachusetts University System.

On a more personal note, I wish my colleagues in education would stop talking about the hole in their Federal money bucket, and look instead into industry's money bucket. Many of these tax incentives are designed to fill our money buckets—allowing us to give to colleges and universities without the 20 percent handling charge that Washington normally skims off the top to do this for us.

On State taxes, the High Tech Council has been a vocal supporter of proposition 2½—the property tax limiting referendum question that was overwhelmingly passed by Massachusetts voters in November of 1980. Personal tax rates concern us far more than do business taxes. Our chief resources are our employees, and personal taxes affect our companies far more than do corporate taxes.

Many of the other factors concerning High Tech development—proximity to overseas markets, good airports, decent roads, reasonably efficient and reasonably priced State, county, and local government services, etc., certainly play a role in every High Tech company's ultimate decision, but a strong and responsive educational infrastructure and a reasonable State and local tax burden on our employees and their families mean more than all the rest.

In Massachusetts, the future of the High Tech industry will depend, to a large extent, on the commonwealth's ability to grow and sustain a proficient technical workforce. It should be remembered that this is no longer an issue that can be addressed independently. Instead, all three pieces of the puzzle—industry, academia, and government—must play active roles to overcome the manpower problem.

One essential step for any State interested in developing a strong technology-oriented economic community, but certainly not the only step, would be to encourage initiatives which would result in our graduates at all levels having more computational skills than they do today. Along with this would come a greater familiarity and literacy with analytical tools like the computer making it possible for them to function more successfully in society as it exists today—and as it will continue to evolve into the future.

But educational institutions cannot do this alone: They need help—strategically, logistically and financially, industry must be a partner—providing assistance—recognizing that an intelligent investment in education is an enlightened investment in its own future expansion, growth, and ultimate success.

In the long run, this investment will help everyone—for to be technologically rich is even more valuable than to be oil rich—because technological creativity is inexhaustible, if we are smart enough to invest in it today.

I want to thank you for this opportunity to speak before you today, and I would be pleased to answer any questions you may have concerning my remarks.●

OPTIONS TO RAISE REVENUE REQUIRED BY THE FIRST BUDGET RESOLUTION CONFERENCE REPORT

● Mr. DOLE. Mr. President, I am today sending to all Finance Committee Senators a pamphlet which outlines a number of options that the committee may consider to raise whatever amount of revenue the first budget resolution conference report requires. This is not a package in any way. Rather it is a menu from which a package can be selected.

Page 85 of the pamphlet contains some very interesting material. The table on that page provides the distributional effects of the third year of the tax cut we passed last August. This table makes it quite clear that the individual tax cut scheduled for July 1983 tends not go to the rich but to the middle class. Fully 70.6 percent of the third-year tax cut will go to taxpayers with incomes of $50,000 or less. By contrast only about 11 percent goes to those with income over $100,000. Wealthy taxpayers received most of their tax cut when the 70-percent top rate on unearned income was reduced to 50 percent last year. The average taxpayer, however, got his cut in three parts. He is the one who will be hurt by any delay or repeal of the third-year cut.

Mr. President, the table on page 85 makes another good point: 38 percent of the total 3-year tax cut for a taxpayer in the $20,000 to $30,000 income range is contained in the third-year cut due July 1983. On the other hand a taxpayer with over $200,000 in income will get only 13 percent of his total tax cut in July 1983. Stated another way the wealthy taxpayer will already have received 87 percent of his cut by next July. He would be relatively unhurt by a repeal.

One final statistic will help to make the point that repeal of the final installment of last year's individual tax cut will hurt the middle class the most. If we repeal the July 1983 cut, a taxpayer whose income falls between $20,000 and $30,000 will see his 1984 taxes increase by almost 12 percent. The wealthy taxpayer, making over $200,000, will only experience a 3½ percent increase in 1984. Such an action would not be fair.

Mr. President, we must not change the third year of the tax cut that was enacted last year. Such an act will disproportionately affect the middle income taxpayers in this country. I, for one, prefer to raise the needed revenue by broadening the tax base for itemizers, close tax loopholes, and distribute the tax burden in this country more equitably. I hope my colleagues agree with me.

Mr. President, I ask that the following tables be made a part of the record.

The tables follow:

TABLE 4.—DISTRIBUTIONAL EFFECT OF THIRD-YEAR (1983) TAX CUT

[Millions of dollars—1981 income levels]

Expanded Income (thousands)	Tax reduction from first 2-yr of rate reduction		Tax reduction from 3d-yr rate reduction		Tax reduction from total 3-yr rate reduction		3d-yr reduction as percentage of total 3-yr rate reduction
	Amount	Percent	Amount	Percent	Amount	Percent	
Below 10	1,198	2.8	634	2.7	1,832	2.8	34.6
10 to 20	5,859	13.8	3,360	14.2	9,219	14.0	36.4
20 to 30	8,469	20.0	5,275	22.4	13,744	20.8	38.3
30 to 50	12,312	29.1	7,383	31.3	19,695	29.9	37.5
50 to 100	7,475	17.6	4,558	19.3	12,033	18.2	37.9
100 to 200	3,311	7.8	1,805	7.7	5,116	7.8	35.3
200 and above	3,750	8.8	578	2.4	4,328	6.6	13.4
Total	42,374	100.0	23,592	100.0	65,966	100.0	35.8

PERCENTAGE INCREASE IN 1984 TAX LIABILITY BY INCOME CLASS

Expanded income (thousands, 1981 income levels)	Repeal July 1, 1983 rate reduction (percent)	Repeal July 1, 1983 rate reduction and make indexing effective on that date
Below $10	10.65	−7.78
$10 to $20	11.15	1.28
$20 to $30	11.98	3.18
$30 to $50	11.59	3.15
$50 to $100	11.71	4.12
$100 to $200	9.65	5.26
$200 and above	3.51	2.18
Total	10.83	2.88

●

THE NEED TO ENACT LEGISLATION TO AMEND THE FOREIGN CORRUPT PRACTICES ACT

● Mr. CHAFEE. Mr. President, last November the Senate passed S. 708, the Business Practices and Records Simplification Act, in an effort to eliminate the ambiguities in the Foreign Corrupt Practices Act which have hindered U.S. exports. The Senate passage of that bill was a major victory for those of us in the Senate and the House who are interested in promoting U.S. exports to create more jobs and improve the state of the economy. The bill as passed by the Senate was a product of a carefully drafted bill with bipartisan support.

Mr. President, 7 months have passed since S. 708 was referred to the House Energy and Commerce Committee and the committee has still not scheduled any hearings on the bill. Time is running out as this session of Congress is quickly drawing to a close and we cannot afford to lose the opportunity to enact S. 708 this year. Since 1980 we have made tremendous progress in eliminating the major disincentives to U.S. exports contained in U.S. law with the tax relief provided to Americans working overseas and the progress that has been made in the last few months in the House toward enacting the export trading company legislation. The ambiguities in the Foreign Corrupt Practices Act are the last major remaining export disincentive and we have an excellent opportunity to remove that final disincentive. I urge my colleagues in the House to take advantage of that opportunity.

Mr. President, I ask that the following list of examples of business opportunities lost due to the ambiguities in the Foreign Corrupt Practices Act be included in the RECORD. The list is taken from publication by the International Division of the U.S. Chamber of Commerce surveying the impact of the act on U.S. companies conducting business overseas.

The material follows:

EXAMPLES OF LOST TRADE AND INCREASED COSTS CREATED BY THE FCPA

Disincentives Created by the FCPA's "Reason To Know" Clause:

(1) The U.S. Embassy in Muscat, Oman reported that a U.S. firm lost a $20–$30 million contract solely because of the time delays needed to investigate sales agents and assess their responsibility for third parties under the FCPA.

(2) A multinational U.S.-based engineering company spent approximately $250,000 to evaluate its potential market in Latin America. Brazil, Mexico, and Venezuela were considered open markets for exporting engineering services and establishing local service branches. One of the major reasons the company chose not to expand was its uncertain liability under the FCPA for the activities of independent agents and subcontractors. Moreover, the cost of policing such activities would have markedly lessened its price competitiveness.

(3) In Oman, a large Utah firm has encountered difficulty over the past couple of years in its efforts to obtain a local representative. After many discussions, the U.S. company narrowed the field to one Omani firm which it felt would best represent its interests, but the Americans have been unable to reach an agreement due to potential problems arising under the FCPA. Since the firm's business runs in multimillion dollar contracts involving proprietary technology, lost U.S. exports may have been substantial.

(4) In Liberia, U.S. firms will not risk hiring local agents because of potential liability under the FCPA for their unsanctioned actions. Instead, they have come to rely on more expensive expatriates with fewer ties to local business people. Not only has the cost of doing business in Liberia gone up, U.S. firms have lost their competitive edge.

(5) The U.S. embassy in the United Arab Emirates reports that overlap between business and government has been a problem for U.S. firms seeking to do business there. At best, the overlap has made it more difficult for U.S. firms to begin operations—in many cases months pass while home office legal staffs review potential sponsorship agreements. Some firms have signed relatively ineffective agents rather than violating the FCPA, or at worst, have decided not to enter the market at all. At the same time, the U.S. image in the host country suffers, because many reputable businessmen resent what they perceive as a questioning of their own honesty in business dealings.

(6) In Qatar, only one of the state's 14 cabinet ministers has no known business ties, and U.S. firms often fear that business payments may be construed as illicit payments to foreign officials. American firms there generally avoid agents in government positions, but they are then restricted to less effective agents with fewer business connections throughout the region.

Increased Costs and Lost Trade Generated By Confusion Over What Constitutes a Facilitating Payment:

(1) The local director of an American company in a foreign country paid a customs official $20 to process the release forms for spare parts to a broken machine; the official suggested that the alternative would have been to wait several days for "further formalities." According to the FCPA's legislative history this should have been a legal payment, and the local director was reimbursed by his managing director in the U.S. Because of uncertainty over what constitutes a facilitating payment, however, the payment did not pass the internal auditor from the home office. The American managing director's career is now on the line, and the parent company has spent $30,000 internally investigating why the $20 payment was made and how to cope with it under the FCPA.

(2) During a trip to Singapore, a U.S. company learned that a series of payments would be required in order to do business in Indonesia. These included payments to the switchboard operator in the hotel, to secretaries for arranging appointments, to the administrative assistant of the customer to meet with the customer, to all company sales representatives, to guards watching unloaded merchandise, and to customs officials. Unclear as to which payments were prohibited by the FCPA, the company did not compete to install communications equipment.

(3) Since Brussels, Belgium is the headquarters for many companies which do business in Africa and the Middle East, the U.S. embassy there detected that American firms avoid export opportunities which corporations from other countries do not hesitate to undertake. A U.S. construction firm, for example, was interested in bidding on a project in a Middle Eastern country where facilitating payments are both customary and necessary. Unwilling to confront the FCPA's ambiguous definition of facilitating payments, the firm decided to be a subcontractor for a European prime contractor and accept a much smaller portion of the project.

Consequences of Failure to Follow Customary Business Practices in Foreign Markets:

(1) In China, a U.S. firm had concluded a $4 million contract for the supply of construction equipment. The American firm, overzealous about enforcing the FCPA, then refused to pay legitimate commission to a Chinese distributor because of technical delays in obtaining receipts from the Bank of China. The Chinese distributor revoked the contract and purchased the construction equipment from a Japanese firm that was willing to pay the commission.

(2) In Thailand, it is normal practice to "assist" government officials through cash payments, gifts, free travel, etc. A U.S. office equipment company, concerned about potential FCPA violations, refused to "assist" potential customers. In one case of lost business, the U.S. firm obtained the bid documents. Had the company made the requested payments, its bid would still have been 15 to 10 percent lower than the Japanese firm which won the contract.

(3) A U.S. company has been considering setting up wholly-owned marketing companies in countries such as the Philippines, Indonesia, Thailand, South Korea, and Taiwan to replace local sales agents. In light of local customary business practices these plans were deferred indefinitely because of excessive expenses for ensuring compliance with the FCPA.

Negative Foreign Response to the FCPA:

(1) A large American firm was pursuing a joint venture agreement with a reputable Saudi firm. In order to protect itself from the unknowns of the FCPA, the U.S. firm insisted on protective language in the contract. The Saudi firm was offended by inferences that its officers were corrupt and delayed the negotiating process. Meanwhile, a third country firm received a lucrative contract from the Saudi Arabian government which had been tentatively awarded to the partners-to-be. The joint venture may never be worked out because of the bad feelings which were generated in the contract negotiations and due to the loss of the contract.

(2) In another case, one American and one Saudi firm were engaged in negotiations concerning an industrial joint venture involving more than $100 million in capital. Because of the large amount of money involved, the American company insisted on a buy-out clause which it tied to the FCPA. The Saudis, however, could not accept the provision because they felt that the FCPA was vague and feared that the U.S. firm could pull out and demand compensation at any time by claiming that the law had been broken. Although negotiations continued for several months, the joint venture never materialized.

(3) An American steel company which was negotiating a cooperative venture with a Chinese corporation refused to pay for travel expenses in the U.S. during a planned trip by the Chinese executives to inspect the American company's facilities. Offended by the American company's refusal to pay under the FCPA, the Chinese executives never visited the U.S. and cut off contract negotiations.

(4) An American company held 20 percent equity in a company in Southeast Asia. Under a consent agreement reached with the U.S. government, the manager of the American company was required to sign quarterly statements of FCPA compliance. The board of the foreign company requested that the U.S. firm either replace the American manager with another national who would not be required to sign the compliance statement or divest their interest in the company. Since a change of manager would not release the American company from the FCPA compliance agreement, they were forced to divest. The losses for 1979 on the investment, management fees, and profit sharing were estimated at $2 million.

(5) A European consortium received a foreign contract for an amount 333 percent greater than the U.S. company's preliminary bid. The U.S. company believed the prospective customer did not want to deal with a company subject to the FCPA.

Lost Business Arising From U.S. Firms Withdrawing From Existing Markets:

(1) A U.S. firm in Cameroon withdrew its bid for a $15 million television contract when several European firms entered the competition. The firm simply did not want to compete for the contract because it felt the FCPA might become an issue.

(2) In Haiti, no U.S. firm has competed for any of the major projects undertaken in the last 18 months. These included: a sugar mill worth $45 million, a vegetable oil refinery costing $12.5 million, a new fishing fleet priced at $16.6 million, and a contract for a new bus fleet worth $2 million. The U.S. embassy there speculated that the FCPA was the major disincentive to competition.

NOTICE OF DETERMINATION 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. Pat Balestrieri of the Committee on Foreign Relations to participate in a program sponsored by a foreign educational organization, the Hans Seidl Foundation, and a domestic nonprofit educational foundation, the Heritage Foundation, in Wildbad Kreuth Bavaria, Germany, from June 11-13, 1982.

The committee has determined that participation by Mr. Balestrieri in the program in West Germany, at the expense of the Hans Seidl Foundation and the Heritage Foundation, to discuss political developments within the NATO Alliance is in the interest of the Senate and the United States.

ORDER FOR THE RECOGNITION OF CERTAIN SENATORS ON TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that after the recognition of the two leaders under the standing order on tomorrow, three Senators be recognized on special orders for not to exceed 15 minutes in the following order: Senators CHILES, STENNIS, and KASTEN.

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

Mr. BAKER. Mr. President, I have conferred with the minority leader who has approved for action by unanimous-consent requests I am about to make.

H.R. 6350 HELD AT THE DESK

Mr. BAKER. I ask unanimous consent that once the Senate receives H.R. 6350 from the House, it be held at the desk pending further disposition.

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

H.R. 3863 HELD AT THE DESK UNTIL JUNE 16, 1982

Mr. BAKER. I ask unanimous consent that H.R. 3863, the Poultry Products Inspection Act amendments, be held at the desk until the close of business, Wednesday, June 16.

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

AUTHORIZATION FOR COMMITTEE ON RULES AND ADMINISTRATION TO HAVE UNTIL JULY 15, 1982, TO REPORT A RESOLUTION ON TELEVISION AND/OR RADIO COVERAGE OF THE SENATE

Mr. BAKER. I ask unanimous consent that the Committee on Rules and Administration have until July 15, 1982, to report a resolution containing such regulations and/or rules changes needed to implement television and/or radio coverage of the Senate.

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

H.R. 6198 HELD AT DESK UNTIL JUNE 16, 1982

Mr. BAKER. I ask unanimous consent that H.R. 6198, a bill to amend the manufacturing clause of the copyright law, be held at the desk until the close of business tomorrow, Wednesday, June 16.

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

INDEFINITE POSTPONEMENT OF S. 1205 AND H.R. 3115

Mr. BAKER. Mr. President, there are two calendar items that should be indefinitely postponed which have been cleared by the distinguished minority leader.

Mr. President, I ask unanimous consent that calendar order Nos. 139 and 236 be indefinitely postponed.

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

PROGRAM

Mr. BAKER. Mr. President, on tomorrow the Senate will convene at the hour of 9:15 a.m., according to the order previously entered. After the recognition of the two leaders under the standing order, three Senators will be recognized on special orders for not to exceed 15 minutes each.

Thereafter, it is anticipated that provision will be made for time for the transaction of routine morning business.

The Senate tomorrow will resume the consideration of the motion to proceed to the consideration of the Voting Rights Act extension under the provisions of rule XXII dealing with debate after the invocation of cloture. It is the hope of the leadership that debate on the motion will be concluded tomorrow and that the vote will occur on the motion sometime during the day.

Mr. President, if the motion prevails, and I hope that it does, the Senate will begin consideration of the bill itself.

Once again, Mr. President, I hope that Senators who have amendments to offer to the bill, if we reach the bill, will offer them as soon as possible, because it is the hope of the leadership that we can complete consideration of this measure and the Senate can work its will on the bill before the end of this week.

RECESS UNTIL 9:15 A.M. TOMORROW

Mr. BAKER. Mr. President, if there is no further business to come before the Senate and if no Senator seeks recognition, and I see none, I move, in accordance with the order previously entered, that the Senate now stand in recess until the hour of 9:15 a.m. tomorrow morning.

The motion was agreed to; and, at 6:10 p.m., the Senate recessed until Wednesday, June 16, 1982, at 9:15 a.m.

EXTENSIONS OF REMARKS

RECLAMATION REFORM

HON. MANUEL LUJAN, JR.
OF NEW MEXICO
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. LUJAN. Mr. Speaker, the problem of overregulation and an antiquated 1902 statute are still affecting the Interior's Department's Bureau of Reclamation. Commissioner Robert N. Broadbent has consistently emphasized the need for cutting back on burdensome regulations and for updating the Reclamation Act of 1902. In his remarks last fall to members of the National Water Resources Association, meeting in Albuquerque, N. Mex., Commissioner Broadbent detailed the Reagan administration's regulatory reform activities as they affect the Bureau of Reclamation. He also spoke of the need for a modernized version of basic reclamation law. Mr. Speaker, in the months since then, great legislative strides have been made toward the goal of an up-to-date Reclamation Act. H.R. 4265, which I introduced on July 24, 1981, was the vehicle by which the House Committee on Interior and Interior Affairs addressed the major issues of reclamation reform, particularly the issues of farm size and eligibility to receive low-cost irrigation water for reclamation farms. The Interior Committee favorably reported a reclamation reform bill (H.R. 5539) on March 15, 1982. Action on that bill is now pending in the Rules Committee. The issue is too important for us to allow it to get in the legislative shuffle, which was the fate of reclamation reform in the previous Congress. Mr. Speaker, Commissioner Broadbent's remarks on regulatory reform and on the urgent need for a modernized Reclamation law are as compelling today as they were when he called attention to those issues last fall. I include excerpts from Commissioner Broadbent's address in the RECORD:

EXCERPTS FROM REMARKS OF ROBERT N. BROADBENT, COMMISSIONER OF RECLAMATION, U.S. DEPARTMENT OF THE INTERIOR

It is a real pleasure to be here with you today. The Bureau of Reclamation is alive and well. The "War on the West" is over—and the West won. The spirit of the "Sagebrush Rebellion" is still going strong—and some of the foremost Rebels have gained control. The day of the "hit list" is done—and a new era of support and encouragement for western water development, under the leadership of State and local governments, has begun. There are still battles to be won—the battles against high taxes, government deficits, and over-regulation. President Reagan has already won important skirmishes on all those fronts, and our optimism about the direction the President is leading America is still going strong.

President Reagan's tax cut and budget cut victories have demonstrated convincingly that the President means what he says. At last a President has delivered on a promise to trim back the size and cost of the Federal Government and its influence on our individual lives. Instead of pressure for more and more Federal spending, we are going to have constant pressure for more and more budget cuts and a tighter, leaner Federal bureaucracy. The sometimes overwhelming Federal presence is being kept within bounds. Under President Reagan, the power of the Federal Government, finally, is being brought under control.

On Inauguration Day, President Reagan promised he would start a comprehensive review of the entire mass of Federal rules and regulations. There were too many of them. They were costing too much to administer an to comply with. They were not worth in benefits what they were costing in dollars—or in reduced freedom of action or declining productivity. The ever-present tangle of Federal rules and regulations had become Washington's trademark, the best-known symptom of a Federal bureaucracy that had grown too big for its britches. The President's Inauguration Day promise to cut back that tangle of red tape was welcomed all across the country.

At the President's direction, all Federal agencies are being required to scrutinize the rules and regulations they are responsible for and deal with. Those found to be excessive, burdensome, or counterproductive are to be targeted for corrective action. Sometimes the correction needed will be a legislative change and recommendations for congressional action will be formulated. Sometimes the correction needed will be an Executive order, issued on Presidential authority, and President Reagan has launched a sweeping review of all Executive orders still in effect from previous administrations. Sometimes the needed correction can be done administratively within an agency or department, and those are where we see the greatest opportunity for swift improvement.

In the Department of the Interior, Secretary Watt has launched an across-the-broad effort aimed at identifying and correcting burdensome, excessive regulations. As Commissioner of Reclamation, I have carried Secretary Watt's message on eliminating burdensome regulations to all headquarters and field divisions of the Bureau of Reclamation and have invited States, local governments, irrigation districts, and other groups we are involved with to bring to our attention any rules, regulations, or procedures that they find excessive or burdensome.

The Bureau of Reclamation is taking this effort very seriously. We are not limiting it to just our own rules or procedures. We have already focused on approximately 100 pieces of Federal regulations or similar procedures that could stand improvement, and we have forwarded them on for higher-level review in the Interior Department, along with our recommendations for making the needed improvements. In fact, the Bureau of Reclamation has generated more memorandums on the subject of burdensome regulations that need to be streamlined than any other division of the Interior Department.

It should go without saying that to do a good, professional job of identifying burdensome regulations and proposing improvements, considerable staff time and effort are required. I am proud of the Reclamation staff members—in Washington, in our seven operating regions, and in our Engineering and Research Center in Denver—who have thrown themselves into this effort. I am encouraged by the fact that we have been able to harness high-quality staff work to the job of moving the Federal establishment in the direction of deregulation.

Soon after I was sworn in as Commissioner, I sent out letters by the hundreds to water-user organizations, State and local officials, technical and trade groups, and others with an interest in the Reclamation program. I wrote to set forth my intention to keep good lines of communication open, and to invite all concerned to join with us in our effort to eliminate burdensome rules and regulations. The response so far has been very encouraging and very helpful.

The invitation to help us in that work is open-ended. I hope you will keep on letting us know about regulations that aren't doing what they are supposed to, or which you find to be doing more harm than good. We have Regional Directors in Sacramento, Boise, Billings, Denver, Amarillo, Boulder City, and Salt Lake City who are primed and ready to deal with the subject of burdensome regulations, and they have been our most important communication channels. Our staff people working to improve the regulations say the more specific people can be in describing the problems, the more useful the staff can be in getting to the root of the problem and coming up with an approach for solving it.

This is an open-ended, on-going activity. We're pleased with the progress that has been so far—but it will take a sustained effort to make a noticeable dent in the mass of regulations the Federal establishment has built up.

While we are working to ease the overall regulatory burden, we are also concentrating on making the environmental review process work better. In recent years, the red tape surrounding environmental matters in the Federal Government has taken on a life of its own. Secretary Watt, while reaffirming his commitment to the purposes and goals of the National Environmental Policy Act of 1969, is serious about making the procedures for implementing the act into a manageable and practical tool to aid in decisionmaking. And he is serious about improving and streamlining the process so the public does not feel that "environmental impact statement" is synonymous with "delay." That is why I am so encouraged by the reductions in sheer volume of impact statements we have been able to achieve. We have reduced staffwork and delay, to make the process work for the benefit of the American people. And we have done it without increasing pollution or environmental disturbance.

At President Reagan's direction, Vice President Bush has initiated a wide-range

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

review of Federal regulations affecting virtually every department of Government. In the Interior Department, the Vice President's review specifically covers regulations set forth under the Endanged Species Act and the Fish and Wildlife Coordination Act. Those reviews, understandably, focus mainly on the Interior Department's Fish and Wildlife Service. However, the Endangered Species Act and the Fish and Wildlife Coordination Act both also affect our water resource management and development activities, and are major considerations in the planning and design of Reclamation projects.

The administration's review of those two acts will necessarily penetrate deeply into the ways those regulations affect what we do. In a manner of speaking, the Bureau of Reclamation has been one of the "best customers" of those particular acts and our experience with them should be an essential ingredient in the process of reviewing them. In our contacts with the Fish and Wildlife Service, we have expressed our willingness to serve with them on the working groups that will be handling the review—and some such arrangements are being worked out. In any event, we will be presenting insights derived from our actual experience under those acts, and we will be one of the voices that are listened to as the Endangered Species and Fish and Wildlife Coordination Act requirements are reexamined.

We are also one of the voices addressing the issue of updating the 1902 Reclamation Act. Legislative amendments are overdue in the sections of Reclamation law dealing with farm size and eligibility to receive Federal irrigation water. That item is at the top of our legislative priorities in the Bureau of Reclamation, and I know it is at the top of NWRA's legislative agenda as well. From our perspective, getting the whole matter of acreage limitation, excess lands, and residency requirements straightened out is the most important legislative matter we are dealing with. I am hoping the Congress can build on the proposals it already has or soon will have before it for reconciling present agricultural practices with the outdated law.

While the issue is pending in Congress, the schedule of events already set in motion with regard to excess lands keeps on advancing.

You are well aware of the role that court rulings play in the current situation. It may turn out that continued pressure from the courts could encourage Congress to expedite its action on excess lands.

Secretary Watt gave us a little extra breathing room by extending the comment period on Interior's pending excess lands rulemaking proposal. While the comment period remains open, Interior Solicitor William Coldiron will continue to review the legal basis of the previous administration's rulings on excess lands.

Our freedom of action under existing reclamation law is extremely limited. When the comment period on the pending proposal closes, and when the collected comments are examined and acted upon as required under Federal administrative procedures, then the necessary next step will be formal promulgation of legally binding rules to implement the version of reclamation law that's now on the books. The Interior Department would much prefer to promulgate those rules under a revised and updated Reclamation Act.

Congressman Lujan's Reclamation Act Reform bill has received favorable notice from many water-related interests because of the flexibility it offers, and because it covers so many of the issues that have become sticking points from one perspective or another. During his keynote speech here yesterday, Secretary Watt outlined his views on the major features of the Lujan bill. He sees 960 acres as reasonable, with unlimited leasing and full payment of water project costs for operations on lands over the 960-acre figure. Residency requirements would not be imposed. The free-enterprise, market economy would be able to operate without undue Government interference, and a larger return to the Treasury would be paid by water users.

As the people responsible for administering the Reclamation Act, we in the Bureau of Reclamation have an intense personal and professional interest in enactment of a law that is fair, workable, and not loaded down with burdensome regulatory and administrative requirements. Therefore, I very urgently hope that Congress will present us with a Reclamation Act reform package that—to the maximum extent possible—is self-enforcing and avoids cumbersome, bureaucratic, administrative burdens. The overall reclamation outlook is strongly positive. We are participating in the preparation of an administration proposal for substantially shortening the time required to get a project from the planning stage to the construction stage, from a present average of 17 years down to 7 years. Whether we are talking about large, multipurpose projects or about smaller scale undertakings such as adding to hydropower capacity at existing facilities, a faster track for the planning and congressional approval processes will save time and money. Our work on eliminating burdensome regulations is one ingredient in the effort to speed things up. Streamlining the environmental process is another. Despite recent budget reductions, which have affected the Bureau of Reclamation much less than some other quarters of Government, we are ready to complete our ongoing construction projects and we are looking ahead to budgeting some new starts for 1983.

As the Interior Department moves forward on some other development-minded fronts, such as increased onshore oil and gas development and accelerated coal leasing, one of the beneficial side-effects will be a large infusion of dollars into the Reclamation Fund. Appropriations from that Fund are still the province of the United States Congress, of course, but the prospect of injecting major additions of nontax dollars into the Fund is good news for the Reclamation program any way you look at it. Depending on how successfully Interior can go ahead with expanded energy developing on our public lands, it might not be farfetched to look ahead to a largely self-financing reclamation program just a few years from now.

The roots of the reclamation fund go back to 1902, when Congress made reclamation of the arid and semiarid lands of the West a Federal activity. For seed money, Congress established a special account in the Federal Treasury, called the reclamation fund, to receive proceeds from sales of public lands. Congress soon augmented the fund with income from a percentage of the royalties from oil and mineral leases on public lands, and with most of the proceeds from public land timber sales. Separate special funds were set up for large projects like Hoover Dam and the Colorado River upper and lower basins, and Congress has regularly supplemented the reclamation fund with appropriations from general revenues. But that underlying concept of a reclamation fund is still there and still operating. I am not going to pass up an opportunity to say something positive about it.

The basic idea was for public investment in western water development to come from wealth generated by the public lands of the West—and that's still the fundamental principle of the reclamation program. That's why supporters of the reclamation program always get their backs up when they hear hackneyed phrases like "pork barrel" and "boondoggle" directed at reclamation projects. The essence and the genius of the reclamation program is investment financing out of the reclamation fund with repayment of that investment by the water and power users. It's a great concept, and I don't want any of us to lose sight of it.

In the years ahead, plenty of communication, coordination, and cooperation will continue to be needed to keep western water and power development on track. Every instrument of Government—including the Bureau of Reclamation—should remain under the control of the people it serves. The greatest strength of the reclamation program has always been its solid base of support at the grassroots level.

The reclamation program improves the environment for people. The program's financial support structure is businesslike. The Bureau's record of accomplishment since 1902 is monumental. I appreciate the support the Bureau of Reclamation has received from the National Water Resource Association. I look forward to working with you on the challenges and opportunities which lie ahead.●

THE 21ST ANNIVERSARY OF AMNESTY INTERNATIONAL

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. WOLPE. Mr. Speaker, on Friday, May 28, Amnesty International celebrated its 21st anniversary. While that date has now passed, I did want to take this opportunity to commend this fine organization for its important work over the last two decades. Since 1961, Amnesty has worked to free political prisoners of conscience, to gain fair trials for political prisoners, and to halt torture and political executions. Amnesty International does not work against any government, only against repressive policies and practices. Their efforts have shown that committed individuals of diverse political and religious background can work together effectively to mobilize international opinion on behalf of fundamental principles of international law and human rights. Amnesty's reports are drawn upon extensively by the House Subcommittee on Africa, which I chair. Given the current administration's reluctance to publicly condemn violations of human rights abroad, the work of Amnesty International has become ever more important. I simply want to commend

Amnesty International and wish its committed membership continued success.●

HONORING EDWIN AND JOYCE MICHAELIAN

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. OTTINGER. Mr. Speaker, I rise to bring to the attention of my colleagues the remarkable achievements of Edwin and Joyce Michaelian, who will receive Westchester County, N.Y.'s first Senior Service Award on Friday, June 18. The presentation will be made by the Senior Personnel Employment Council, a free employment service for older workers in Westchester County, to acknowledge over 40 years of community service by the Michaelians.

Dr. and Mrs. Michaelian have been incredibly active in numerous community organizations, and hold no less than 50 individual local, national, and international awards. Dr. Michaelian was elected to four consecutive 4-year terms as Westchester County executive beginning in 1958.

In 1973, Dr. Michaelian cofounder of the Institute of Sub/Urban Governance at Pace University, and continues as its director. I have had the great pleasure to speak at the Institute of Sub/Urban Governance, and I have the highest regard for its endeavors. The institute studies many vital issues which face municipalities, and conducts extremely worthwhile seminars.

Mrs. Michaelian is currently regent of the White Plains Chapter, Daughters of the American Revolution, a trustee of the Westchester County Historical Society, and chairs its membership and nominating committees.

Edwin and Joyce Michaelian were married in 1939, and in 1948 they founded a home furnishings and interior decorating business, Home Textures Inc., White Plains. In 1950, Dr. Michaelian was elected mayor of White Plains, and Mrs. Michaelian became chief executive officer of their company.

For over 40 years, the Michaelians have maintained a partnership of dedication to their community, and I know that countless numbers of people in Westchester share my gratitude for the contributions that Edwin and Joyce Michaelian have made. I am delighted that they are receiving the Westchester Senior Service award, and wish them both the best of luck in their future endeavors.●

RECOGNIZING WASHINGTON COMMISSION FOR THE HUMANITIES

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. SWIFT. Mr. Speaker, picture yourself riding the first trains that crossed central Washington. Imagine how Seattle might have looked if some early architectural dreams had been realized.

Wait for a ferry to Bremerton and study an exhibit on the Mosquito Fleet, Puget Sound's early ferry system. On a hot summer night in Thurston County, debate the misunderstandings that emerge between young people and old. In Cheney, gaze at the constellations as they were seen and interpreted by ancient Druids.

This past year, you could have done all these different things in Washington State—each experience unlike the one before it. These various activities all were made possible by grants from the Washington Commission for the Humanities. But what else do they have in common?

Let me quote briefly from the commission's 1981 annual report:

> Under the regime of Adolph Hitler, citizens were asked to blind themselves to everything outside their own lives and their work. Hitler's architect and armaments minister, Albert Speer, wrote that his compatriots were technological geniuses and cultural barbarians:
>
> Everyone kept to his own group—of architects, physicians, jurists, technicians, soldiers, or farmers . . . people were immured in isolated, closed off areas of life. The longer Hitler's system lasted, the more people's minds moved within such isolated chambers. . . . I felt myself to be Hitler's architect. . . . Nazi education aimed at separatist thinking; I was expected to confine myself to the job of building. . . . one felt never called upon to take personal responsibility. The whole structure of the system was aimed at preventing conflicts of conscience from ever arising.

In America today, are we in danger of succumbing to similar isolation? Mr. Speaker, educational horizons are narrowing as more and more young people seek training for specific trades and professions. Life is so complex, work and family so exhausting, that it is hard enough to keep up with one's own world; there is little time or space to understand what people are thinking and why they live the way they live in other societies.

The Washington Commission for the Humanities has as one of its most important goals broadening people's perspectives on the society in which they live as a whole.

Organized in 1973, the Washington Commission for the Humanities is a private, nonprofit corporation funded by the National Endowment for the Humanities and by private contributors. To achieve its purpose, the Commission makes grants to nonprofit groups for public programs in humanities; the commission also directs its own public activities in the humanities.

The range of projects funded by the Washington Commission for the Humanities in the past year has been far-reaching and I would like to bring to my colleagues' attention just a few of particular interest to me.

In Bellingham this past year an exhibit, "The Great Depression and Its Fifty-Year Shadow," was put on by Western Washington University with support from the retired seniors volunteer program, the Whatcom Museum of History and Art, and the Washington State Archives along with assistance from the Bellingham Public Library and KVOS-TV. The Washington Commission for the Humanities contribution was $11,721 but, with private contributions added, the total funding was more than $27,000. The program included a conference, five forums, three media presentations on the Great Depression and its impact on America.

"Libraries in Transition; Past, Present, and Future." This program was put on by the Whatcom County Library with support from Western Washington University, the Whatcom Museum of History and Art, the Whatcom County Historical Society, and the Friends of the Everson Library. The Washington Commission for the Humanities contribution was $7,419 and total funding with the private contributions added came to nearly $17,000. This exhibit included a photo exhibit, three slide and tape presentations, and three forums discussing the role of libraries as agencies that bring the humanities and people together. Forums focused on children's literature, modern technology, and oral history.

"Washington Folklore." Western Washington University was responsible for this presentation with support from the University of Washington and People's State Bank of Lynden. The contribution from the commission was $1,000 and the total funding was $4,272. It included five workshops and surveys taken in 20 communities on Northwest folklore and customs.

"Indian Heritage Month." Put on by the Marysville Advisory Commission on the Arts with support from the Marysville School District, the Tulalip Tribes, Inc., Seafirst Bank, the Marysville community education program, and the city of Marysville, we had a project that was funded by the commission for $850 and again with private contributions had funding totaling more than $3,000. The presentation involved 1 month of tours, films, lectures, and other public presentations on Indian culture.

"Aboriginal Snohomish and Modern Day Tulalip Salmon Fishing—A Visual Study." Produced by the Tulalip Tribes with support from the Everett Public Library, Snohomish-Island Regional Library and Everett Community College, this project involved a slide and tape show, a booklet, and a forum on the history of the Tulalip Tribe and the role played by salmon fishing in social and folk customs of the tribe. The commissions funding of the project totaled $6,438 and again with private contributions the total funding of this project was more than $15,000.

"The Salem Woods School: Symbol of Community Survival." Presented by the Monroe Historical Society with support from the Everett Public Library and the Monroe School District No. 103, Snohomish County Planning Department, the Snohomish-Island Regional Library, the Monroe Monitor, and the Wagner Community Club, this project involved a slide and tape presentation and interpretive booklet, and a photo display on this history of the Salem Wood Settlement and the Stephensville/Wagner Community. Commission funding was $3,953 and the total cost was $12,852.

"Suxtcikwi'in—Past and Future." Involving a series of public programs and a report on the findings of an archaeological dig at the Indian village near Sequim, this project was put on by Port Gamble, and the Klallam Nation with support from the Suquamish culture program, and the Evergreen State College. The contribution from the Commission was $650 but with the contributions from others the total donated to the project was $11,025.

"The Heritage of the North River Valley." In the city of Cosmopolis this project involved a photo display on the culture and history of this isolated rural community of farmers and loggers. It was put on by the North River School District. It was funded for a total cost of $8,183 with the contribution of the Washington Commission of the Humanities of $4,089.

Mr. Speaker, I think it is important to note that at a time of declining Federal funding for programs like this the Washington Commission for the Humanities is taking steps to diminish its dependence on Federal funds. With just a brief review of these projects I have mentioned, I think it becomes quickly clear that the majority of the costs in most cases are being funded by private contributions. In many ways 1981 was a landmark year for the Washington Commission, a year that introduced changes perhaps as significant as the formation of the Commission itself in 1973. After many years of making grants for public humanities programs in Washington State, the Commission has identified that certain kinds of activities work best and stretch dollars the farthest. The Commission has also found that, although public groups in Washington State have generated a vast variety of imaginative projects, there are still many unmet needs: parts of the State and populations have not been reached, subjects and issues not explored. The Commission has thus decided to initiate some programs of its own to meet those needs.

As I think you can see, the Commission's programs in Washington State have reached a large number of people this past year with a great variety of types of projects. In fact, it has reached more than 338,000 people in person and 7 million on radio, television, and through newspaper programs. Not only is the humanities program alive and kicking in the State of Washington, it is doing very well. Mr. Speaker, I think it deserves recognition.●

OVERSIGHT HEARINGS ON THE FOREIGN CORRUPT PRACTICES ACT COMPLETED

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. BONKER. Mr. Speaker, on Tuesday, June 8, the House Subcommittee on Consumer Protection, Finance, and Telecommunications held a fourth and final oversight hearing on the Foreign Corrupt Practices Act of 1977 (FCPA). I commend my distinguished colleague, Chairman WIRTH, for conducting these hearings, and urge adoption of amendments that will clarify the FCPA.

Mr. Speaker, the Foreign Corrupt Practices Act was hurriedly drafted in response to an incensed American public in the aftermath of Watergate and numerous instances of corporate bribery. It passed with little consideration or thought to its potential consequences in terms of its meaning, clarity, and applicability. As a result, we have today an act which, because of its lack of specificity and its ambiguous wording, is a major irritant and cost to U.S. business. It is in fact a disincentive to American export trade.

Since its enactment, the FCPA has been steeped in controversy and confusion over what constitutes compliance. American firms have faced numerous problems by complying with the act, including those related to obtaining and dealing with agents, contracting difficulties, increased operating costs for accounting and reporting requirements, the lack of flexibility to provide legitimate gifts, and overcautiousness in attempting to comply with the act due to its ambiguity. As a result of these problems, U.S. firms have forgone some apparently legitimate exports, avoided some markets, and opted to play subordinate contracting roles to foreign prime contractors.

Identified by businessmen and attorneys as one of the most significant export disincentives, the FCPA contains too many uncertainties and ambiguities. It is considered a disincentive to export trade because of uncertainty within the business community about the meaning and application of some of its key provisions. Conduct prohibited and conduct permitted is often unclear.

The problem of uncertainty is compounded by a lack of guidance from the enforcement agencies as to proper interpretation of the act's provisions. This problem in turn is exacerbated by the dual enforcement authority of the Justice Department and the Securities and Exchange Commission over the act's payments provisions.

Mr. Speaker, despite the law's good intentions, the statutory ambiguity of the Foreign Corrupt Practices Act has cost this country legitimate foreign business which Congress never intended to curtail. Hence, the act, in its present form, has had a chilling effect on legitimate business opportunities and a negative effect on U.S. exports. Foreign companies will continue to profit at American expense under the FCPA.

Maintaining the U.S. position in international trade is a top priority as we depend more and more on exports to strengthen our economy and provide jobs for Americans. The United States is a relatively free market for imports, yet we insist on imposing restrictive regulations on American companies—small and large—when dealing in foreign markets. As one newspaper headline summed it: "No Wonder No Exports."

I urge Chairman WIRTH to act expeditiously to adopt amendments to the Foreign Corrupt Practices Act. We must take steps to remove those disincentives to exports caused by the FCPA. The American business community—our constituents—have the right to know specifically what they can and cannot do in international business. We must work with them to promote U.S. exports, expand trade, and provide increased employment opportunities for Americans.●

THROUGH OUR EYES ONLY—THE NAM VET EXPERIENCE

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. FRANK. Mr. Speaker, this week in the rotunda of the Cannon Office Building, the Vietnam Veterans of Massachusetts are displaying a collection of artwork, photography, and poetry called "Through Our Eyes

Only . . . The Nam Vet Experience." This very powerful exhibit has been shown in the Massachusetts State House and will continue at the Cannon Building until June 18. I recommend to all my colleagues and all who read this that you take a few moments out of your day to experience this art show. It illustrates the Vietnam conflict from a perspective we do not often see—from the men who fought it.

What follows is an explanation of how this exhibit came about from Mr. James Fitzpatrick, exhibit coordinator and president of the Vietnam Veterans of Massachusetts:

THROUGH OUR EYES ONLY . . . THE NAM VET EXPERIENCE

"What was Viet Nam really like? What did it feel like? How did it smell? Most books about Viet Nam have been written by journalists who offer their impressions of the war, or by commentators who analyze the war militarily, politically, or sociologically. No one, it seems, has ever bothered to talk to the men and women who served in Viet Nam to ask them what it was like."—Mark Baker, author of "Nam."

The Viet Nam Veterans of Massachusetts are trying to redress this oversight with an exhibit of artwork, photography, poetry, and display by the men and women who were there.

We would like to thank Bob Grimes and Jerry Lane, whose generosity enabled us to have this exhibit. We would also like to acknowledge and thank the following persons and organizations for their help and participation: Commissioner Buffone, Kevin Bowen, and Judith Curland (from Lt. Governor O'Neill's office). Also, Rick Stahl and the Vets Program at U. Mass/Boston, Rep. Barney Frank—U.S. House of Representatives, John Camara and the Vets of S.M.U. in N. Dartmouth, American Vets in Prison, Bob Gillis and Ron Lembo (from the Operation Outreach Centers), and Viet Nam Era Vets Inc., Tim Reid, Larry Chartienitz, Paul Camacho, Danny Brown and Joe MacDonald.

We have sent out over 65 financial grant proposals to Massachusetts corporations, trade unions, and traditional veterans organizations. This was in keeping with the philosophy of President Reagan who stated that these organizations and groups would support endeavors such as this exhibit. Thus far we have received negative responses and/or no responses. So much for that philosophy . . . and support for Viet Nam Veterans . . . regardless of this lack of support, the show will go on!

Thank You For Your Interest.

JAMES P. FITZGERALD,
Exhibit Coordinator.●

A TRIBUTE TO MISS JUDITH MIKA

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. DORNAN of California. Mr. Speaker, it is a great honor and privilege for me to submit for the RECORD an essay by an eight grade student in my district who attends Rolling Hills Country Day School, Miss Judith Mika. Judith's essay has been selected as the grand national winning essay in the National Essay Contest, "What Freedom of the Press Means to Me," sponsored by Current Events in commemoration of its 80th anniversary. To reward Judith's achievement, an engraved gold Charles Palmer Davis medal has been prepared which will be presented to her in the White House in the near future.

It is particularly gratifying for me as a public servant to know that we have young people of the caliber of Judith Mika who understand the first amendment in guaranteeing the political rights and civil liberties that we Americans cherish so dearly.

At this point I would like to submit Judith's excellent essay for the RECORD.

FREEDOM OF PRESS AND WHAT IT MEANS TO ME

Freedom of the press is one of the most important rights that we enjoy in the United States. Freedom of the press gives me and every other citizen an opportunity to express our views on local, national or international issues. We can openly and freely give our opinion on anything that has an impact on our personal lives, our homes, our families or our careers. With freedom of the press, we can clearly indicate to our elected officials how we would like them to vote on issues that are being debated or decided upon at any level of government.

Freedom of the press also imposes some obligations on us. We are obliged to listen to or read ideas or viewpoints that are contrary to what we feel. Since the freedom to express a view is given to both ourselves and those who oppose our feelings, freedom of the press allows a full and complete discussion of all possible viewpoints. Sometimes, if we keep our minds open, we can be persuaded to change our viewpoints after both sides have the opportunity to express themselves.

Freedom of the press also gives us an opportunity to express displeasure about the way people in higher authority are doing their jobs. A citizen can complain in newspapers about the manner in which he was treated by a policeman or other law enforcement agent. Our elected officials know that their personal lives and the way they do their jobs is always being watched. If they commit an error, it will soon appear in the newspaper or be discussed on television and radio. If the owner of a large company treats his employees unfairly or harshly, the employees can openly express their unhappiness.

In expressing our thoughts, ideas, opinions and feelings, freedom of the press insures us that we can make such expressions without the fear of being jailed, mistreated, or unfairly singled out for punishment. However, we have an obligation to use our right to freedom of the press by being factual and honest in expressing our views. If we lie or use freedom of the press to intentionally mislead people, then we are abusing our right to this freedom. I feel that freedom of the press is a very important part of our ability as citizens of the United States to have a voice in the issues that impact our daily lives and our future dreams.●

GOVERNMENT PRINTING OFFICE

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. DYSON. Mr. Speaker, I would like to take this opportunity to submit for the RECORD a copy of a June 7 letter which several colleagues of mine and I sent to you and Senator HOWARD BAKER concerning the problems at the Government Printing Office.

Each of us here in the House and Senate has a stake in upholding the historic relationship between the Public Printer and the GPO. I urge all of my colleagues to take a moment to read this following letter on this subject and to be mindful of the need to preserve this important relationship.

The letter follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., June 7, 1982.

Hon. THOMAS P. O'NEILL,
Speaker of the House,
Rayburn House Office Building,
Washington, D.C.

DEAR MR. SPEAKER: We feel it is important to call to your attention a matter which is of great importance to the prerogatives of the Congress. It involves the relationship between the Government Printing Office, the Public Printer, and the Joint Committee on Printing. As you know, the latter has oversight responsibilities in this relationship.

The legislative history of Title 44—the Printing Code—clearly sets out the functions of the JCP as a board of directors over GPO functions. There is no question that Congress intended to maintain policy setting control over this legislative branch service organization and its day-to-day manager, the Public Printer.

However, since taking office last August, the current Public Printer, Mr. Danford Sawyer, Jr., has taken a number of actions of a policy making nature without so much as consultation with the JCP. The first action was his attempt to close down geographically dispersed U.S. Government bookstores, which had been established by Congressional policy. In February, the Joint Committee forbade that action in order to have GAO study the Public Printer's conflicting financial data. In December, the Public Printer closed the local GPO procurement office at the Washington Navy Yard, which had been established by the JCP. The staff was relocated to the main GPO building, and the space it occupied was rented to another agency. We are alarmed that the JCP was never involved in this decision. We have heard numerous complaints from employees, local private sector printers, and government agencies about the adverse impact on morale and service due to these actions.

On April 19th, the Public Printer proposed plans to furlough his entire workforce for six days over the next seven months. He indicated GPO had unprecedented financial problems. It is now clear that the financial problems at GPO cited by the Public Printer do not coincide with fact. (At the end of April 1982, GPO's overall net income was

$2.2 million in the black). This proposal, though deferred in a May 25th announcement by the Public Printer, had previously been confirmed in a May 20th memorandum to all GPO employees. The Public Printer's stated purpose is to reduce payroll but it will do so at the expense of more important objectives and will run counter to the spirit of the laws guiding this institution. The Government Printing Office is the print shop of the Congress, and, indeed, the entire federal government. It exists in order that the peculiar demands of the House, the Senate and federal agencies might be met in a timely and efficient manner. The overnight delivery of the Congressional Record and many of the essential legislative tools demand a unique plant, service and workforce. Such demands will always require higher costs than in private sector plants. Obviously, the private sector could not cost effectively accommodate the unique demands of the Congress. To adequately provide this service a private printer could only do so as a sole source contractor—thereby eliminating the competitive forces of the free market. This is precisely the environment out of which the need for the Government Printing Office emerged.

Responding to the action of the Public Printer, the Joint Committee passed a resolution on May 11, 1982 stating its prerogatives as a Congressional oversight body for GPO. This resolution acknowledged the existence of many problems at GPO, due to the influence of time and technology which has altered the demands of the workforce.

It is our considered opinion that the oversight responsibilities of the Congress, and of the Joint Committee, in particular, ought to be preserved so that the long-range printing needs of the Congress and the entire federal government can be evaluated. Only with proper planning can new technology be employed to produce cost effective and timely printed products.

We believe the furlough of the GPO workforce and a proposed 22 percent salary cut for craft employees at GPO over the next three years is unacceptable. The vital prerogative over such important matters, which belongs in the jurisdiction of the JCP, must not be abrogated.

Public Printers have come and gone as Administrations have changed. However, in every case the Public Printer has properly yielded to the appropriate authority of the Congress, that is, the Joint Committee. We feel that a continuing and clear policy for the GPO must continue to emanate from the Congress. Otherwise, as Public Printers and Administrations change, the continuity and nature of the institution will be disrupted.

In this regard, we respectfully request your careful review and support for the Joint Committee's oversight responsibilities. If the Public Printer were allowed to carry out unilaterally the proposals he has endorsed, the timely and cost-effective operation of the GPO, along with the morale of its workforce, will certainly suffer.

Your attention to this matter would be appreciated.

Sincerely,

Senator Paul Sarbanes, Michael Barnes, M.C., Barney Frank, M.C., John Burton, M.C., Vic Fazio, M.C., Al Swift, M.C., Tom Lantos, M.C., Julian Dixon, M.C., William Whitehurst, M.C., Walter Fauntroy, M.C., Roy Dyson, M.C., Steny Hoyer, M.C., Mervyn Dymally, M.C., Barbara Mikulski, M.C., Robert Matsui, M.C., Robert Garcia, M.C., Norman Dicks, M.C., James Howard, M.C., Richard Ottinger, M.C., Tim Wirth, M.C.●

CHILDREN'S CHOIR ENTERTAINS IN BOTH ENGLISH AND CHINESE

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. ROUSSELOT. Mr. Speaker, with a repertoire that ranges from "I Love You, California" to Strauss compositions, the 75 member Baptist Voice Children's Choir has been entertaining audiences in both Chinese and English around the Los Angeles area - years.

The group is composed of children from ages 6 to 15. Half are members of the Mandarin Baptist Church of Los Angeles and half participate for the sole honor of singing. Some members of the group has even been known to drive an hour to their singing performances.

This highly dedicated group of individuals will be appearing on Saturday, June 19 at Alhambra High School under the inspired leadership of their director, Samuel Lin.

Since this is the yearly performance of the choir outside of the church, I'm sure the House will join me in commending the efforts of this group which has brought much pleasure to audiences over the past 2 years.●

NO MORE GIVEAWAYS

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. PAUL. Mr. Speaker, the House—having just passed the budget containing a $110 billion deficit—will soon be asked to approve a $150 million foreign aid giveaway. H.R. 6149 authorizes $150 million as the U.S. contribution toward the third replenishment of the African Development Fund.

I must oppose this replenishment, as I am opposed to all forms of foreign assistance—whether military or economic. Nowhere among the enumerated powers granted this body under the Constitution do I find the authority to give the taxpayers' money to nations all over the world.

We have no right to demand that the taxpayers' funds be used to prop up dictatorships of the left and right, or to subsidize the defense of our wealthy allies. These tax dollars go not to people, but to other governments; governments that too often pursue policies of repression that freedom-loving Americans would find abominable here at home. If such practices would be intolerable here, why do we export funds to support these abominations abroad?

My fundamental opposition to this authorization bill is derived from my view that providing foreign aid is an immoral and illegitimate use of public funds. However, my specific objections to the $150 million replenishment of the African Development Fund are stated in the following essay, which originally appeared as dissenting views before the House Banking Committee:

DISSENTING VIEWS OF RON PAUL, GEORGE HANSEN, AND STAN PARRIS

H.R. 6149 authorizes a contribution of $150 million toward the third replenishment of the African Development Fund. This Fund is the soft-loan, or concessional aid, affiliate of the African Development Bank Loans made through this Fund are granted to only the poorest African nations—those with per capita incomes of less than $550 per annum. Such loans are made at 0 percent interest for a period of fifty years, with a ten year grace period before repayment begins. The only finance charge is a service charge of ¾ of 1 percent per annum.

The Fund was established in 1973, and the United States joined in November of 1976. Authorization for U.S. contributions is as follows:

Authorization:	*Total*[1]
Public Law 94-302: Initial U.S. subscription	$25,000,000
Public Law 95-118: First replenishment (AFDF I)	50,000,000
Public Law 96-259: Second replenishment (AFDF II)	125,000,000
Proposed legislation H.R. 6149: Third replenishment (AFDF III)	150,000,000

[1] U.S. participation authorized.

We are told that our participation in this replenishment is a humanitarian gesture. I fail to see anything humanitarian in requiring the American taxpayer to labor four months out of every year to pay his taxes—only to see these tax dollars being thrown at foreign countries. With interest rates in the United States hovering around 16 percent, many Americans today cannot afford to buy a car or a home. Yet our tax dollars are now being poured into Africa to provide interest-free loans to prop-up Communist regimes and dictatorships of the left and right. Zambia, Zaire, and Uganda all received loans in 1980.

SUMMARY STATEMENT OF LOANS AS OF DEC. 31, 1980

[Expressed in units of account] [1]

Countries	Number of loans	Amounts approved (UA)
Benin	8	37,911,000
Botswana	3	9,850,000
Burundi	7	31,770,000
Cape Verde	3	5,750,000
Central African Republic	6	29,930,000
Chad	6	27,040,000
Comoros	4	21,050,000
Congo	1	8,000,000
Djibouti	1	2,600,000
Egypt	3	24,000,000
Ethiopia	8	52,200,000
Gambia	4	23,000,000
Ghana	1	8,000,000
Guinea	4	18,700,000
Guinea Bissau	5	25,000,000
Kenya	1	8,000,000

SUMMARY STATEMENT OF LOANS AS OF DEC. 31, 1980—Continued

[Expressed in units of account] [1]

Countries	Number of loans	Amounts approved (UA)
Lesotho	7	30,007,358
Madagascar	3	14,800,000
Malawi	7	37,399,655
Mali	11	50,760,000
Mauritania	7	20,480,000
Mauritius	1	3,700,000
Mozambique	6	41,400,000
Niger	3	10,035,000
Rwanda	9	37,110,000
Sao Tome and Principe	1	7,800,000
Senegal	4	12,170,000
Seychelles	1	2,500,000
Sierra Leone	4	18,250,000
Somalia	9	44,550,000
Sudan	5	24,550,000
Swaziland	2	8,305,662
Tanzania	8	49,660,000
Toga	6	31,450,000
Uganda	1	8,000,000
Upper Volta	8	41,400,000
Zaire	4	26,100,000
Zambia	3	24,000,000
Multinational	2	13,200,000
Total	177	898,368,675

[1] On Sept. 30, 1981, 1 unit of account equaled 1.05424 U.S. dollars.

This replenishment, negotiated by the Reagan Administration, represents a $25 million increase over the second replenishment. I must challenge several of the rationalizations set forth by the Administration to justify this expenditure.

The first such reason is that the $150 million "fit(s) within the budgetary planning parameters established for the multilateral development banks." How can such a giveaway be within the "budgetary parameters" when the United States is faced with a budget deficit in excess of $100 billion for fiscal year 1983? It is true that in this instance the amount is relatively small. However, this authorization reflects a pervasive attitude among Washington officials—that the United States is obligated to give money to nations all over the world, many of which are blatantly hostile to the United States. We are continuing such practices even as we watch our own economy collapsing under the weight of inflation and high interest rates brought on by excessive government borrowing and the unrestrained printing of monopoly money.

The Administration contends that the $25 million increase "constitutes little if any increase in real terms when considering the rate of inflation in the years between the last replenishment and this one." This additional $25 million may not represent a real increase in purchasing power for the recipient nations, but it certainly represents a real increase in the burden on American taxpayers.

We are also told that several developing nations—themselves once recipients of concessional aid—are also contributing to this replenishment. Argentina, Brazil, Korea, and India are cited as prime examples. I certainly hope that this list is not supposed to convince one that recipient nations soon become donor nations. All four nations cited continue to receive U.S. aid; in 1980 alone, they received a combined total of $910 million. The external debt of these four nations totals well over $100 billion, and at least two of them have been threatening default for some months.

The Administration further argued that growing U.S. economic interests in Africa would be best served by this replenishment. What this means is that certain private industries and large U.S. banks would benefit at the expense of the American taxpayer. Such support of special interest groups belies Administration claims of humanitarian benevolence.

While attempting to justify this expenditure, Administration officials concede that there are several on-going problems with the African Development Bank Group, of which the Fund is a part. Among these are the recognition that:

(1) The African Development Bank Group is less effective and efficient than the other multilateral development banks.

(2) Government economic policies in some African countries have had the effect of impeding economic growth.

(3) The African Development Bank Group cannot play the primary role in encouraging the African countries to move away from inappropriate economic policies which they are now following.

The Administration is seeking this authorization despite its foreknowledge that the money (a) is going to be mismanaged, and (b) is likely to end up in the hands of African regimes that are hostile to the United States. The Administration is seeking $150 million as evidence of continued U.S. support for African development. Whose favor are we attempting to court by such a wasteful gesture? The Idi Amin's and the Emperior Bokasa's of this world?

I urge my colleagues to vote against H.R. 6149 for the following reasons:

(1) It increases government spending, and thereby increases the tax burden on the American people

(2) The Administration has failed to present any defensible justifications for this $150 million authorization

(3) The money, if appropriated, will be poorly managed by the African Development Fund and the recipient nations

(4) Loans granted through the Fund will often be given to countries that pursue policies hostile to freedom.●

REFORM OF THE DEFENSE DEPARTMENT SELECTED ACQUISITION REPORTS

HON. DAVID F. EMERY

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. EMERY. Mr. Speaker, when H.R. 6030, the Defense Department authorization bill for fiscal year 1983, is brought to the floor of the House, I will be offering an amendment to both tighten and streamline the selected acquisition report (SAR) requirements for the Department of Defense.

The SAR's are quarterly reports on the costs of 42 major weapons systems in either development or procurement phases under Department of Defense management. The SAR requirement was established by Public Law 94-106, the fiscal year 1976 Defense authorization bill, and was updated by Public Law 96-107 and Public Law 97-86, the fiscal year 1982 Defense authorization bill. The so-called Nunn amendment, which requires strict unit cost accounting in defense systems, was part of Public Law 97-86.

A recent CBO report entitled "A Review of the December 31, 1981, SAR" contains some very interesting and alarming information about the cost growth in defense systems, as reported by the selected acquisition reports. This report also contains a list of nine weapons programs which apparently meet all the criteria for inclusion under the SAR, but which are not subject to SAR reporting because the Secretary of Defense has not yet approved them for full-scale engineering development (FSED), or DSARC II. These programs include the battleship reactivations, the MX missile, the Trident II missile, the DDG-51 destroyer, and the light armored vehicles for the Army and the Marine Corps. I have already asked the chairman of the House Armed Services Committee to request immediate SAR evaluations of the nine programs.

The conclusion I have reached from studying the SAR system is that it is a sound and useful system which requires some fine tuning. To this end, I have prepared an amendment which makes four changes in the SAR reporting requirements.

Public Law 94-106 ordered the Secretary of Defense to prepare "selected acquisition reports for those major defense systems which are estimated to require total cumulative financing for R.D.T. & E. in excess of $50 million or a cumulative production investment in excess of $200 million." The problem is that the law never defined the term "major defense system," and the definition was left up to the discretion of the Defense Department. DOD, in turn, defined major defense system as those systems which exceed the dollar threshold and are approved for full scale engineering development by the Secretary of Defense, through the Defense Systems Acquisition Review Council (DSARC) process. Even under this tighter definition, DOD estimates that there are over 300 programs eligible for SAR's, but only 42 SAR's are prepared. Thus, the reporting requirement has been permitted to lapse, largely due to lack of congressional oversight.

My amendment would change Public Law 94-106 to require that SAR's be prepared for "all defense systems which are estimated, in the estimate used in planning such defense systems, to require a total cumulative financing for R.D.T. & E. in excess of $200 million, or a cumulative production investment for the defense systems exceeding the cost thresholds, and the SAR's would have to be based on the planning, not the development estimates for the systems. GAO, in particular, has been concerned that a great deal of time and money is expended but unaccounted for on systems which never reach full scale engineering development. The programs that CBO identified are not under the SAR requirement because they have

not yet reached this stage of development. It is my feeling that we should be monitoring program costs virtually from the beginning, and this is the intent of my amendment.

You will note that my dollar thresholds for SAR's are far higher than the original thresholds of $50 million in R.D.T. & E. and $200 million in procurement. They are also higher than the revised thresholds of $75 million and $300 million, which were contained in Public Law 96-107. This is merely an endorsement of the fact that the Department of Defense has already increased the thresholds without congressional approval. We all know that the cost of defense systems has increased markedly in recent years, and DOD will have its hands full preparing the reports required under the latest dollar thresholds.

It is in recognition of the administrative burden created by the SAR requirements that the final portion of my amendment is offered. My amendment would provide that a "report on a particular defense system may be waived by a majority vote" of the House and Senate Armed Services Committees, if the Department of Defense can make a convincing case for such a waiver. This provision is not currently contained in the law, and it would provide DOD with greater flexibility in the preparation of the selected acquisition reports, while preserving the requirement for congressional oversight on defense system costs.

The selected acquisition reports are painstakingly prepared in essential compliance with congressional directives; they should, in turn, be painstakingly evaluated, as Congress searches for intelligent ways to reduce the costs of vital weapons systems. My amendment is intended to assist the Congress in this effort.●

ISRAEL'S RIGHT TO EXIST

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. FRANK. Mr. Speaker, the Jewish Community Council of Metropolitan Boston recently sent a very cogent letter to President Reagan concerning the current military action in the Middle East.

The council correctly points out that the basic cause of the violence in the Middle East is the militant refusal of the PLO and its Arab allies to recognize Israel's right to exist. Unlike Egypt, which recognized that right, and with whom Israel has since settled outstanding territorial differences, the PLO, Syria, Iraq, and other Arab States continue not simply to oppose Israel's right to exist, but to engage in and finance a worldwide campaign of terror against Israel and its citizens. The nation of Lebanon was tragically taken over militarily by the PLO and by Syria, and used by the PLO as a base for its anti-Israel terrorist operations.

It is this situation—the use of Lebanon as a base for terror—which violates the rights of the people of Lebanon to self-determination; which violates, as well, the right of citizens in the north of Israel to peace and security in their homes; and which will be a continuing source of tension and violence until it is corrected.

As the Metropolitan Boston Jewish Community Council says in its letter to President Reagan, what is needed "is an effective security arrangement which would prevent the PLO from attacking Israelis and destabilizing Lebanon."

American policy must work to that important goal.●

CONGRESSIONAL SALUTE TO HON. GEORGE A. AND GEORGIA A. BREUR OF NEW JERSEY AND MICHIGAN DISTINGUISHED CITIZENS, COMMUNITY LEADERS, AND GREAT AMERICANS

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. ROE. Mr. Speaker, on Tuesday, June 22 some of the people of my hometown of Wayne, N.J., and Grand Haven, Mich., will join together at a testimonial dinner in honor of two distinguished citizens, outstanding community leaders, and good friends, Hon. George A. and Hon. Georgio A. Breur, whose compassion and benevolence for their fellowman and exemplary record of good works in public service have truly enriched our community, State, and Nation. On that date the honorees will also be celebrating the 50th anniversary of their joining together in marriage and sharing a lifetime of giving and caring which has surely added a special quality to the richness of family life and our American way of life. I know that you and our colleagues here in the Congress will want to join with me in extending our heartiest congratulations and best of wishes to George and Georgia Breuer and share the pride of their three children, Marcia J. DeWild of Pella, Iowa, G. Thomas Breur of Wayne, N.J. and Willard E. Breur of Kalamazoo, Mich., and eight grandchildren on this most festive occasion.

Mr. Speaker, Mr. and Mrs. Breur have, by their example and many accomplishments in civic, community, and charitable endeavors, personified a quality of leadership, dedication, and sincerity of purpose that is applauded by all of us who have had the good fortune to know them.

George, with the inspiration and assitance of his first lady Georgia by his side, has provided outstanding and responsible service to our people. He graduated New Jersey Law School in 1929. Unable to afford tuition for day classes at college, he worked days and attended law school at night—presumed to be the youngest in the State at the time of passing the New Jersey Bar. He passed the counselor exam in 1937 and actively practiced law in Passaic County, N.J. for over 50 years, one-half of a century. He commenced his law practice initially in Paterson, N.J. before coming to my hometown of Wayne, N.J.

In his personal commitment to the economic, social, and cultural renewal of Wayne, he campaigned for public office and was elected Wayne township committeeman, serving as mayor of Wayne 1934-42. In 1942 he resigned to become field director for the American Red Cross until 1945, serving overseas, in the Pacific during World War II. Subsequently he served as Wayne township municipal judge and acting judge in Paterson, N.J.

Among his many civic and community endeavors, he served with distinction as president of the New Jersey Council of Churches, on the executive board and counsel to the National Council of Churches, and is a longstanding member of the Christian Action Commission of the Reformed Church in America.

Mr. Speaker, George and Georgia have been actively involved in the vanguard of two highly esteemed careers—George in the legal profession and Georgia in the educational field. When you reflect upon the fact that the cultural, historical, and economic achievements, even the basic health, well-being, and longevity of a State and Nation depend in large measure upon how well we educate each generation charged with the trust of carrying out its responsibilities and traditions, we can indeed be proud of Georgia Breur's outstanding contribution to the quality of life and way of life of our people.

Georgia A. Breur graduated Western Michigan Teachers College and taught elementary school in Michigan and in Passaic County, N.J. She has truly inspired and enriched the lives of many of our people in her educational endeavors of vital importance to the dynamics of our destiny and the quality of life for all of us.

It is interesting to note that George was born in Paterson, N.J. and Georgia was born in Allendale, Mich. They were married in Michigan but made Wayne, N.J., their home for approximately one-half of a century. They recently retired their career pursuits and moved to Michigan. They are both

members of many civic and fraternal organizations. Mrs. Breur was active for many years with the New Jersey League of Women Voters and we especially commend her for her volunteer work with handicapped children and the American Red Cross.

Mr. Speaker, it is indeed appropriate that we reflect on the deeds and achievements of our people who have contributed to the quality of our way of life here in America. As their family and many, many friends join together to celebrate the golden jubilee anniversary of this grand couple, I am pleased to seek this national recognition of their outstanding leadership, endeavors, and sincerity of purpose in ever seeking the highest standards of excellence on behalf of our people. We do indeed salute an esteemed judge and a beloved teacher—two great Americans—Hon. George A. and Hon. Georgia A. Breur of New Jersey and Michigan.●

IN RECOGNITION OF A DEDICATED YOUNG AMERICAN

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. SCHULZE. Mr. Speaker, it is with admiration and esteem that I bring to your attention a fellow Pennsylvanian whose humanitarian contributions at the age of 35 greatly surpass an average lifetime of accomplishments.

Dr. Wesley Allen Plummer, II, currently serves the administration as Director of the Office of Civil Rights in the Department of Transportation. In that role, he is the prime spokesman for Secretary Drew Lewis' civil rights policies, researching the affirmative action histories of potential recipients of departmental funds and working to insure a greater degree of minority business development. Dr. Plummer has served Secretary Lewis as Director of the Civil Rights Office for little more than 1 year, yet in that time he has become widely and highly respected as a man committed to equal and fair treatment of minorities and women and, as recently as March of this year, his work was recognized by Atlanta Mayor Andrew Young who proclaimed March 18, 1982, as "Dr. Wesley Plummer Day."

Prior to this appointment to serve in the Federal Government, Dr. Plummer had already been making himself known in the private sector. Both during and after his educational pursuits, which include doctorates in divinity and early child care administration, Dr. Plummer has actively lent his expertise and support to community and educational groups, among which are the Boys Clubs of America, the Day Care and Child Development Council of America, the American Society of Training Development and the National Education Association.

Dr. Plummer played professional football with the Denver Broncos in 1969 and 1970. He parlayed the name recognition he earned in that capacity into additional civic-oriented activities, accepting speaking engagements at churches, schools, and prisons throughout the country and reaching out to aid those who have sought to help themselves. He has raised his voice against injustice, but his speech has been accompanied by action. And it is his actions that I applaud, for they have made the future brighter for many individuals and businesses.

He has been the recipient of numerous awards for community service in the past dozen years and, on July 24, Dr. Plummer will again be recognized for his contributions in the city of Harrisburg, Pa., where he focused much of his time and energies prior to his appointment to the Department of Transportation in February 1981.

Congratulations and Godspeed to one of Pennsylvania's finest young men.●

DOUGLAS A. CLARKE APPRECIATION DAY

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. MOORHEAD. Mr. Speaker, on July 15, 1982, the Rotary Club of Glendale will honor a very special gentleman, Douglas A. Clarke.

Throughout his life and business career, which covered nearly 40 years in the savings and loan business, Mr. Clarke has demonstrated uncommon intelligence and ability. He has consistently shown a helpful and gracious spirit. In approaching problems and difficulties, he has always been calm and reasoned. Much of the credit for the growth of Glendale Federal into one of the Nation's great savings and loan institutions must go to Doug Clarke.

Mr. Clarke was born in Glendale, Calif., in 1919. He went to work for Glendale Fed in 1937. Two years later, he joined Title Guarantee and Trust Co., for a short time before serving in the Army Air Crops during World War II.

After leaving the service in 1945 as a first lieutenant and flight instructor, he returned to Glendale Fed and became the manager of the association's Studio City branch in 1951. In 1958, he was appointed branch operations officer and a vice president; in 1963, he became a senior vice president and a member of the board of directors. He became executive vice president in 1965 and was named president in 1972 where he served until 1980 when he became vice chairman of the board.

Mr. Clarke has served on numerous committees related to his profession. He has been equally active in the affairs of his community and State. In the past, he has been president of the Glendale City Parking Commission, the Rotary Club and the Glendale YMCA. He has been a director for the chamber of commerce, the United Way and the University of Southern California Graduate School of Business Administration.

In all of these activities, Mr. Clarke has been a success. He has been respected and admired as an effective man of principle and wisdom. He had been a man of enormous physical courage. He has been a friend.

Mr. Speaker, I would like to wish for Mr. Clarke a long and fruitful retirement. I want to thank him for his many contributions to our society. I am honored to take part in the Rotary Club's Appreciation Day for Douglas A. Clarke.●

EVERYTHING MAKES SENSE

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. VANDER JAGT. Mr. Speaker, I know that all Members in recent weeks have seen and heard a great deal relative to the Government Printing Office and Danford L. Sawyer, Jr., our newest Public Printer. Some of it has been most uncomplimentary and much of it, when seeing the proper light of day, is inaccurate.

Personally, from information I have received, I think Mr. Sawyer not only has the right ideas and is on the right track, but deserves our fullest interest and cooperation. It is interesting that a good number of people are beginning to agree.

Just recently, on May 19, one of the largest newspapers in my district, the Holland Sentinel, Holland, Mich., presented a most factual editorial on the Government Printing Office and Mr. Sawyer's so-called revolutionary program. I would ask each of you to read over the editorial which follows. It is entitled "Printer With Ideas." That headline could have been improved by adding "Printer With Right Ideas."

[From the Holland Sentinel, May 19, 1982]

PRINTER WITH IDEAS

Danford L. Sawyer Jr. is not a household word.

Maybe it ought to be.

What he is doing in Washington is getting some notice and his latest move is sure to draw comment.

Danford L. Sawyer Jr. runs the 122-year-old Government Printing Office. In a few

words, he's the government printer. In operating such an agency, he upset some people but is determined to cut costs at the GPO and at the same time make money for a government unit.

When Ronald Reagan came to Washington, he sought to trim the extras from government spending. Sawyer, who was running a large advertising agency in Sarasota, Fla., was picked to carry out the GPO assignment.

He has.

That's why he's in hot water with some of the labor unions, the congressional joint committee on printing, and certain other members of Congress.

He proposes:

1. Furloughs for all GPO employees for six days over the next seven months to reduce a five-month deficit of $4.9 million.

2. A 22 percent pay cut for GPO employees who are members of 13 bargaining units to bring salaries in line with that of other federal agencies.

3. Reduction-in-force: In this area, the public printer says he has the right to decide whether or not to implement RIFs. It is estimated that GPO has a surplus of 1,500 employees.

Last week, the joint committee passed a resolution, in closed session, halting Sawyer's moves without the committee's "study and approval."

Undaunted, the 42-year-old Sawyer is moving full speed ahead. That's the direction he should take. Other governmental agencies should take a lesson.

Since last August he has drastically reduced publications and saved money. In the Superintendent of Documents division alone, the 22,000 titles stocked when Sawyer arrived have been chopped to 15,000. The housecleaning destroyed some $11 million worth of publications that were not selling more than 50 copies a year or earning more than $1,000 a year. Those volumes, sold as waste, brought in $760,000. Aware of people asking for destroyed publications, people are told there are copies in one of 1,357 libraries throughout the nation.

A profit of $2 million was realized in the first four months of fiscal year 1982 after $20 million had been lost in the three previous years. Seeking additional savings, Sawyer would close 27 GPO bookstores serving 450,000 people around the country. This operation lost $9.7 million last year.

Many Holland residents have received government publications from Rep. Guy Vander Jagt. GPO has been a congressional plaything, necessary, but certainly misused.

The GPO has three main functions, the New York Times reports. By law, it does in-house printing of documents, such as the Congressional Record. It procures printing for other federal agencies and sells some documents. Last year 41.8 million publications were sold out of more than 4.8 billion printed, for $50.6 million.

Sawyer's problem is the philosophical clash between the businessman's viewpoint and the idealists' viewpoint on how best to serve the American public.

Attempting to run GPO like a business, Sawyer's concern with the bottom line is gratifying. But he hasn't heard the last from Congress, especially people like Sen. Charles Mathias of Maryland, joint committee chairman. Mathias has 2,529 GPO employees living in Maryland and he received $46,000 in his 1980 campaign from GPO unions plus a $5,000 maximum from the AFL-CIO.

See why it's difficult for somebody to streamline a government business. The bureaucrats don't want it corrected and finds ways to introduce stumbling blocks.

The American public should applaud the GPO chief.

Keep it up, Danford L. Sawyer Jr.●

UNIVERSITY OF MAINE EXCELS AT BASEBALL

HON. DAVID F. EMERY

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. EMERY. Mr. Speaker, there probably is not one Member of this House that is not a baseball fan. Like myself, any person that has ever put mustard on a hotdog at the ball park, longs for the greatest sporting event of the year. I of course refer to the "World Series." Well the series is over. The "College World Series" that is.

Today I would like to pay tribute to one of the greatest teams in college baseball, the University of Maine (at Orono) Black Bears. This year, 22 fine athletes, under the direction of Coach John Winkin, went all the way to the College World Series in Omaha, Nebr., and to quote Coach Winkin, "That's not bad for a bunch of snowbirds and potato pickers." Maine proved to be an outstanding club as they finished in a tie for third place.

Now most of us consider late March to be the beginning of the baseball season, but in Orono, Maine, the folks are just putting away their "Longjohns." So the UMO baseball squad is forced to play most of their early games on the road. This year they spoiled many a home team's afternoon as they racked up a 34 to 13 overall record; that record reflects their triumph as ECAC New England Champs and NCAA Northeast Regional Champions.

The Black Bears are no strangers to the "College World Series." Maine has sent teams to Omaha in 1964, 1976, 1981, and again this year. I read with interest an article which appeared in the Washington Post, Saturday, June 12, in which the coach of the Miami team talked about the Maine boys' off field performance; he said:

Those Maine guys must not get out of the woods too much, when they came to play at our place last year, one of the players ended up marrying our ball girl.

Coach Winkin was not without his comments, a favorite with the newsmen for his quick wit and humor. When he is not speaking with the press he is out working with his ball team. This is evident by his fine 512 to 322 and 7 career record.

I am very proud as a Representative from the State of Maine of the outstanding performance by the entire University of Maine baseball team. I congratulate Coach Winkin, his assistants, and the entire squad on a super season. These players join a select group of young men such as baseball greats Sal Bando and Dave Winfield, who have had the privilege of playing in one of the classic sporting events of the year. I know that all of the people in Maine and the UMO alumni around the country are as thrilled for this team as I am, and we all look forward to seeing the boys from Maine out in Omaha next year.

Members of the 1982 Maine baseball team:

No. 3 Kevin Jordan, No. 4 Kevin Bernier, No. 6 John Balerna, No. 7 Peter Adams, No. 8 Bill Swift, No. 9 Jeff Paul, No. 10 Fred Staples, No. 11 Rob Roy, No. 12 Peter Bushway, No. 14 Ernie Webster, No. 15 Tom Mahan, No. 16 Stew Lacognata, No. 17 John Kowlski, No. 18 Joe Johnson, No. 19 Mark Sutton (Captain), No. 20 Brad Colton, No. 22 Dick Witten, No. 24 Tom Vanidentine, No. 25 Ed Hacckett, No. 26 Ed Pickett, No. 28 Tony Cimino, and No. 29 Rick Lashua.

Assistant Coaches: Bobby Wahlen and Brian Cox.

Head Coach: Dr. John Winkin.

Trainer: Wes Jordan.●

HE SAVED MY HUSBAND'S LIFE

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. WOLF. Mr. Speaker, I want to bring to your attention a heroic act performed by Robert W. Robinson, a town councilman in the town of Vienna, Va. His courage and bold actions saved a young man's life, as detailed in the following Fairfax Journal article. His spirit and determination should be commended and are an inspiration to us all.

HE SAVED MY HUSBAND'S LIFE

(By Elizabeth George)

When John G. Stephenson gave his mother an ear-to-ear smile on her birthday Friday, it was the best present she could have received.

It wasn't too long ago that his family thought they'd never see another smile from the 19-year-old Fairfax Station man.

They figure only "the good Lord" and Vienna Councilman Robert W. Robinson gave the young man—a husband and father of a 3-year-old girl—a chance at surviving a horrible automobile crash three weeks ago.

In the early-morning hours of May 7, John Stephenson's car left the ramp from I-66 onto I-495, flipped over sideways and turned end over end. He was ejected through the car's sun roof during the crash.

Traveling behind Stephenson was Councilman Robinson, a volunteer firefighter with first-aid training.

Robinson, 41, screeched to a halt and rushed to the critically injured man's side. Although Stephenson was bleeding profusely and appeared dead, Robinson immediately began administering first aid.

He also told another passerby how to use the CB radio in his car to summon help.

Beverly Stephenson, John's father, said his son was "clinically dead" when he arrived at Fairfax Hospital. There was no pulse or respiration and he had lost nearly all his blood.

"He was pulled back from the dead by the excellent shock trauma team at Fairfax. But they only had something to work on because of Councilman Robinson. There's no question John would not have had a chance without his help," Stephenson said.

Knowing that Stephenson was criticallly injured, Robinson was afraid to do anything but clear the young man's mouth and give him mouth-to-mouth resuscitation. When he stuck a finger in Stephenson's mouth, however, the injured man clamped down on it and wouldn't let go.

Robinson was left with no other choice but to suck the blood and vomit from his mouth before blowing air into the man's collapsed lungs. When rescue workers arrived they thought Robinson was injured because of the blood that covered him. They helped pry his finger loose.

Stephenson suffered massive internal injuries, including a crushed diaphragm and spleen, punctured bladder, displaced and cut liver, collapsed lung and severely broken hip. He regained consciousness May 16, nine days after the accident.

"No matter what the result, Robinson acted in a heroic manner and did well. Thanks to him we have a son that's alive today," Beverly Stephenson said. "He performed in a manner that deserves recognition. And I just can't say enough about the man.

But a modest Robinson said his only regret is that he couldn't have performed the deed in secret. It was just something he had to do.

"I remember looking at him and saying something has to be done. I don't know if the next person could handle a situation like this, but I've seen many of these things and I knew what I had to do," Robinson said.

Robinson has seen combat duty in the Army, has worked plane crashes and automobile accidents with the Vienna Fire Department and is a funeral director in Vienna.

"I tried to do the right thing and evidently it was the right thing. I was doing a whole lot of hoping, though," he added.

He became more determined when a passerby looked down on Stephenson and said, "God, he's dead." Robinson told him to leave.

"You don't know if they can hear or know if they can feel you there. It seems if someone holds you here, you stay," Robinson said.

Three weeks after his accident, Stephenson is still here.

He can't talk because of the tracheotomy performed on him but he has moved all his extremities—even the leg in traction. From his bed in the Intensive Care Unit at Fairfax Hospital, Stephenson communicates by nodding his head and using his hands.

His wife, Sue, said doctors have told her John will recover completely "just like he was before the accident."

"I am so happy with his progress. He's come a long way but he still has a long road to travel," she said.

Sue Stephenson said she will be "forever indebted" to Robinson for his part in saving John's life. When he came to check on the young man, she said, "I gave him the biggest hug and kiss. And he was so shy and bashful."

"I think Councilman Robinson is wonderful. He's a hero. He saved my husband's life, he did, he really did." ●

TRIBUTE TO AMNESTY INTERNATIONAL

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. OBERSTAR. Mr. Speaker, I join with my colleagues who are deeply concerned about human rights in congratulating Amnesty International on its 21st anniversary. This Nobel prize-winning worldwide organization devoted to human rights, deserves both that high honor of the world's most coveted peace award, and recognition by Congress.

Living in a country which is free from political and religious oppression, we may find it difficult to comprehend fully the remarkable and successful efforts of Amnesty International. It serves as the only source of hope for countless prisoners of conscience all over the world. Its watchful efforts have been effective in bringing attention and recognition to those who would have otherwise been added to the ever-increasing list of those reported as missing. Their humanitarian actions have saved the lives of many men and women all over the world.

I would especially like to commend their efforts in El Salvador and throughout Central America. Having personally listened in El Salvador to eyewitness accounts of torture and murder of innocent civilians by government forces, I know how valuable and necessary their work is. Their network of information-gathering sources provides a vital service for those who work to strengthen human rights.

Unfortunately, the efforts of Amnesty International are needed even more today than in the previous 21 years. The Reagan administration deemphasis of human rights means toleration of human rights violations by oppressive governments.

I commend Amnesty International's vigilant efforts of the last 21 years and hope that their successful efforts will continue into the future.●

ONE CLEAN CITY: FREDERICK

HON. BEVERLY B. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mrs. BYRON. Mr. Speaker, an editorial in the June 1, 1982, issue of the Washington Post gave a deserving tribute to the outstanding physical appearance and community spirit of Frederick, Md. As the city of Frederick is located in my congressional district and is, in fact, my own hometown, I know firsthand of the strong sense of pride which the residents feel toward this historic and charming city. As pointed out in the editorial, Frederick's citizens and public officials have worked together to maintain a tradition of keeping the city shipshape. I would like to invite my colleagues to take advantage of any future opportunity to visit this showcase city which is located only 1 hour's drive from our Nation's Capitol. I am sure that after only a brief visit, the magic of Frederick will remain with you.

Mr. Speaker, I join the editors of the Washington Post in commending my fellow Fredericktonians for the care they have given our fine city and I respectfully request that the editorial be printed in the RECORD at this point:

ONE CLEAN CITY: FREDERICK

If you are traveling along Interstate 270 this summer, you might want to leave the highway for a few minutes and visit Frederick, Md. If you want to see what a really spick-and-span small city (population 30,000) looks like, this is the place.

When the Maryland Municipal League held a convention in Frederick two years ago, teasing delegates asked Mayor Ron Young how he had managed to get the citizens to wash down the streets for their benefit. But the mayor has no such persuasive power. None is needed. Frederick was originally settled by people who set great store by a shipshape city, and, rather magically, the tradition has been maintained.

To begin with, there is a citizen commitment to cleanliness and order which, repeated visits prove, is on evidence in every part of town. Sidewalks are swept, trash is securely bagged, and it is unusual to see even a piece of Kleenex or an ice cream wrapper on the street. The Boy Scouts volunteer for cleanup duty and the Downtown Merchants Association schedules regular days on which store owners and their employees lend a hand to spruce up. Looking over the results, a visitor feels like donning white gloves and running a finger along the curb.

These private efforts are more than matched by the city government. Working from the midnight shift, city workers collect the trash three times a week in every neighborhood. Downtown streets are swept six nights a week and every single street in the city is cleaned at least twice a week.

The National Trust for Historic Preservation has honored Frederick for restoration of the downtown area. More than 1,000 buildings have been renovated in the last five years. Six hundred new trees have been planted on the downtown streets, and plans have been drawn for the creation of a linear park that will run through the middle of the city.

Frederick is growing. It has attracted new industry and residents who commute to jobs in Washington and Baltimore. It is growing without losing that special sense of community pride which has made it a truly lovely city. The citizens and the government care about the physical appearance of the town. Their efforts dignify those who live there and dazzle those who drop in.●

A SALUTE TO THE ARKANSAS MEMBERS OF THE AMERICAN SYMPHONY ORCHESTRA LEAGUE

HON. ED BETHUNE

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. BETHUNE. Mr. Speaker, I am pleased to salute the Arkansas members of the American Symphony Orchestra League this week, which has been designated "National Orchestra Week." Arkansas is privileged to have five symphony orchestras, which perform about 100 concerts a year involving over 350 musicians. These five orchestras are located around the State so that all Arkansans have the opportunity to attend.

The Arkansas Symphony Orchestra at Little Rock alone has an audience of about 45,000 to 50,000 each year. The symphony travels all over Arkansas, and was honored to perform at the Kennedy Center for the Bicentennial. Small ensembles from the orchestra give demonstrations to area schools in order to keep Arkansas youth involved and informed about opportunities in music.

The 85 musicians that make up the Arkansas Symphony Orchestra are all professionals. Two-thirds of the musicians are involved in full-time careers directly associated with music, such as music teachers from universities, high schools, and elementary schools. Other musicians include building contractors, housewives, doctors, journalists, and government employees.

The North Arkansas Symphony is located in Fayetteville, the South Arkansas Symphony at El Dorado, Conway is the home of the University of Central Arkansas Symphony, and the Fort Smith Symphony is at Fort Smith. Together with the musicians of the Arkansas Symphony Orchestra, the orchestras in Arkansas put in a lot of long hours of practice and make many sacrifices to bring our State the wonderful music we all enjoy. In all parts of the Nation, other orchestras do the same. I hope all my colleagues will join in saying thanks.●

TO PROHIBIT USE OF MEDICARE FUNDS FOR ANTIUNION ACTIVITIES

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. BIAGGI. Mr. Speaker, today I am introducing legislation which would put an end to the current policy of allowing medicare funds to be used to reimburse hospitals and nursing homes for costs associated with antiunion organizing activities. At a time when Federal medicare dollars are scarce and limited resources are available to provide adequate health care for the elderly, it is highly wasteful, if not outright unethical, to allow medicare to reimburse health care providers for any activity which does not directly relate to patient care.

The letter and spirit of our medicare law clearly underscores its purpose as a health insurance program for services related to the care of aged and disabled beneficiaries. This purpose has been underscored as a policy three times since 1979 by the reaffirmation that there remain a strict prohibition against the use of medicare funds for activities related to persuading or influencing employees not to join a union. Such an affirmation was designed to avoid the instances such as the hospital in Pennsylvania which was reimbursed for antiunion consultant services with a bill that came to over $80,000 for a 2-month period. These antiunion activities were billed to medicare as "administrative expenses"—hardly administrative and clearly unrelated to patient care.

Another prominent consulting agency recently spent over $225,000,000 to direct such an antiunion campaign that was replicated throughout the health care industry. It appears that this trend is accelerating. Currently, it is estimated that health care facilities are hiring consultants in nearly 75 percent of all election campaigns. There are approximately 500 of these campaigns each year according to the National Labor Relations Board. Conservative estimates place the annual cost of such antiunion activities at a level of approximately $63 million annually. Under my bill this type of activity would be stopped and the drain on our overburdened and underfunded medicare program mitigated.

Prior to January 1980 the Department of Health and Human Services maintained a policy which strictly prohibited the use of medicare funds for antiunion campaigns. Specifically, the policy clarification issued by the Director of the medicare bureau in 1979 stated:

> It has been brought to our attention that some providers are engaging in certain activities involving persuasion of employees that are clearly not related to patient care and, as such, the costs of these activities are not allowable.

In October 1980, in an effort to clarify the matter further, the Health Care Financing Administration, which administers the medicare program, asked for public comment on how to identify such activity as well as identify "reasonable costs" associated with such medicare reimbursements. Based on the comments it received, HCFA issued final notice on this matter on January 16, 1981, which reaffirmed that "such costs are clearly unrelated to patient care and, therefore, are not allowable under the statute and regulations." HCFA further went on to say that even though such activities might be allowable under the National Labor Relations Act or by the Internal Revenue Service, this policy would remain in effect because these two statutes were different in nature and purpose from the medicare law.

Mr. Speaker, I have introduced this legislation in order that we may insure that this policy—which has been suddenly reversed—stays in effect. In a clear turnabout last January, the Department of Health and Human Services stated that medicare would pay for such activities and also applied this policy retroactively. This now means that any health care provider previously denied reimbursements within the past 2 years for antiunion activities would be allowed to appeal such a decision. Communications have been sent to Secretary of Health and Human Services Schweiker protesting this reversal, but to no avail. This bill would insure that medicare is retained as a health insurance program and not a program which places money in the hands of those who are not directly concerned with medicare beneficiaries.

At a time when medicare pays for only 38 percent of the costs of health care for the elderly and at a time when we still are not providing reimbursement for vital health care services such as prescription drugs, eye, dental, and foot care for our seniors, then we cannot afford to divert these resources to management consultants for antiunion activities.

As Chairman of the Human Services Subcommittee of the House Select Committee on Aging, I conducted a series of hearings which examined the eye care needs of seniors. The result of those hearings was that we found that 93 percent of the elderly required glasses and medicare—the health insurance program which is designed to reimburse the elderly for essential health care—does not pay for one dime of this care. If medicare money is being spent, it should be going to pay for services to the elderly, not services to facilities. Our primary emphasis has always been—and must continue to be—to provide benefits to the elderly for hospital and health care.

Mr. Speaker, this issue has been the subject of hearings by the House Education and Labor Committee's Subcommittee on Labor-Management Relations, where I am a member. I have also joined many of my colleagues who have contacted Secretary Schweiker to urge him to reverse this ill-advised policy. It is my intention to work to effect passage of this legislation in order that we may insure, once and for all, that medicare funds are not

wasted, but rather, are spent where they are most needed.●

TWO MORE KUDOS FOR THE FLAT RATE TAX

HON. RON PAUL
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. PAUL. Mr. Speaker, it is extremely rare that you will get the great philosopher and economist, Friedrich Hayek, and the editorial writers of the liberal Washington Post actually offering arguments in favor of the same proposal. When they do, it is something like the political equivalent of the "Jupiter effect," and it should draw our attention. This unusual phenomenon adds weight to my conviction that H.R. 6352, The Flat Rate Tax Act of 1982, is an idea whose time has come.

My bill would replace our present, incomprehensible and unfair, progressive income tax with a flat, 10-percent tax on all income over $10,000. The chief merits of this legislation would be its fairness and its utter simplicity: Everyone would pay the same 10 percent on all their income over $10,000. There would be no exemptions, no deductions, and no exceptions. To allow even one deduction—say, for charitable expenses—would surely open the floodgates and ruin the whole thing.

Four out of ten taxpayers are now driven to hire professionals to fill out their tax returns. They spend over $60 billion a year complying with or taking advantage of IRS regulations. And this does not even include the billions that the Government spends to process returns, catch tax evaders, et cetera. It is high time that the Congress scrapped this lousy tax system of ours which is broken beyond repair.

Some flat rate proposals call for a higher percentage tax. Well, it seems to me that if the church asks for only 10 percent of our incomes then that ought to be enough for Uncle Sam too. By setting the base income level at $10,000, my bill provides ample protection for poorer individuals.

The flat rate tax comes much closer to being a perfectly fair tax than our present inscrutable contraption: Our so-called progressive tax, with its absurd number of tax shelters and loopholes, allows some wealthy individuals to get away without paying any taxes at all, while most middle-income Americans pay far too much. I am convinced that my simple, fair, flat rate tax should appeal to people of all ideological persuasions.

The flat rate tax established by H.R. 6352 would encourage many who now participate in the underground economy because of excessively high tax rates to come forward and report their income. It is now estimated that the Treasury loses anywhere from $90 to $150 billion per year due to unreported income.

Finally, the flat rate tax would help curb the excessive, arbitrary, and capricious powers of the IRS. We could fire those 5,000 new IRS inspectors, and then fire thousands more. Yes indeed, this alone might be reason enough to pass H.R. 6352.

Let me just add that some individuals have suggested that a few worthwhile charities might be harmed by the loss of the charitable deduction. I cannot believe that any worthwhile charity depends upon the tax deduction for its existence. Authoritative studies have suggested that the bulk of charitable donations are made by people who do not even itemize on their return, and therefore, take no advantage of the deduction.

Only a few special interest groups who benefit from our present, inequitable tax system will oppose the flat rate tax. I have found that H.R. 6352 has enormous popular appeal. Therefore, I urge my colleague to cosponsor it.

An editorial from the Washington Post follows, and then some excerpts from Hayek's great defense of freedom:

[From the Washington Post, June 3, 1982]

FLAT-OUT TAXES

Could it be that—after decades of learned study, presidential commitment and general hand-wringing all around—the time for tax reform has come? Senate Finance Committee Chairman Robert Dole has given life to the possibility. Later this year his committee will hold hearings on proposals to replace the individual income tax—with all its preferences and exclusions—with a flat low-rate tax.

Last year the tax system headed in a different direction. The big tax-cut bill provided new gimmicks by which cagey taxpayers could further reduce their burden. Dispensing favors through the tax machine is nothing new, but this time warning lights started to flash. The public, it seems, is thoroughly fed up with a tax system that is not only of baroque complexity, but also downright arbitrary in impact. Replacing the system with a low-rate tax on income—with few, if any, exclusions allowed—is an idea that, by promising efficiency, equity and simplicity, appeals to all parts of the political spectrum.

The flat tax is not, of course, without its critics. The dozens of tax preferences that the system would chop down didn't just grow spontaneously. They were planted and nurtured by substantial interests—none more powerful than the members of the tax-writing committees who know full well the political leverage that comes from the ability to deliver favors redeemable in cash at tax time.

More high-minded opponents of the flat tax will note that the current system, for all its flaws, is at least moderately progressive. A well-off person is certainly able to share more of his last dollars with the government than a poor person, and a decent tax system will take account of that fact. But there are ways to introduce progressivity without complexity into the tax system—none better than the negative income tax long espoused by conservative economist Milton Friedman.

The progressivity of the current income tax is, in any event, bought at enormous price in inefficiency and unfairness. In 1979, for example, about 20,000 taxpayers with adjusted gross incomes of more than $100,000 paid income taxes of more than 40 percent on that income. Remember that adjusted gross income already excludes many tax preference items, but still these families paid hefty taxes. Another 20,000 families in the same high income bracket, however, paid income taxes of less than 15 percent of that income.

In fact, in the upper ranges of the tax system, what you pay depends mostly on how good is the tax advice you get. This rather than the general level of taxation, is what irks the average taxpayer most—the sure knowledge that other people in equal of better circumstances are beating the system, and doing it in ways that the system condones and even encourages.

Simplifying the tax code can release the talents and energies that are now diverted into figuring out tax avoidance schemes and counseling others in their use. And the loopholes in the tax law are now so spacious that eliminating them can produce higher revenues with far lower tax rates. Congress needs to raise more taxes to close the federal deficit and finance the defense buildup. The administration won't support more than token tax increases for fear that higher rates will stifle incentives for productive work and investment. Tax reform is the perfect compromise.

[The following excerpts are from Friedrich A. Hayek, the Constitution of Liberty, chapter twenty]

As is true of many similar measures, progressive taxation has assumed its present importance as a result of having been smuggled in under false pretenses. When at the time of the French Revolution and again during the socialist agitation preceding the revolutions of 1848 it was frankly advocated as a means of redistributing incomes, it was decisively rejected. "One ought to execute the author and to the project," was the liberal Turgot's indignant response to some early proposals of this sort. When in the 1830's they came to be more widely advocated, J. R. McCulloch expressed the chief objection in the often quoted statement: "The moment you abandon the cardinal principle of exacting from all individuals the same proportion of their income or of their property, you are at sea without rudder or compass, and there is no amount of injustice and folly you may not commit." In 1848 Karl Marx and Friedrich Engels frankly proposed "a heavy progressive or graduated income tax" as one of the measures by which, after the first stage of the revolution, "the proletariat will use its political supremacy to wrest, by degrees, all capital from the bourgeois, to centralize all instruments of production in the hands of the state." And these measures they described as "means of despotic inroads on the right of property, and on the condition of bourgeois production . . . measures . . . which appear economically insufficient and untenable but which, in the course of the movement outstrip themselves, necessitate further inroads upon the old social order and are unavoidable as a means of entirely revolutionizing the mode of production." But the general attitude was still well summed

up in A. Thiers's statement that "proportionality is a principle, but progression is simply hateful arbitrariness," or John Stuart Mill's description of progression as "a mild form of robbery."

But after the first onslaught had been repelled, the agitation for progressive taxation reappeared in a new form. The social reformers, while generally disavowing any desire to alter the distribution of incomes, began to contend that the total tax burden, assumed to be determined by other considerations, should be distributed according to "ability to pay" in order to secure "equality of sacrifice" and that this would be best achieved by taxing incomes at progressive rates. Of the numerous arguments advanced in support of this, which still survive in the textbooks on public finance, one which looked most scientific carried the day in the end. It requires brief consideration because some still believe that it provides a kind of scientific justification of progressive taxation. Its basic conception is that of the decreasing marginal utility of successive acts of consumption. In spite of, or perhaps because of, its abstract character, it has had great influence in making scientifically respectable what before had been admittedly based on arbitrary postulates.

Modern developments within the field of utility analysis itself have, however, completely destroyed the foundations of this argument. It has lost its validity partly because the belief in the possibility of comparing the utilities to different persons has been generally abandoned and partly because it is more than doubtful whether the conception of decreasing marginal utility can legitimately be applied at all to income as a whole, i.e., whether it has meaning if we count as income all the advantages a person derives from the use of his resources. . . . There can now be little doubt that the use of utility analysis in the theory of taxation was all a regrettable mistake (in which some of the most distinguished economists of the time shared) and that the sooner we can rid ourselves of the confusion it has caused, the better . . .

3. Those who advocated progressive taxation during the latter part of the nineteenth century generally stressed that their aim was only to achieve equality of sacrifice and not a redistribution of income; also they generally held that this aim could justify only a "moderate" degree of progression and that its "excessive" use (as in fifteenth-century Florence, where rates had been pushed up to 50 percent) was, of course, to be condemned. . . .

It was in Germany, then the leader in "social reform," that the advocates of progressive taxation first overcame the resistance and its modern evolution began. In 1891, Prussia introduced a progressive income tax rising from 0.67 to 4 percent. In vain did Rudolf von Geist, the venerable leader of the then recently consummated movement for the Rechtsstaat, protest in the Diet that this meant the abandonment of the fundamental principle of equality before the law, "of the most sacred principle of equality," which provided the only barrier against encroachment on property. The very smallness of the burden involved in the new schemes made ineffective any attempt to oppose it as a matter of principle.

Though some other Continental countries soon followed Prussia, it took nearly twenty years for the movement to reach the great Anglo-Saxon powers. It was only in 1910 and 1913 that Great Britain and the United States adopted graduated income taxes rising to the then spectacular figures of 8¼ and 7 percent, respectively. Yet within thirty years these figures had risen to 97½ and 91 percent.

Thus in the space of a single generation what nearly all the supporters of progressive taxation had for half a century asserted could not happen came to pass. This change in the absolute rates, of course, completely changed the character of the problem, making it different not merely in degree but in kind. All attempt to justify these rates on the basis of capacity to pay was, in consequence, soon abandoned, and the supporters reverted to the original, but long avoided, justification of progression as a means of bringing about a more just distribution of income. It has come to be generally accepted once more that the only ground on which a progressive scale of over-all taxation can be defended is the desirability of changing the distribution of income and that this defense cannot be based on any scientific argument but must be recognized as a frankly political postulate, that is, as an attempt to impose upon society a pattern of distribution determined by majority decision.

4. An explanation of this development that is usually offered is that the great increase in public expenditure in the last forty years could not have been met without resort to steep progression, or at least that, without it, an intolerable burden would have had to be placed on the poor and that, once the necessity of relieving the poor was admitted, some degree of progression was inevitable. On examination, however, the explanation dissolves into pure myth. Not only is the revenue derived from the high rates levied on large incomes, particularly in the highest brackets, so small compared with the total revenue as to make hardly any difference to the burden borne by the rest; but for a long time after the introduction of progression it was not the poorest who benefited from it but entirely the better-off working class and the lower strata of the middle class who provided the largest number of voters. It would probably be true, on the other hand, to say that the illusion that by means of progressive taxation the burden can be shifted substantially onto the shoulders of the wealthy has been the chief reason why taxation has increased as fast as it has done and that, under the influence of this illusion, the masses have come to accept a much heavier load than they would have done otherwise. The only major result of the policy has been the severe limitation of the incomes that could be earned by the most successful and thereby gratification of the envy of the less-well-off . . .

Closely connected with this problem is the effect of progressive taxation on an aspect of capital formation which is different from that already discussed, namely, the place of formation. It is one of the advantages of a competitive system that successful new ventures are likely for a short time to bring very large profits and that thus the capital needed for development will be formed by the persons who have the best opportunity of using it. The large gains of the successful innovator meant in the past that, having shown the capacity for profitably employing capital in new ventures, he would soon be able to back his judgment with larger means. Much of the individual formation of new capital, since it is offset by capital losses of others, should be realistically seen as part of a continuous process of redistribution of capital among the entrepreneurs. The taxation of such profits, at more or less confiscatory rates, amounts to a heavy tax on that turnover of capital which is part of the driving force of a progressive society.

The most serious consequence, however, of the discouragement of individual capital formation where there are temporary opportunities for large profits is the restriction of competition. The system tends generally to favor corporate as against individual saving and particularly to strengthen the position of the established corporations against newcomers. It thus assists to create quasi-monopolistic situations. Because taxes today absorb the greater part of the newcomer's "excessive" profits, he cannot, as has been well said, "accumulate capital; he cannot expand his own business; he will never become big business and a match for the vested interests. The old firms do not need to fear his competition: they are sheltered by the tax collector. They may with impunity indulge in routine, they may defy the wishes of the public and become conservative. It is true, the income tax prevents them, too, from accumulating new capital. But what is more important for them is that it prevents the dangerous newcomer from accumulating any capital. They are virtually privileged by the tax system. In this sense progressive taxation checks economic progress and makes for rigidity."

An even more paradoxical and socially grave effect of progressive taxation is that, though intended to reduce inequality, it in fact helps to perpetuate existing inequalities and eliminates the most important compensation for that inequality which is inevitable in a free-enterprise society. It used to be the redeeming feature of such a system that the rich were not a closed group and that the successful man might in a comparatively short time acquire large resources. Today, however, the changes of rising into the class are probably already smaller in some countries, such as Great Britain, than they have been at any time since the beginning of the modern era. One significant effect of this is that the administration of more and more of the world's capital is coming under the control of men who, though they enjoy very large incomes and all the amenities that this secures, have never on their own account and at their personal risk controlled substantial property. Whether this is altogether a gain remains to be seen.

It is also true that the less possible it becomes for a man to acquire a new fortune, the more must the existing fortunes appear as privileges for which there is no justification. Policy is then certain to aim at taking these fortunes out of private hands, either by the slow process of heavy taxation of inheritance or by the quicker one of outright confiscation. A system based on private property and control of the means of production presupposes that such property and control can be acquired by any successful man. If this is made impossible, even the men who otherwise would have been the most eminent capitalists of the new generation are bound to become the enemies of the established rich. . . . .

In the last resort, the problem of progressive taxation is, of course, an ethical problem, and in a democracy the real problem is whether the support that the principle now receives would continue if the people fully understood how it operates. It is probable that the practice is based on ideas which most people would not approve if they were stated abstractly. That a majority should be free to impose a discriminatory tax burden on a minority; that, in consequence, equal services should be remunerated differently;

and that for a whole class, merely because its incomes are not in line with those of the rest, the normal incentives should be practically made ineffective—all these are principles which cannot be defended on grounds of justice. If, in addition, we consider the waste of energy and effort which progressive taxation in so many ways leads to, it should not be impossible to convince reasonable people of its undesirability. Yet experience in this field shows how rapidly habit blunts the sense of justice and even elevates into a principle what in fact has no better basis than envy.●

STUDIO MUSEUM IN HARLEM

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. RANGEL. Mr. Speaker, today in New York, the new facility of the Studio Museum In Harlem is being dedicated. Unfortunately, legislative duties here in the Capitol prevent me from attending the ceremony. However, I would like to share with you and our colleagues some of the joy and pride that I feel at the reopening of one of the centers of art in our great city.

The new facility has been transformed from an old office building into a fine arts museum and studio. This was done largely through an urban development action grant from the U.S. Department of Housing and Urban Development. This is exactly the kind of project that we in Congress envisioned in creating the UDAG grants. The temporary construction jobs, additional permanent jobs, and the permanent museum, which by conservative estimates will have 250,000 visitors a year, will speed the economic development of the 125th Street Corridor.

And the new facility is magnificent. In addition to greatly increasing the storage space for the museum's ever-growing permanent collection, the new facility boasts a very fine multilevel main exhibition space, with 17-foot ceilings to allow the presentation of large sculptures and paintings.

And as proud as we can be of our facility, we must keep in the front of our minds its purpose: To show and stimulate interest in fine works of art. The exhibitions that we will open with today grace the gallery and show it at its best: "Images of Dignity: A Retrospective of the Works of Charles White", "Ritual and Myth: A Survey of African American Art", and "Harlem Heyday: The Photography of James VanDerZee."

I would like to congratulate the board of trustees of the Studio Museum In Harlem, as well as its chairman, Charles A. Shorter, and its executive director, Dr. Mary Schmidt Campbell, and wish them all continued future success.●

NATIONAL ORCHESTRA WEEK

HON. THOMAS E. PETRI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. PETRI. Mr. Speaker, since this is National Orchestra Week, I would like to take this opportunity to recognize one of the fine community orchestras in my district and, indeed, the country, the Oshkosh Symphony Orchestra.

Since some of my colleagues may not be aware of the many accomplishments of this fine institution which will be entering its 42d season, I will mention just a few. At the 1981 convention of the American Symphony Orchestra League, the Oshkosh Symphony Association won the national award for the most effective and innovative season ticket campaign.

Also, the symphony ranks in the top 10 of the American Symphony Orchestra League's statistical survey of community orchestras in the number of season tickets sold, earned and supplemental income, compensation paid to musicians, and management of funds.

The main reason for this success is obvious: The Oshkosh Symphony is a first rate musical organization. We all know that there is fine music in our large cities, but I am very proud to be able to say that great music can also be found in our smaller towns and rural areas. The coming season will bring to Oshkosh such international stars as Isaac Stern, who is one of my personal favorites, and Eugenia Zukerman. Moreover, the Oshkosh Symphony will also present the world premiere of a series of orchestral portraits composed by Virgil Thomson, a giant among American composers.

I believe that National Orchestra Week is a great idea, and I urge all of us to take this opportunity to listen to and appreciate the great heritage that we have.●

CHAIRMAN CLAUDE PEPPER

HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. MICA. Mr. Speaker, older Americans throughout this Nation have an effective and untiring champion, Hon. CLAUDE PEPPER of Florida, the chairman of the House Select Committee on Aging. I serve with Chairman PEPPER as a member of the Aging Committee, and have observed his forceful advocacy. Whether Members agree with his policies or not, all agree that "the Senator" is a statesman of national prominence, as profiled in the article I submit for the RECORD, written by Robert Shaw of the Miami Herald.

[From the Miami Herald, May 31, 1982]

PEPPER FIGHTING TO REKINDLE FIRE OF THE NEW DEAL

(By Robert D. Shaw, Jr.)

WASHINGTON.—It was the start of a typical Washington week: Ronald Reagan and House Speaker Thomas (Tip) O'Neill were hurling angry words at each other—again—over Social Security and Medicare. And, as usual, the President was getting the better of it.

O'Neill had opened the House budget debate last Monday by assailing a Reagan-backed proposal for a three-year, $23-billion cut in Medicare as "a breach of faith with America's elderly." Reagan's riposte was savage: To imply that anyone's benefits would be cut, the President said, is "pure political demagoguery."

Once again, it appeared, the speaker had been frustrated. Massachusetts Democrat O'Neill, the portly, rumpled old pol whom Republicans love to kick around, was trapped in another name-calling contest with a popular president—a contest that even the speaker's staff acknowledges he cannot win.

And so the call went out to a stoop-shouldered, round-bellied, 81-year-old man with a Southern plantation accent and a foghorn voice. With a stride that would do credit to a man 20 years younger, Rep. Claude Pepper (D., Fla.) hustled to the House press gallery to take up the cudgel of The Official Opposition.

That night, all three network newscasts showed identical 20-second segments of videotape: a finger-wagging Pepper, his pink face stern, declaiming, "Anybody who thinks we can cut Medicare benefits $23 billion without hurting elderly beneficiaries is just wrong."

Christopher Matthews, the O'Neill press secretary who had summoned Pepper, was jubilant. Not only had Pepper refocused attention on the benefits issue, a major election-year weapon in the Democrats' arsenal, but Matthews believed he'd also made Reagan's response seem petty by comparison.

"He's the best orator in Congress, and he's totally credible on elderly issues," Matthews said. "I wish we had more like him."

The reaction of Rep. Tony Coelho (D., Calif.), chairman of the Democratic Congressional Campaign Committee, was more succinct. "Claude Pepper," he said, "is dynamite."

Claude Denson Pepper, populist son of the New Deal, is being reborn politically this election year.

As the oldest man in Congress, chairman of the House Aging Committee and a passionate advocate for 32 years on behalf of those he terms "the little people," Pepper's name is irrevocably linked to what may be 1982's most volatile issue and constituency: Social Security and its 36 million elderly, blind and disabled recipients.

And despite the doleful predictions of actuaries that the system is going broke, notwithstanding hemorrhaging federal deficits and the conflicting clatter of study commissions, Pepper's voice still rings strong and clear.

TOURING THE COUNTRY

"We must not and, as far as I'm concerned, we shall not cut benefits," he thunders.

Defiantly invoking the names of Franklin Delano Roosevelt and Lyndon Baines Johnson and fearlessly heaping rhetorical coals on the heads of conservative Republicans

and Democrats alike, Pepper is touring the country trying to rekindle fire from the embers of the New Deal and the Great Society.

If his stem-winding oratory sometimes seem dated, if he leaves himself open to criticism that he is soft-hearted and even soft-headed in this flinty new era of the bottom line, Claude Pepper couldn't care less.

"I came to Congress with convictions of trying honestly to serve all the people," he tells an interviewer, "and I've never changed them. Public service is like a ministry to me. It's my way of doing my little chit to make life a little better for the people who are traveling along life's highway with me."

Said Coelho: "Outside of Tip O'Neill, Claude is the best known name on the Democratic aisle. And as far as the elderly are concerned, he's got absolute credibility. He spoke in my district recently, and he actually had people in tears."

To listen to Pepper speak is to be swept back in time. To him, there is no such thing as an uncontrollable deficit; only a lack of full employment. No social welfare program is too expensive; no need is greater than that of a hungry child, a jobless adult, an impoverished senior citizen. And no one is as dangerous as Ronald Reagan.

"A government cannot be true to its democratic, its republican, in the larger sense, obligation if it ignores the needs of a large part of its people and tries to benefit particularly the few," he said, hunching over his littered desk in an office crammed with a half-century of political memorabilia.

"This administration is the most brazen in the history of this country on its preference for giving assistance to the fortunate and penalizing the unfortunate and the needy. And they have victimized, in order to help those better off, the people who are elderly and poor and ill."

To Pepper, the administration's greatest crime is its "assault" on the Social Security system, which was passed into law one year before he came to Washington as a U.S. senator in 1936 and which he has spent his political lifetime trying to improve.

As a senator, he helped win passage of disability benefits. As a congressman, he was a key force in ramming through Medicare coverage, cost-of-living increases and a host of other benefits. More than any living politician, he can lay claim to being, if not the father, at least the guardian of Social Security.

"He's a living symbol for the elderly, an incredible man," said Paul Kerschner of the American Association of Retired People. "And he's not afraid of anybody. He doesn't have to be. He has been around too long."

Pepper has thus far opposed any proposed changes in Social Security benefits, though he does advocate borrowing from general revenue to carry the system through what he insists is only a short-term cash crunch.

Indeed, it sometimes appears as if Pepper has closed his eyes to the massive body of evidence that underlies the judgment of the system's critics. Instead, Pepper prefers to point a gnarled finger at one man: Reagan.

"The administration says, 'We've got to reform.'' 'What do you mean, 'reform?'" he roared, his face darkening. "There's nothing wrong with Social Security. What's wrong is with your economy. There's 10.3 million people out of work. Put all those millions back to work, and Social Security will have no problems.

"So don't blame Social Security. Talk about Reaganomics."

His critics say statements like that prove that Pepper is out of touch with reality. "He's an anachronism; he lives in another world," said one Republican congressman. But to his admirers, it's vintage Pepper—for the man has always been more concerned with what should be, rather than what is.

Pepper first burst on Washington in 1936, elected to the Senate to fill the vacancy caused by the death of Sen. Duncan Fletcher. The son of an Alabama farmer and a graduate of Harvard Law School, he combined a passionate concern for poor people—of all races—with a fervent admiration of Roosevelt that bordered on love.

Businessmen and conservative white Southerners despised him and tagged him with the nickname "Red Pepper." By 1950, when Pepper was running for his third full term, they had coalesced behind Rep. George Smathers, who had been a Pepper protege.

That compaign's viciousness has since passed into American political legend. Smathers, in a speech allegedly given in rural North Florida, accused Pepper of being a "shameless extrovert" who "practiced celibacy" before his marriage. Newspaper ads, showing Pepper shaking hands with black people, denounced him as a "nigger lover."

The loss to Smathers sent Pepper into 12 years of political retirement, broken only by a futile challenge to incumbent Sen. Spessard Holland in 1958.

But in 1962, with Democrat John F. Kennedy in the White House, Pepper was easily elected to Congress.

For the past five years, Pepper has served as Aging Committee chairman, a perfect forum for his concerns about the elderly. Though the committee lacks authority to write legislation, Pepper uses it to hold high-visibility hearings on everything from Medicare insurance abuse to age discrimination. His use of gimmicks to attract coverage approaches legend: He held one hearing in which all the witnesses were at least 100 years old.

But the committee also has issued a steady stream of reports that document the problems of the elderly how six in 10 depend on Social Security as their primary source of income; how one in six lives in poverty; how higher deductibles and other restrictions have reduced Medicare's share of the average hospital bill to something around 50 per cent.

As his party heads into another election year, Pepper is determined to keep that consciousness high. Despite two hearing aids, open heart surgery and the death of his wife in 1979, which, a friend says nearly killed him, he keeps a schedule that is the envy of many younger men: 10-hour days in Congress, speaking engagements that have taken him to five states in the last two weeks, a weekly newspaper column of advice to the elderly and trips back to his home district nearly every weekend.

INTENSE SCHEDULE

That schedule will intensify unless—as party spokesmen insist they will—the Republicans carry through on a threat to invest at least $500,000 in a Beat Pepper campaign. Two GOP candidates, both Hispanics hoping to appeal to the heavy Latin population in Pepper's district, which includes part of Miami and Miami Beach, already have announced.

As Claude Pepper's 82nd birthday approaches, he's more than ready. He has even been doing some research, he confessed the other day with a sly grin into the meaning of "demagogue" since its a word the Republicans like to throw around.

It means, he says, "people who make false promises to gain power." Now then, Pepper asks in his gravest Southern accent, who's been making false promises—the Democrats, who are trying to save Social Security and Medicare, or Ronald Reagan, who has consistently promised never to cut benefits and then endorsed multibillion dollar cutbacks? "What kind of public integrity is that?" Pepper demands.

With a small smile beginning to bloom and his accent turning to pure mush, Pepper adds, "In the South, there's an old saying that I've heard: Never talk about a rope in a family that's had a hanging. People should not talk about demagoguery who are perhaps subject to question."

Claude Pepper laughs aloud. The Official Opposition is ready.●

NATIONAL ORCHESTRA WEEK

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. HEFTEL. Mr. Speaker, I am pleased that this week has been proclaimed "National Orchestra Week" and want to join my colleagues in saluting orchestras across the country. It is only fitting that we recognize and honor our Nation's symphony orchestras and the talent and dedication of their musicians. I am especially proud to honor my district's excellent orchestra, the Honolulu Symphony, a tremendously exciting and talented ensemble which is one of the great cultural treasures of the Pacific.

Since its birth in 1900, the Honolulu Symphony has been one of Hawaii's finest cultural attractions. For more than 80 years the Honolulu Symphony has offered magnificent public performances, chamber music ensembles, youth concerts, starlight programs, and pops concerts throughout the Hawaiian islands. The symphony, under the direction of Maestro Donald Johanos, provides outstanding and creative musical talent which enhances local ballet, choral and theatrical performances, as well as the annual Hawaii Opera Festival. The members of the Honolulu Symphony also have a fine educational outreach program that inspires an expanding pool of local musical talent.

Honolulu is extremely fortunate to have an orchestra with the high caliber and national renown of the Honolulu Symphony, and I am honored to extend my highest praise in saluting the excellence and dedication of the Honolulu Symphony.●

BARNEY FRANK FIGHTS AGAINST CUTS IN PROGRAMS FOR ELDERS

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. PEPPER. Mr. Speaker, I had the privilege to attend a meeting last month in Swansea, Mass., to help older people organize against cuts proposed by the administration in social security, the title V senior employment program, medicare, and other such programs so vitally important to the elderly.

The forum was called by Congressman BARNEY FRANK, the only member of the Massachusetts delegation to serve on the House Select Committee on Aging. In convening this gathering, Representative FRANK noted:

It is important that older people get the information they need to help them protect those valuable programs against attempts by officials who are trying to cut them out of the budget. There are plenty of responsible ways to cut the budget without threatening the most vulnerable segment of our society.

Representative FRANK has been a vigorous, enthusiastic, outspoken advocate for our Nation's elder Americans and a tribute to the Aging Committee's service to this population.

At that time I would like to share with my colleagues a recent statement by BARNEY FRANK to elders in his district regarding proposed cuts in many programs that help older Americans. I ask that his statement appear in its entirety in the RECORD at this point:

STATEMENT BY CONGRESSMAN BARNEY FRANK OF MASSACHUSETTS

Last year, the President and his allies in Congress voted severe cuts in many programs that help older people. For example, the unfairly high increase in Medex recently voted in Massachusetts resulted, in part, from cutbacks made at the federal level in the Medicare program in last year's federal budget. This year, the President and his congressional allies have proposed further cuts in these programs. The proposal to abolish the Senior Aide program, the proposal to further cut medicare, the proposals to stop building housing for the elderly despite continuing need, and, of course, the incredible proposal to cut $40 billion from social security benefits over the next three years—all of these must be defeated.

I believe it is important to reduce the federal deficit. But I also know that it is possible to make the cuts that are necessary in federal spending without further damaging important programs that provide needed services for older people. The proposed Administration budget continues to squander billions of dollars on agricultural subsidies, subsidies for the privately owned nuclear industry, wasteful water projects throughout the country, and on unnecessary and very costly weapons systems such as the MX missile and the B-1 bomber. Additional billions could be provided to reduce the deficit by closing the unjustified tax loopholes which were part of last year's tax reduction package—a measure which unfairly favored the wealthy at the expense of the middle-class and poor in our country. If we were to impose the taxes that were reduced last year for oil companies, and if we were to end the lease-back scheme which has led to the evasion of so many billions of dollars of revenue, we would be able to make substantial reductions in the deficit without cutting necessary programs for the elderly.

Older people who have worked hard all their lives to build this country both in jobs and in raising families, must not be made the scapegoats for our economic problems. It is not the programs that benefit older people that have caused our budget deficit and it is unworthy of a great country like the United States to deny its older citizens lives of some dignity and security. I promise you that in Washington today and as long as I am in public life, I will continue to fight very strongly for fair treatment for our older citizens and against the unfair cuts that were made last year and are being proposed for this year.●

PRIME MINISTER HAUGHEY ADDRESSES IRISH AMERICANS

HON. JAMES M. SHANNON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. SHANNON. Mr. Speaker, I would like to submit the following statement made by the Prime Minister of Ireland on a recent visit to the United States.

In his statement, the Prime Minister calls upon Irish-Americans to forsake any "policies which envisage violence and terror as the means of bringing about the unity of Ireland." He instead calls upon the friends of Ireland to support the policies of the Irish Government in its efforts to achieve Irish unification.

Mr. Speaker, I want to join the Prime Minister in his exhortation of Irish-Americans and others concerned about Ireland. Those of us who consider ourselves friends of Ireland must do all that we can to eschew those who would encourage violence in Northern Ireland. Our goal must be a speedy and peaceful unification of Ireland.

SPEECH BY THE TAOISEACH, MR. CHARLES J. HAUGHEY, T.D., AT A RECEPTION FOR THE IRISH-AMERICAN COMMUNITY IN THE WALDORF ASTORIA HOTEL, NEW YORK, JUNE 10, 1982

I am fortunate that my brief visit to New York allows me an opportunity of meeting this distinguished assembly of leaders of the Irish-American Community and friends of Ireland.

In my address at the White House on Saint Patrick's Day this year when we were the guests of President Reagan, I sought to convey something of the immense pride taken in Ireland in the magnificent contribution Irish-Americans have made in the building of the United States. Many of the Irish men and women who made their home in America came first to this city of New York. It is to this great metropolis, too, that representatives and leaders of the Irish people came to seek that support from Irish-Americans which was crucial in our struggle for independence. One such leader was Eamon De Valera who was born in New York and on my last visit here I gave myself the pleasure of visiting the Church of St. Agnes where he was baptised one hundred years ago. It is a great honour for me on behalf of the Irish people at home in this centenary year of Eamon De Valera to express to you all, Friends of Ireland, our gratitude for your steadfast support for our political, economic and social development.

At home we have perhaps sometimes taken that support for granted. In our pride in the achievement of our compatriots here, we have not always realised the immensely varied part played by Irish-Americans building of this land and the sacrifices made in doing so. Neither have we always made an adequate effort to ensure that our friends in America were fully informed of the evolution of the greater part of the Irish homeland into a modern, progressive democratic society. We must now look to a future of greater mutual understanding and constructive co-operation among Irish people everywhere in the achievement of Irish national objectives.

For my part, I can assure you of my Government's appreciation of the sympathies and traditional loyalties which have given strength to successive generations of Irish emigrants and their descendants in this country. I know from my personal experience that the Irish American Community of today is anxious and is well placed to continue this great tradition.

I am deeply aware of the obligation on me to explain fully and communicate clearly to you, the representatives of the Irish-American Community, the politics of the Irish Government for the attainment of our fundamental aim of welding historically diverse cultures and traditions into a unified modern nation.

It is my conviction that much of the confusion which has existed regarding the Irish Government's approach to the problem of Northern Ireland stems from a failure in communication and I am determined to remedy that failure.

Let us be clear then about one thing—the first political priority of the Irish Government is to promote the unity of the people of Ireland. This is not a question simply of territorial integrity. We seek a union of culture and traditions in a nation which, like yours, is based on democracy and respects fully the freedom of the individual. Our energies are directed towards creating a framework in which an all-Ireland settlement can be negotiated to ensure that in the new Ireland which will emerge the rights of all Irish men and women will be entirely respected and fully guaranteed. We are convinced that it is only in unity that the divisions which are undermining the material wellbeing of generations of Irishmen can be ended. Only in unity can the true fulfillment of our two great traditions be achieved.

Britain has major responsibility in solving the problem of Northern Ireland. As we contemplate the appalling cost of Northern Ireland's failure as a political and economic entity, not only to the community in the Six Counties but to all of us who live on the island of Ireland, we are entitled to ask for British help and cooperation in finding a new and more constructive basis for the management and development of Irish affairs by Irishmen and women in their own best interest. I have always argued that this will not only restore peace in Ireland but it

will remove the shadow which hangs over relations between Britain and Ireland.

It is not in the Irish interest alone that we seek British help and goodwill in the solution of the Northern Ireland problem. It is also in Britain's interest, in America's interest, and in the interest of democracy everywhere that the present unstable situation is not allowed to continue.

At this stage, I believe that only joint action by Dublin and London, taking fully into account the views of all the Northern people, can begin to end division among Irish people.

As Taoiseach, therefore, I have actively pursued the creation of an institutional relationship with Britain as a way of providing an appropriate framework for such joint action.

In my address at the White House last March I expressed the hope that the encouragement of Irish unity would rank high among the international objectives of the United States. The President has already emphasized that the Northern Ireland conflict and the instability which it represents is a problem which should concern all of us in the Western Democracies. The United States as a friend of both Ireland and Britain can do much to encourage a change of attitudes in Northern Ireland which would pave the way for Irish unity. Moreover, the United States Administration continues to express concern about the declining economy of Northern Ireland and a readiness to encourage private investment into Northern Ireland when stability has been restored through the decisive political progress we seek.

I urge you, and through you, all Irish-Americans, to unite behind the clear policy upon which we are embarked. This policy already commands the support of the overwhelming majority of the Irish people. Broad Irish-American support for our objectives will, I believe, enable the United States Administration to play a more effective role in resolving this problem which your President rightly regards as one for the entire community of Western nations.

I was glad in recent days to welcome in Dublin a group of visitors from the Congressional Organization, the Friends of Ireland. I am happy to be able to meet more of these true friends of Ireland here this evening. I look forward to many more such visits in both directions across the Atlantic in the future. These interchanges help to inform people about the real cause of the conflict in Northern Ireland and promote Irish unity as the most effective road to peace.

My Government will work with all those in America who share our ultimate objective of the unity of the people of Ireland and our abhorrence of violence. And let me emphasise that violence, evil in itself and appalling in its consequences, can only postpone the day of Irish unity. Far from advancing, it will further delay a final British military and political withdrawal from Ireland. Violence and the bitterness it involves only frustrate the ultimate achievement of national unity.

I know that many of you are deeply concerned about the Northern Ireland situation and the Irish Government shares your concern and hopes for your understanding and support for the view that progress in removing the causes of violence can only be made by peaceful political means.

Friends of Ireland in America, that is the message I have come to give you. It is a positive message. I set before you a positive aim, the peaceful reunification by agreement of our people and of our country. I have described the peaceful framework in which we shall pursue that aim. Let us do nothing that will separate Irish men and women, whatever side of the Atlantic they may live on—that is the most fundamental lesson of our history. I am confident that we will not forget it, but that we will from now on work together by peaceful persuasion to build a national will for progress, a will to solve the most obdurate problem which stands between us and the fulfilment of the wider nationhood which embraces all the traditions of Ireland.

Nobody in America, therefore, should support or subscribe to policies which envisage violence and terror as the means of bringing about the unity of Ireland.

We intend to mobilise effectively American political and public opinion in favour of the cause of Irish unity by peaceful political process, the only true and lasting basis for such unity. We intend to weld together the constructive efforts of the Friends of Ireland and of Irish-Americans generally, both individually and through their various organisations, to support the cause of Irish unity by peaceful but purposeful negotiations as the ultimate and only sensible way to end the intolerable situation in Northern Ireland.

We want your support and help in that political constitutional process. But there are always of course many other particular ways in which you can help the further and fuller development of Ireland and her people.

Ireland today is engaged in a vast programme of modernisation through education, through industrial expansion based on advanced scientific and technological industries, through growing commerce and trade and through our rapidly improving economic infrastructure.

We seek your help in bringing Ireland to the front rank of the small modern economies, an ambition within our reach given our rich natural resources and the energy and enterprise of our people.

Your partnership can take many forms, all of practical benefit to you and to Ireland.

You and your families can come on holidays to Ireland, as so many of you have done down the years. Bord Failte (the Irish Tourist Board), Aer Lingus and CIE and travel agents everywhere can provide you with all the advice and assistance you need for a happy and rewarding holiday in Ireland.

You may be in a position to encourage your particular firm or corporation to invest in manufacturing or service industry in Ireland knowing you will get the most favourable tax facilities, financial incentives and investment returns available anywhere in Europe. The offices of our Industrial Development Authority throughout the United States will help you avail of the full range of investment opportunities Ireland now offers.

You can support our growing export trade. We are now one of the highest exporters of goods and services in Europe relative to the size of the country. The range and quality of our exports now offer not alone attractive consumer products for the individual but also new trading possibilities to importers, wholesalers and retailers. The officer of Coras Trachtala, the Irish Export Board, in the United States will help you gain access to this growing new trading opportunity.

On a completely different level we will shortly adopt a scheme proposed by Dr. Eoin McKiernan of the Irish-American Cultural Institute which will enable Irish-Americans to sponsor the planting of trees in Ireland dedicated to themselves, their relatives or their friends.

Their personalised tree planting and dedication will add a new interest to a visit to Ireland and will remain for many generations a testimony of our practical and affectionate interest in Ireland.

In conclusion, I would ask you to think seriously on what I have said in this short address about the support we need from you for our positive but peaceful policies and our economic endeavours.

I also hope that you will avail of one or other of the practical ways I have outlined, to join with us in building a modern progressive and prospering Ireland where conditions are now so different from the deprivation which drove the Irish originally in great numbers to seek a better life overseas. We are now a land of growing opportunity. My purpose here today is to invite you to join us in realising these opportunities, to enlist your encouragement—and support for our enterprising economic plans and our prudent political endeavours.●

"BALTIC FREEDOM DAY"

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. BONKER. Mr. Speaker, I want to commend my distinguished colleague, Congressman HYDE, for sponsoring House Joint Resolution 386 which designates June 14 as "Baltic Freedom Day."

The United States has never recognized the Soviet incorporation of Lithuania, Latvia, and Estonia. June 14 is a very important date in Baltic history, for it was on that day in 1940 that thousands of people from the three Baltic States were forcibly deported to the Soviet Union, and Soviet citizens were relocated into the Baltic States in order to "Russify" those States.

House Joint Resolution 386 states that:

> The Congress recognizes the continuing desire and the right of the people of Lithuania, Latvia, and Estonia for freedom and independence from the domination of the U.S.S.R.

This fact was stressed by the United States when we signed the Helsinki Final Act on August 1, 1975, and it should be stressed again by the Congress. I am pleased that this important resolution passed the House.●

A TRIBUTE TO FATHER JOSEPH JOHNSON

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. CONTE. Mr. Speaker, I would like to recognize an amazing man who

serves the people of my district. This June 20, Father Joseph Johnson will mark the 50th anniversary of his ordination to the priesthood. In 1932, this man began an incredible career of service that I want to call to the attention of my colleagues.

Monsignor Johnson springs from humble origins. A native of Lenox, Mass., and the son of a plumber, he first worked as a plumber's assistant before entering the priesthood. After Lenox High School, he went to Holy Cross, from which he graduated in 1929. Then Father Johnson studied for the priesthood in Europe, starting in France and finishing his education in Rome. He was ordained in the diocese of Springfield, Mass., in 1932.

This man is unusual because of the depth of his intellectual capabilities and humanity. Monsignor Johnson has served as the officialis, the church's legal expert, and as a parish priest. From 1963 to 1965, he represented the diocese of Springfield at the Vatican Council with Springfield's Christopher Weldon. In 1970, Monsignor Johnson came to my corner of the world, where he assumed the responsibilities of pastor at St. Mark's parish in Pittsfield.

At St. Mark's, he has shown himself to be a great friend of the poor and disadvantaged. He is a wonderful, self-effacing man who always put his parishioners before himself. Three months ago he underwent open heart surgery to have a valve replaced. Father Johnson did not seek medical attention right away until his health absolutely forced him into the hospital.

What makes this all the more remarkable is that 5 years ago this man underwent surgery for cancer. His doctors then gave him 3 months to live. As soon as he could Monsignor Johnson resumed his duties as pastor for St. Mark's. Miraculously, the cancer disappeared.

Today, this man is still a parish priest living life at full tilt. A man without worldly goods, he lives out the ideals of the church. He honors me and the people of my district with his presence. In today's world of selfishness, greed, materialism, and cynicism, Monsignor Johnson and the inspirational life he has lead give me confidence in the goodness of man.●

STUDENT BENEFITS UNDER SOCIAL SECURITY: BENEFIT CUTS HURT THE NEEDY

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. OBERSTAR. Mr. Speaker, in his February 1981 budget message "A Program for Economic Recovery," President Reagan proposed elimination of social security benefits to college age dependent children of deceased, disabled, or retired workers. Calling social security "inappropriate and inefficient," the President assured us that these students would be eligible for Federal student assistance tailored to their needs.

The Omnibus Budget Reconciliation Act of 1981, implemented the President's program, eliminated benefits to all future students, began a phaseout of benefits to current college students, and canceled benefits for the months of May through August.

After denying these orphaned or dependent children the right to an education based on the work efforts of their parents, the administration asked for the cancellation or reduction of virtually all other Federal student assistance programs. This year, the administration contends it "believes that parents have the primary responsibility for the education of their children."

For a good example of the effect of these budget decisions on children struggling for an education, I would like to bring to my colleagues attention the following letter which I received from a young woman in my congressional district.

CONGRESSMEN: I really can't understand this new law for student social security benefits. I'm in a vocational school and have two months left and also two months of rent, food and living expenses to pay, then I'll be moving back home. I really can't believe you can just cut a person off, I was never warned, even a month ahead would have helped but no one sent me a notice until the middle of this month after I received my last check. What can I do? I've honestly been looking for a job, but where are they?

As you probably don't know vocational schools run all summer long we pay tuition all summer long. Okay these students who attend college get out for the summer they don't need the money. We who cannot go to college reserve the right to be put through a school which can place us in a job so we won't need to go on welfare or medical assistance food stamps etc. . . .

It seems to me your paying a lot less deserving people in this welfare bit.

My sister, 20, just started her technical training in February, she'll have to quit. My mother has not been remarried since my father's death and makes about one hundred and fifty dollars a week. She can't see us through school. There are a lot of people in my predicament and don't know what to do. Any suggestions?

JULINA A. BERGMAN.●

MR. LEROY ROBERT (SATCHEL) PAIGE: IN REMEMBRANCE

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. CLAY. Mr. Speaker, It is with profound sadness that I take this opportunity to express my condolences upon the death of Mr. Leroy Robert (Satchel) Paige.

The death of Mr. Paige removes an extraordinary American from our ranks. His wizardry as a pitcher, his lively sense of humor, and his zest for life made him an athletic titan and an American extraordinaire.

Long before Black Americans were permitted to participate in professional baseball—Mr. Paige was barred from professional baseball for most of his adult life—the remarkable Mr. Paige was making baseball history as a pitcher and becoming an American legend.

He was a "wonder of wonders" who helped us to believe in our better selves, and was a force for human reconciliation and understanding. he will be sorely missed for the magnitude and strength of his contribution to baseball and to the American spirit.

The great tragedy of Mr. Paige's death is that his unparalleled athletic talents were denied to this Nation for so many years because of the color of his skin.

Mr. Paige's legacy will endure and to that end all Americans should be inspired and motivated for years to come. One of the best ways that we can show our appreciation to this courageous and exemplary Black American and the legacy which he leaves behind is to affirm equality of opportunity for all Americans.

Mr. Paige has certainly earned a prominent place in American history. To his dear wife, La homa, I extend my deepest sympathy.●

WATCH OUT HARVARD, HERE'S FLORIDA A. & M.

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. FUQUA. Mr. Speaker, I have frequently extolled the excellence of the State universities in my district to my colleagues in this House but today I would like to pay particular attention to Florida A. & M. University, the smallest of the three, for its effective and innovative program to develop future business leaders.

Florida A. & M.'s School of Business and Industry, under Dean Sybil Mobley, has finally achieved a national recognition equal to its success and I confidentially predict both the school and its graduates will continue to set a standard to which others will aspire.

It is a matter of great regional pride to me that the Florida A. & M. School of Business and Industry was recognized recently for excellence by Newsweek magazine whose headline I have used as a title for these remarks.

For the benefit of colleagues who may have missed it, and for chief executive officers in their districts who are seeking superbly educated business grads, I am submitting the Newsweek article in its entirety:

[From Newsweek, May 24, 1982]

WATCH OUT HARVARD, HERE'S FLORIDA A. & M.

Nathan Johnson was fresh out of high school and bound for Georgia Tech when the telephone rang one night. On the line was Sybil Mobley, dean of the School of Business and Industry at Florida A&M University in Tallahassee. She urged him to abandon his plans in favor of four years at predominantly black SBI. "But I'd been advised throughout my high-school career to go to a major white college," says, Johnson; and politely, he turned dean Mobley down. "She said, 'I hope you are good, so when you graduate, one of our students can hire, you'," Johnson recalls. "I said 'Let me check this lady out'."

Johnson did more than that. Next month the 21-year-old SBI grad begins work at Corning Glass Works—and joins the growing ranks of an alumni body deemed among the best-prepared business graduates in the nation. Operating within Florida's university system. She has developed an innovative approach to business education that many corporations wish other schools would emulate. Competition for SBI's graduating seniors is fierce among firms like Chase Manhattan Bank. First Chicago and Ernst & Whinney; while they waited for graduation earlier this month, some seniors were sorting through as many as fifteen job offers. Companies stress that their enthusiasm has little to do with the fact that 95 percent of SBI's 960 students are black. "By any standard, any color," says Champion International Corp. chairman Andrew C. Sigler, "[SBI students] are superb."

SBI's high marks are largely the result of Mobley, a onetime SBI professor named to run the school in 1974. A Wharton M.B.A. who earned an accounting Ph.D. from the University of Illinois, she wanted to upgrade SBI's academic standing with a curriculum that would fully prepare students for business careers. "We went to firms and asked, 'What is it you're not satisfied with in college graduates?'" says the 56-year-old Mobley. The responses from the companies were nearly unanimous: while college students usually possessed the technical competence to perform entry-level work, they frequently lacked the discipline and aggressiveness that are required for superior achievement.

Mobley originated a plan that combines a traditional emphasis on accounting, math and economics with a "professional development" program designed to impose a businesslike structure on the school environment. Students are divided into teams functioning as miniature corporations—underclassmen serving as operating officers, juniors and seniors as top management—and are assigned to programs aimed at developing their communications skills. They stage weekly forums for visiting executives, hold group discussions on books and deliver planned and impromptu speeches on a variety of business topics. Students are also encouraged to take several paid internships at major corporations or public agencies. Rori Peters, a 22-year-old economics major from Chicago, helped implement a change in inventory accounting at a Du Pont division, for example, and spent three months forecasting cash flow and scouting investment opportunities at Eastman Kodak.

To ensure a steady supply of talent, Mobley frequently travels the country recruiting faculty members and students. She focuses on blacks whose scholastic Aptitude Tests rank them in at least the 69th percentile nationwide. She convinces many to abandon plans to attend such schools as Notre Dame, West Point and even Ivy League colleges—and manages to persuade students who had never thought of business careers to enroll at SBI. Students who beat the 6-to-1 odds against being admitted find the going in Tallahassee intense—and the competition from their classmates enormous. "Some students feel they are just totally overworked," says professor of organizational behavior Amos Bradford. "We try to help them understand what may be blocking them from running with everyone else."

Slick: Since SBI's program is so young, it is too early to judge its impact on the careers of alumni. But corporations aren't hesitating with their praise. At a recent Corning Glass sales meeting, 19-year-old SBI sophomore Tamara Ann Evans delivered a paper to a group of salesmen that Corning president Thomas C. MacAvoy called "really slick." "What they get at SBI, besides the technical training, is presence and confidence," says MacAvoy. Some recruiters say SBI grads often surpass the alumni of many graduate business schools in sophistication. Appreciative companies have been generous in their support. Atlantic Richfield's Texas-based oil and gas subsidiary, for example, donated $100,000 this year, and flies in a staffer each week to teach petroleum-industry accounting. So far nearly twenty companies have agreed to donate $100,000 each toward building an endowment fund that Mobley says is badly needed to offset Federal cutbacks in student aid.

When it can be found, corporate criticism of SBI is low key. "I tend to think it would be even better if there were stronger liberal-arts requirements," says Champion's Sigler, who nonetheless thought enough of Mobley and SBI to give the dean a seat on Champion's board. Mobley concedes there is room for improvement, but says that finding SBI students well-paying jobs in business may ultimately be the most efficient way to provide them with broad horizons. It's no accident that each floor in a $5 million classroom building now under construction will be named after Wall Street and other famous commercial thoroughfares. If Mobley gets her way, the quickest road to all of them may one day lead directly from SBI.●

TRIBUTE TO BOB CREIGHTON, RETIRING ASSISTANT CITY MANAGER OF LONG BEACH, CALIF.

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to a dedicated and talented public servant, Robert C. Creighton, who is retiring from his position as assistant city manager for the city of Long Beach, Calif. Bob Creighton has served the citizens of Long Beach with distinction as a city employee for over 33 years.

His tenure with the city began shortly after the Second World War. During the war, Bob served in the U.S. Navy as an officer on board antisubmarine vessels.

He received his B.A. degree at the University of California at Berkeley, where he majored in public administration, and his master's degree in public administration from the University of Southern California, Los Angeles. His master's thesis was awarded the first John Pfiffner Honorary Award for the outstanding public administration thesis of the 1955 academic year at USC. Certainly, Bob's interests and qualifications pointed to his impending career in government.

Bob's career with the city of Long Beach has encompassed a wide range of duties. He began as a public health analyst, but was quickly promoted to the position of manager of the administrative division, with responsibilities for the administration of the health department.

Because of his growing expertise in administration and budgetary affairs, Bob was soon selected to fill the position of chief of the budget and research division of the city of Long Beach. Here he demonstrated his understanding of the importance of coordinating the work of the budget department and setting budget priorities in close collaboration with the other city departments—a talent that I am sure many of my colleagues here in Congress have come to dearly appreciate.

In 1962, Bob was chosen to be assistant city manager of Long Beach, a position he has held for the past 20 years. Bob was a key figure in the management of city affairs during a time when Long Beach and its port were enjoying unprecedented growth. Bob's expertise in interdepartmental coordination, budgetary responsibility, and government administration were of immense value to the city as it adjusted to its heady growth.

In this capacity Bob has been able to put his expertise to good use, benefiting all the citizens of Long Beach. Under his guidance the city manager's office was reorganized to make it more responsible and open to the city council and the citizenry. He has also opened up the decisionmaking process of the city manager's office to the staff through public planning sessions. Bob has, in short, worked hard to make city government work better.

In this day and age when it is in vogue to denigrate the efforts, and even character, of civil servants—a term that has incidentally been largely replaced by the more sinister word "bureaucrat"—I am proud to stand in honor of a man who has dedicated his

life to the public. His achievements are not likely to make the headlines or the history books, but the continuation of his work is vital to this country's future. We must encourage, not discourage, the youth of our country to follow Bob's footsteps into government and public service. His has been a worthy and honorable career.

In conclusion, my wife Lee joins me in conveying our deepest appreciation for the service Bob Creighton has given to all who live and work in the city of Long Beach, Calif. Our very best wishes go to Bob, his wife Patricia, and their two daughters Kathy and Karen on the happy occasion of his retirement, and we wish them all many happy years ahead.●

A TRIBUTE TO FATHER CAMILLO L. SANTINI

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. CONTE. Mr. Speaker, I want to recognize an incredible man in my district who has made great contributions to his community. This June 20, Father Camillo L. Santini will celebrate the 49th anniversary of his ordination to the priesthood. I think it is important to cite the dedicated and selfless service of this outstanding man.

Father Santini's life demonstrates how this country is a nation of immigrants, and one built by their hard work and enterprise. Father Santini emigrated from Italy to Munson, Mass., in his youth. After graduation from Munson High School, he went on to the Stigmatine Father's Seminary in Wellsley and Waltham. Cardinal Cushing ordained him June 20, 1942, at the Church of the Sacred Heart in Newton, Mass. Since that time, Father Santini has served as far away as Vancouver, British Columbia, and as near as my home of Pittsfield, Mass.

It is in this community that Father Santini has carved deep a place in the hearts of the people for himself. This community is one near to my heart. The man who served it was as humble and full of love as those who founded it.

The Mount Carmel Church began in a basement. Impoverished immigrants from Italy, such as my parents, founded it. They scrimped and saved to build a house that matched their devotion to God. However, this beautiful church could not have been built without the thorough, efficient and selfless work of Father Santini. This man was both literally and spiritually a church builder.

This man was never a passive priest but one who truly cared for his parishioners. He has shared in the community's joy and provided solace in the times of sorrow. He has supported a vigorous parish life that is vital to the health of a community. He has comforted the old, knowing and appreciating the old ways and customs of Italy.

In Verona, Italy, the Stigmatine order of priests was founded expressly to assist the youth of that city. In Pittsfield, just as in Verona, the Stigmatine Fathers have worked to mold and shape the spiritual growth of our youth.

With my family, he has been a devoted teacher and friend. I am indebted to this man for friendship, love, and support over the years. Father Santini's life of service has exemplified the highest ideals of the Roman Catholic Church.

For me Father Santini represents what a priest should be. I am privileged to call this man my friend. This June 20, several hundred of those whose lives have been touched by this wonderful man will gather at Mount Carmel Church. There they will help Father Santini joyously celebrate and reflect over his 40 years in the priesthood and I would like to echo the sentiments of all who know him: "Well done thou good and faithful servant."—Matthew 25: 21.●

ALTERNATIVE WORK SCHEDULES REAUTHORIZATION

HON. GERALDINE A. FERRARO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Ms. FERRARO. Mr. Speaker, today I am introducing legislation to continue authorization for the use of alternative work schedules by Federal agencies. The current emergency authorization will expire in about 4 weeks and I hope we can promptly enact this legislation in time to meet the deadline.

Because most Members are familiar with this issue, I will only summarize the background. The 95th Congress passed the Federal Employees Flexible and Compressed Work Schedules Act of 1978 which allowed experimentation with a number of alternatives to the traditional fixed-schedule 8-hour workday. During the past 3 years more that 325,000 Federal employees in 1,500 organizations have taken part in the experimental program temporarily authorized by Congress.

The act required the Office of Personnel Management (OPM) to submit an interim report on the results of the experiment and legislative recommendations no later than September 30, 1981, so that Congress would have sufficient time to consider permanent legislation in an orderly fashion. I had planned to hold hearings last October. We did not receive the report from OPM until November 9 and, as a result, our hearings had to be postponed. The report found that the experiment was successful, but did not contain the mandated legislative proposal.

Because the administration failed to submit legislative recommendations, I introduced legislation in January, 8-weeks prior to the expiration of the original experiment. That legislation would have permanently authorized the same program which had existed for 3 years—a program which OPM had found to be successful "from the perspective of both the experimenting organizations and individuals."

Because of strong administration opposition, on March 2, that legislation failed to pass by 10 votes. Because the entire program was about to terminate at the end of March, the Congress approved the emergency extension which is currently in place.

During the debate on the emergency extension, I pointed out that failure to continue the authorization would waste millions of tax dollars. In a survey I requested, GAO found that the cost to the Government of terminating the program would be more than $1.4 million annually in just 44 units employing 40,000 workers.

Despite a lack of facts to support their position, the administration has contended that more management control over the use of AWS is necessary. They have been working with the appropriate committee in the other body to develop legislation which they find acceptable. That proposal has cleared the committee, and will be considered by the other Chamber in the near future.

Mr. Speaker, the bill which I introduced in January, which is identical to the current program is a better piece of legislation than the administration backed bill. There are no facts which support significant changes to the successful program. The administration supported proposal would alter the delicate balance between management rights and employee participation which has contributed to the success of the program and tilt the program toward excessive management control.

Despite my reservations, I have accepted some of the provisions which the administration insists on because I do not want to see a successful program die. Quite frankly, I believe this is the best we can get. What I cannot accept, however, is the idea that agencies may act arbitrarily to terminate the AWS program even if that action carries a significant price tag, or that programs can be terminated without a guarantee that new programs may be negotiated, correcting the problems which caused the cancellation.

Today I am introducing AWS legislation which is similar to the bill introduced in the other body but which

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contains two important exceptions. First, my bill prohibits agencies from unilaterally terminating AWS programs if that termination would result in increased costs to the taxpayer.

Second, my bill clarifies that if an agency exercises its unilateral termination authority in work units where an AWS has been negotiated, employees through their exclusive representative may negotiate a new alternative work schedule for the duration of the current contract. In addition, I have attempted to meet the concerns of several of the industrial unions which feared the imposition of alternative work schedules against the wishes of the employees by including a 3-year limitation on the authorization.

While it is clear that this bill is not perfectly satisfactory to anyone, including me, I believe that in view of the administration opposition to the continuation of the current program, it is the most reasonable and responsible legislation which can be enacted at this time. I urge my colleagues to support it.●

IN HONOR OF FRANCIS X. McGRAW, CONGRESSIONAL MEDAL OF HONOR WINNER, CAMDEN (FAIRVIEW SECTION), N.J.

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. FLORIO. Mr. Speaker, on May 30 I was pleased to participate in a ceremony to preserve the memory of Francis X. McGraw, posthumous recipient of the Congressional Medal of Honor during World War II.

The McGraw family moved to the Fairview section of Camden, N.J., in 1920 when Francis was 2 years of age. Francis graduated from St. Joan of Arc grammar school in Fairview, and in June 1937 graduated from Camden Catholic High School. Prior to his entering military service in 1942, Francis McGraw was employed with the Campbell Soup Co. of Camden, N.J.

On May 30 I joined many friends of the McGraw family, Fairview organizations, and public and community leaders in commemorating Pvt. Francis McGraw, recipient of our Nation's highest award for military valor. Many persons and organizations worked hard on the May 30 program, consisting of the rededication of the Francis X. McGraw Park in Camden, and the unveiling of a memorial stone. The stone was donated by the Fairview Village Lions Club, and the Independent Citizens Athletic Club. I would like to thank Michael Speno and Fred Palumbo of these organizations for their tireless efforts. A bronze plaque affixed to the stone was furnished by the 1st Batallion of the 26th Infantry Regiment stationed in Goeppingen, Germany. Private McGraw was killed in action in 1944 while serving with this unit. I would also like to compliment Jeanne Speno of Fairview for her superb coordination of the May 30 ceremony.

Mr. Speaker, while every war is tragic, there is no question that many individuals who are called to battle display outstanding courage and valor and willingness to make sacrifice. The most supreme acts of heroism are recognized with the Congressional Medal of Honor. This recognition by the President in the name of the Congress may only be accorded an individual who "distinguished himself conspicuously by gallantry and intrepidity at the risk of his life above and beyond the call of duty."

Private Francis X. McGraw was killed in action near Schevenhutte, Germany, November 19, 1944, while serving with the 26th Infantry, 1st Division.

Mr. Speaker, I would urge my colleagues to review the following description of Private McGraw's gallantry in order that we may follow his heroic example in the fulfillment of our responsibilities, large and small, public and private. I insert the following material on Private McGraw's citation, his biography, and the May 30 memorial program in the CONGRESSIONAL RECORD at this point.

ARMY SERVICE FORCES

(Second Service Command, Fort Dix, New Jersey, Office of the Chief, Public Relations Branch, 2 November 1945)

PRESENTATION OF MEDAL OF HONOR

Major General Leland S. Hobbs, USA, has been designated to represent the President of the United States in presenting the Medal of Honor to the father of Pfc Francis X. McGraw, Mr. John McGraw of 3110 Merrimac Road, Camden, New Jersey. At the request of Mr. McGraw, the presentation is being made at the St. Joan of Arc Parish Hall, Camden, New Jersey.

This award, the Nation's highest honor for outstanding service to Pfc Francis X. McGraw, carries the following citation:

"Private McGraw manned a heavy machine gun emplaced in a foxhole near Schevenhutte, Germany, on 19 November 1944 when the enemy launched a fierce counterattack. Braving an intense, hour-long preparatory barrage, he maintained his stand and poured deadly accurate fire into the advancing foot troops until they faltered and came to a halt. The hostile forces brought up a machine gun in an effort to dislodge him but were frustrated when he lifted his gun to an exposed but advantageous position atop a log, courageously stood up in his foxhole and knocked out the enemy weapon. A rocket blasted his gun from position, but he retrieved it and continued firing. He silenced a second machine gun and then made repeated trips over fire-swept terrain to replenish his ammunition supply. Wounded painfully in this dangerous task, he disregarded his injury and hurried back to his post, where his weapon was showered with mud when another rocket barely missed him. In the midst of the battle, with enemy troops taking advantage of his predicament to press forward, he calmly cleaned the gun, put it back into action and drove off the attackers. He continued to fire until his ammunition was expended, when, with a fierce desire to close with the enemy, he picked up a carbine, killed one enemy soldier, wounded another and engaged in a desperate fire-fight with a third until he was mortally wounded by a burst from a machine pistol. The extraordinary heroism and intrepidity displayed by Private McGraw inspired his comrades to great efforts and was a major factor in repulsing the enemy attack."

FAIRVIEW VILLAGE, CITY OF CAMDEN

MELVIN R. PRIMAS JR., MAYOR

Michael J. Speno, Fairview Village Lions Club.

Fred Palumbo, Independent Citizens Athletic Club.

Mae Shultz, Organizations of Fairview.

John Legere, Representative—26th Infantry.

Michael Devlin, Country of Camden.

Edwin Raiczyk, Camden City Council.

Thomas Quattrochi, American Legion.

Jeanne L. Speno, Coordinator.

Francis X. McGraw was born on April 29, 1918 in Philadelphia, Pennsylvania. Two years later the McGraw family moved to 3110 Merrimac Road, Camden, New Jersey. He was graduated from St. Joan of Arc Grammar School in Fairview, and in June, 1937 was graduated from Camden Catholic High School. From 1937 until February, 1942 he worked for Campbell Soup Co., Camden, New Jersey.

On February 25, 1942 he was inducted into the military service at Fort Dix, New Jersey and received his training at Camp Forrest, Tennessee, Camp Edwards, Massachusetts, Camp Lee, Virginia and Camp Carra Belle, Florida.

He left the United States for overseas service on December 12, 1942 and arrived at Canastel, Algeria on December 26, 1942. From Algeria he actively served in Sicily, the United Kingdom, Normandy, Belgium and Germany, where he arrived October 29, 1944. Francis X. McGraw participated in the Battle of Ousseltia Valley and Kairouan Pass from January 25 to February 10, 1943, Gasfa El Guettar, Tunisia from March 17 to April 10, 1943, Beja-Mateur, Tunisia Campaign, April 18 to May 8, 1943, the occupation of Sicily July 10 to July 27, 1943 and August 6 to August 17, 1943, D-Day, the invasion of France and the occupation of Western Europe from June 6 to August 30, 1944.

He was killed in action near Schevenhutte, Germany, November 19, 1944 while serving with the 26th Infantry, 1st Division and was awarded the Congressional Medal of Honor.

PROGRAM

Greeting—Fred Palumbo.

Welcoming Address and Pledge of Allegiance—Mayor Melvin Primas.

Invocation—Rev. James C. Peterson, Fairview Community Baptist Church.

Vocal Solo "America the Beautiful"—Mary Lou Kraemer.

Introduction of Guests—Fred Palumbo.

Unveiling and Blessing Memorial Stone—Father Patrick Brady, St. Joan of Arc Church assisted by Rev. Peterson and Rev. Herritt.

Rifle Salute—American Legion Post 74.

Taps and Echo—Sharon Riebel and Donna Goodrich.

Keynote address—Congressman James Florio.

Presentation of Portrait (Artist John D. Palumbo)—Fred Palumbo.

Acceptance of Portrait—Mildred Di Fante—Commander American Legion Post 71.

Speakers—Fred Palumbo; Michael J. Speno; Captain Lester H. Albers; Commander, Headquarters and Hdqtrs. Co. 1st Batallion—1st Infantry Div., Forward 26th Inf. Regiment, Goeppingen, Germany; Senator Walter Rand; Freeholder Dir. Joseph Roberts; Councilman Edwin Raiczyk; Carman Morales—Principal, Francis X. McGraw School.

Closing Prayer—Rev. Richard Herritt.

"God Bless America"—All—led by Mary Lou Kraemer.

Memorial Stone was funded by the Fairview Village Lions Club and the Independent Citizens Athletic Club. Bronze Plaque was funded by the 1st Batallion of the 26th Infantry Regiment stationed in Goeppingen, Germany.●

A NEW MIDEAST?

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. BINGHAM. Mr. Speaker, that the present suffering in Lebanon may open the way for recreation of an independent and viable Lebanon and perhaps even for broader solutions to Middle East problems is the theme of the following articles, the first by the distinguished columnist Joseph Kraft (Washington Post, June 15) and the second by Professor Nadav Safran of Harvard, former officer in the Israeli Army (New York Times, June 12):

A NEW MIDEAST?

(By Joseph Kraft)

A week of war in Lebanon changed the political map of the Middle East. The Palestine Liberation Organization has been routed in conditions that create an opening for reconstruction of Lebanon.

That opening combines with the death of King Khalid in Saudi Arabia to make an indent for a realignment of Arab states. In that context, with Egypt playing a lead role and the United States acting as the protecting power, there comes into view a solution for the anguishing problem of the Palestinian people.

The PLO bore the brunt of the Israeli assault and suffered terrible military losses. Its armed strongholds in Lebanon have all been wiped out. In the pinch, moreover, the PLO found itself diplomatically isolated.

Its friends in Russia, Western Europe and even the Arab world limited their efforts to a wringing of hands and a crying of woe. At the worst moment, when PLO headquarters in Beirut were under siege, the Arab state with the closest ties dealt the unkindest cut of all. Long before the PLO threw in the towel, Syria agreed to a separate cease-fire with the Israelis.

The number of cease-fires reveals something not widely appreciated—namely that there are three outside forces in Lebanon. Before the Israelis invaded, the Syrian army occupied parts of the country, and before the Syrians came, the PLO had installed itself. So the achievement of an independent Lebanon requires a coordinated operation that walks out the Israelis and Syrians simultaneously and keeps the PLO under wraps. That is plainly a tall order. But difficult as it may be, the end justifies an all-out effort.

For an independent Lebanon is a matter of vital interest to the international community. It gives the United States and its allies a commercial clearing house for dealing with the oil states of the Persian Gulf. It provides the oil states their best access to the outside world. Most importantly, it serves the many different political creeds, religious groups and ethnic communities of the Middle East as a theater of coexistence, a kind of marketplace for peaceful competition.

The many countries interested in the reconstruction of an independent Lebanon all have parts to play. But the American role is central. For the United States will have to underwrite any settlement against interference by the Soviet Union. The United States and its allies will probably have to organize an international force that guarantees Lebanon, by presence on the ground, against new incursions from neighboring states. Finally, Washington will have to orchestrate a broad diplomatic effort that engages especially Israel, Saudi Arabia and Egypt.

The Israelis are now cock-a-hoop about their military success. But by killing thousands and rendering homeless hundreds of thousands, they have deepened the enmity felt by the Arab world. So they not only have to be walked back to their old frontier. They need to have their noisy demands piped down, and put in the form of discreet suggestions that the United States can broach to the world.

Saudi Arabia now sits low in the water. Apart from the difficulties attending the passage of royal power to King Fahd, there is a danger posed by the victory of the radical, anti-monarchical forces of Iran in the war against Iraq. As never before, the Saudis, and the lesser gulf monarchies, need protection. The United States and its allies can provide the shield—and in return induce the Saudis to foot most of the bill for reconstructing Lebanon, and giving aid to Syria and the Palestinians.

Egypt is now poised to move beyond the peace with Israel and its favored place in the American eye achieved at Camp David. The presence of President Hosni Mubarak at the funeral of King Khalid marks a first step back to the Arab world. Full reentry can come through the door of Lebanon. For the Egyptians, working with Washington, can press the Israelis out of southern Lebanon, much as they pressed them out of Sinai. They will thus emerge as principal agents of Lebanese independence and security, ready to resume their role as leader of the moderate Arab state.

Having supplemented the peace they made to the south of Israel with a peace in the north, the Egyptians and Americans can then face east. They are in position to draw King Hussein of Jordan into negotiations for recovery of the Israeli-occupied territories west of the Jordan River. Together, Israel, Jordan, Egypt and the United States can establish the most feasible solution for the Palestinians—a demilitarized homeland.

Years, no doubt, will have to pass before that goal can be achieved. Wounds will have to heal, and grievances fade, and numerous obstacles be overcome. Still, a road has been opened, and an end is in sight. Through the blood-dimmed tide of war, there shines the glimmer of an outcome that can be called peace.

LEBANON AND PALESTINE: A TIME OF OPPORTUNITY

(By Nadav Safran)

CAMBRIDGE, MASS.—Historians and philosophers will long argue about the particular causes and justice of the Lebanon war, but statesmen must ask right away to mold a more hopeful future out of the conditions created by the war. American leaders bear a particular responsibility in this respect.

The roots of the war go back to the breakdown of the Lebanese state and society under the impact of the tremors of the wider Arab-Israeli conflict, and especially its Palestinian component. The remedy of the situation must address both problems at once. It so happens that the conditions that favor a settlement of the Lebanon problem now also open up new serious possibilities for advancing a settlement of the Palestinian question, providing they are imaginatively exploited.

The possible destruction of the political and military power of the Palestine Liberation Organization in Lebanon, the weakening of the Syrian presence and the positions held by Israel make possible the restoration of the unity, sovereignty and independence of Lebanon. However, if such a restoration is to be viable, it must safeguard the rights of all the Lebanese communities, including the half a million Palestinians who have been living there for 35 years and for the most part have nowhere else to go. It must also safeguard the legitimate security interests of Syria against attack from the western approach to Damascus, and of Israel against attack or harassment from any part of southern Lebanon. Such a restoration would require the following elements:

Formation of a provisional national government representing all factions, which would immediately proclaim the neutrality of Lebanon and conclude a peace treaty with Israel on the basis of international boundaries.

International guarantees of Lebanon's neutrality.

Withdrawal of all foreign forces from the country.

Election of a constituent assembly to work out a new permanent constitution ensuring the rights of all the elements of the population.

International assistance in the creation of a small Lebanese national army, and in the reconstruction of the country.

The defeat of the P.L.O. and the weakening of Syria's power, even if temporary, would also remove threats that had contributed to deterring Jordan and the Palestinians of the occupied areas from participating in the Camp David process, and the Saudis from supporting it. Iraq's crisis in its own war with Iran neutralizes another obstacle. However, to take advantage of that opportunity, the United States must launch a new imaginative initiative aimed at expanding the peace.

This would take off from the Camp David principles but would conceive of them in terms that are better calculated to overcome past stumbling blocks, induce Jordanian and Palestinian participation, and secure the support of other key Arab countries.

For instance, the concept of autonomy for a period of transition would be reaffirmed, but autonomy itself would be viewed as a process of evolution by defined and contin-

gent stages, starting, perhaps, with limited administrative powers and expanding gradually to full legislative power.

The transition from one stage to another would be contingent upon pre-defined sets of criteria, aimed at the gradual realization of conditions of security, peace, open borders, cooperation and exercise of the rights of Arabs and Jews—as individuals but not as publicly organized settlement groups—to live and work everywhere in the country.

The duration of the period in which the autonomy process would unfold would be extended in order to provide adequate time for testing; on the other hand, it would be recognized from the outset that at the end of the process, the inhabitants of the West Bank and Gaza would have the right to self-determination, subject to assurances being worked out for the continuation of the peace that would presumably exist at that time.

Provisions would be made for neutral determination of satisfactory compliance with the conditions for movement from one stage to another in case of disagreement.

Would Prime Minister Menachem Begin agree to such an approach? The answer is uncertain. Much will depend on the extent to which the United States uses the leverage it will command in the next weeks and months, when Israel will be under enormous international pressure to pull out from Lebanon quickly and when its economy would be strained by mobilization, to advance the program. In any case, precisely because of the possibility that Mr. Begin's position may actually harden, it is imperative that the United States should express its dissociation from that position in a positive form of a fair and practical vision of peace.●

NATIONAL ORCHESTRA WEEK

HON. LAWRENCE J. DeNARDIS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. DeNARDIS. Mr. Speaker, this week we proudly celebrate National Orchestra Week. During this time we pay tribute to the more than 1,500 symphony and chamber orchestras across the country.

In the past 12 months, more than 23 million people attended orchestra concerts performed by our Nation's talented musicians. America's orchestras are among the country's finest cultural and artistic resources, bringing spirit and cultural vitality to many communities. They provide us with a rich tradition of the highest quality of orchestral music. We as a nation can be proud of the vast achievements of our orchestras.

Today, Mr. Speaker, I am particularly proud as a member of its board of directors, to recognize the achievements of the New Haven Symphony Orchestra, and its music director, Murry Sidlin. As the fourth oldest symphony in continuous operation in the United States, founded in 1894 by Morris Steinert, the orchestra has provided New Haven and its surrounding area with music of the highest quality.

Each year, the New Haven Symphony Orchestra provides a full subscription series of concerts at Woolsey Hall on the campus of Yale University, its home since 1903. With more than 85 musicians, the symphony holds a wide variety of programs that draws 70,000 listeners annually.

Besides playing fine music, the New Haven Symphony Orchestra also services Connecticut as a total educational and musical resource. In a series of educational concerts, many school age children are first exposed to the beauty and value of symphonic music. In addition, the symphony sponsors other educational programs, including the annual, "Meet the Artists" discussion series, a series of lectures by guest artists and musicologists, and holds three free summer concerts on the Green in downtown New Haven. Additionally, the symphony holds a special series of Christmas concerts each year. This popular event is enjoyed by thousands of listeners and it marks the beginning of numerous festive events in New Haven.

In its continuing efforts to reach diverse audiences beyond the concert hall, the symphony travels throughout Connecticut and many neighboring States. This important outreach effort affords many communities their only opportunity to experience live symphonic music.

Our Nation's symphony and chamber orchestras depend on the generous support of volunteers and the New Haven Symphony Orchestra is no exception. The auxiliary of the New Haven Symphony Orchestra is a 200-member volunteer organization that was founded in 1932. It provides a wide range of invaluable services including fund-raising activities as well as providing additional community and educational programs.

Mr. Speaker, it is also important to recognize the positive economic impact orchestras have on our communities. Nationally, orchestras spent more than $290 million in the marketplace in 1981 with a total economic impact estimated at $1 billion.

To meet its budget the New Haven Symphony Orchestra obtains funding from many areas, including: Income from ticket sales; grants and fees for concerts; individual; foundation and corporate contributions; National Endowment for the Arts; Connecticut Commission on the Arts; endowment income; and the auxiliary of the New Haven Symphony Orchestra.

Mr. Speaker, orchestras like the New Haven Symphony Orchestra, serving their communities and the Nation, deserve our praise, support, and recognition. Since 1895, when Horatio William Parker was hired as the symphony's first conductor, we have all been enriched by a long heritage of beautiful symphonic music. This week is a fitting tribute in recognition of all the pleasures and benefits our communities' orchestras offer us.

RUBELLA: A PROBLEM NEEDING ATTENTION

HON. JOHN LeBOUTILLIER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. LeBOUTILLIER. Mr. Speaker, rubella, commonly known as German measles, is not as well known for some of its more dangerous effects as are the simpler forms of measles themselves. Rubella was first recognized in 1815, and in 1980 the noted Dr. James Castle wrote in the "American Annals of the Deaf" that "in 1943 maternal rubella had become associated with deafness, blindness, heart disease, mental retardation, and other congenital impairments among infants." Between the years 1963-65 rubella was prevalent all over the world. As a direct result of this epidemic, more than 8,000 children were born with hearing impairments, while another 4,000 youngsters were born with the double-handicap of being born both deaf and blind.

Two of the more notable training and rehabilitation programs for deaf-blind persons from the rubella "bulge" are the Helen Keller National Center in Sands Point, N.Y., and the National Technical Institute for the Deaf (NTID) programs. Both programs are highly regarded, functional, effective, and vital.

Many rubella babies will be leaving the public school age between 1983 and 1985. The Helen Keller Center and the NTID both must be well endowed with the resources to handle this influx so needy of specialized educational needs. In addition to those rubella victims who must deal with the double handicap of deaf-blindness, other handicaps have also emerged that need treatment. As Dr. Ross Stuckless said, rubella "often strikes more than one system of the developing fetus, (which) may result in multiple impairments." Many of these young, impaired people will require special services due to their handicaps. It is my intention to help Congress honor its commitments to these persons.●

SMALL BUSINESS INNOVATION DEVELOPMENT ACT

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. FUQUA. Mr. Speaker, before the House considers H.R. 4326, the Small Business Innovation Develop-

ment Act, and the numerous committee amendments to the bill, I hope Members will take the time to review carefully the minor differences between the Small Business Committee substitute and the amendment reported by the Committee on Science and Technology.

The Committee on Science and Technology held 3 days of hearings on this bill, and has reported a responsible version which will stimulate small business innovation by requiring the startup of a Federal-wide small business innovation research program. Under the committee's amendment, however, Congress will retain control over agency spending for the program by requiring that the 1 percent of funds set-aside for the SBIR programs be authorized and appropriated through the normal budget process.

The committee's amendment is a reasonable compromise approach to the set-aside controversy. Building on the successful NSF program, the amendment has great potential for assisting small business involvement in Federal research and development.

I am also enclosing a summary of the committee's amendment, and the committee's recommendations:

MAJOR FEATURES OF THE COMMITTEE'S AMENDMENT TO H.R. 4326

1. Requires all agencies with R. & D. budgets over $100 million to establish a Small Business Innovation Research (SBIR) program.

2. Agencies will reserve for expenditure in connection with the SBIR program no less than 1 percent of its R. & D. appropriations, phased-in over a 3-year period.

3. Authorization to fund the SBIR programs will be provided to the extent required in acts authorizing appropriations for each agency. Congress will thus retain the authority to raise or lower the 1 percent during the normal budget process.

4. Agencies with R. & D. budgets over $20 million are required to establish goals for funding agreements for R. & D. to small businesses.

5. SBA will coordinate agency SBIR programs, and provide information to small business concerns about the agency SBIR programs.

6. OSTP will survey and monitor the Federal-wide program, and report to Congress annually.

7. GAO will report on the program, and its effect on Federal R. & D. within 5 years.

COMMITTEE RECOMMENDATIONS

CONCERNING THE STATE OF SMALL BUSINESS PARTICIPATION IN FEDERAL RESEARCH AND DEVELOPMENT

The committee is concerned about apparent gaps in the data concerning the small business share of federal R. & D. and recommends that a policy decision concerning the necessity of a mandatory set-aside be reserved pending the analysis of more complete data. In this regard, the committee is requesting the General Accounting Office to undertake a review of the small business share of federal research and development funding. For the present time, the committee believes that small business participation in federal research and development will be facilitated to a significant degree by the establishment of small business innovation research programs. The committee amendment provides that 13 agencies will establish small business innovation research programs. Funding for agency SBIR programs will be provided through the normal budget process, although the legislation provides specific goals (1 percent of agency R. & D. funds) for the funding of agency SBIR programs, which is to be taken from existing agency funds.

The committee believes, however, that the state of small business participation in federal R. & D. does not warrant, at this time, the use of what amounts to a new entitlement program, a set-aside of agency R. & D. funds as envisioned in H.R. 4326, as amended by the Small Business Committee.

CONCERNING THE BARRIERS TO SMALL BUSINESS PARTICIPATION IN FEDERAL R. & D.

The Federal-wide expansion of the small business innovation research program should significantly enhance the opportunities for small business to participate in federal research and development. However, the committee is concerned about the potential risks involved in expanding the NSF program, which is funded at a level of $5 million annually, to a federal-wide program funded through a mandatory set-aside of (1 percent to 3 percent) agency R. & D. funds. Such a proposal contains the appropriations for the new untried program in addition to the new authorization establishing it. The committee feels any potential financial risks will be alleviated by subjecting agency funds for SBIR programs to their normal Congressional review of authorizations and appropriations. Through this process the authorizing committees of Congress can ensure the most desirable and realistic level of funding for agency SBIR programs and their consistency with the priorities determined by the Congress through the normal budget process.

CONCERNING SMALL BUSINESS INNOVATION AND CAPITAL AVAILABILITY

The committee intends that funds provided through agency SBIR programs supplement, but not supplant, private capital. The committee recognizes that recent changes in tax law have a substantial impact on the availability of venture capital. In particular, the committee is interested in monitoring these effects and their influence on the availability of risk capital for early stage, high risk ventures. Consequently, the committee believes that a careful approach to federal-wide expansion and funding of agency SBIR programs is desirable. The committee amendment provides for this through regular authorization of agency SBIR programs, which will enable the Congress to respond effectively to future capital fluctuations and trends, and their effect on a federal-wide SBIR program.

CONCERNING FEDERAL-WIDE EXPANSION OF THE SMALL BUSINESS INNOVATION RESEARCH PROGRAM

The committee endorses the Federal-wide expansion of the SBIR program. The committee recognizes that the program should be structured in a manner which will reflect the inherent differences in agency missions and responsibilities. To the extent that agencies must diverge from the program parameters contained in the legislation, the committee feels that changes can be addressed through the regular authorization process.

This mechanism will allow the other departments the flexibility (which is presently afforded to the NSF and DOD) to develop a program which meets the agencies missions and operating styles. Congressional legislative oversight will ensure that the SBIR effort is implemented, but in a manner which reflects the organizational realities within the Federal departments and agencies.

CONCERNING THE USE OF A SET-ASIDE FOR SMALL BUSINESS INNOVATION RESEARCH PROGRAMS

The committee believes that the Congress should seriously consider the policy implications which are raised by the proposed set-aside mechanism. Primarily, the committee is concerned that the effect of the set-aside is to establish actual appropriations for a new program by skirting the normal budget process, potentially altering spending priorities and funding for programs and projects which are determined by Congress in authorizations and appropriations.

The committee is not convinced that a mandatory set-aside of agency R. & D. funds is necessary for start-up of a Federal-wide program. Nor is the set-aside the optimum approach to the funding of agency small business innovation research programs, for several reasons. The first concerns the experimental nature of the National Science Foundation's Small Business Innovation Research program. The second concerns the lack of evidence that there are enough small high technology firms capable of performing the high quality research to absorb the amount of funds which would be made available under the set-aside requirement.

The committee's amendment specifically addresses these concerns, by requiring regular congressional review of programmatic and funding requirements of a Federal-wide SBIR program. The committee believes that this regular review which will be provided through the normal authorization and appropriations process is essential to ensure the success of a Federal-wide program.

The committee strongly recommends against a mandatory set-aside of the Federal R. & D. budget. Not only is the set-aside unwise public policy; it is neither a desirable nor a necessary mechanism to implement a Federal-wide SBIR program.

CONCERNING BASIS RESEARCH

The committee concludes that any benefits to be realized through the Federal-wide expansion of the small business innovation research program would be short-lived if achieved at the expense of the Nation's basic research. The committee is concerned, however, that agency basic research funds may be vulnerable to disproportionate reductions to provide funds necessary to support agency small business innovation research (SBIR) programs. To ensure that this does not occur, the committee recommends that special precautions be taken to protect agency basic research funds. The committee amendment provides for this protection in two ways. First, the committee recommends the placement of a limitation of 1 percent on the portion of an agency's basic research funds which can be utilized for the support of an agency's SBIR program. The committee recognizes that the protection afforded to agency basic research funds through this mechanism will be limited. Consequently, the committee amendment provides that funds reserved for agency SBIR programs be authorized under the normal budget process. Through this process, the Congress can ensure that funding of agency SBIR programs is achieved consistent with Congressional intent and

without detrimental impact on the Nation's basic research effort.

CONCERNING PEER REVIEW

The committee feels that decisions concerning the utilization of the peer review process for evaluation of agency SBIR proposals be made by the agency required to have an SBIR program. There appears to be little rationale for requiring agencies to depart from the methods and procedures which have evolved in various agencies consistent with their research purposes and organizational structures. Thus, whether to use peer review is best determined by the agency in structuring its SBIR program.

CONCERNING LEAD AGENCY RESPONSIBILITIES

The amendment contains explicit guidelines for agencies to follow in the structuring of SBIR programs. As a result, the committee feels that a central Executive agency role other than that envisioned for the Office of Science and Technology Policy, is unnecessary. The committee notes that the National Science Foundation's SBIR program and the DOD Small Business Advanced Technology (SBAT), although similar, have operated effectively without the additional involvement of SBA or another agency. The committee believes that autonomy of agency programs is an important feature of the amendment, and one which will enhance the efficiency and effectiveness of agency SBIR programs. The committee does not expect this change will diminish in any way the ability of small business concerns to participate in agency SBIR programs. SBA will continue to be involved in the coordination of agency programs, including dissemination of information to small business concerns. Providing agencies the autonomy to run the SBIR programs is also expected to result in reduced administrative costs.

CONCERNING CONGRESSIONAL OVERSIGHT

The committees having jurisdiction over agencies required to establish a SBIR program shall exercise oversight responsibility over the operation of the SBIR program within their respective agencies together with Committees on Small Business of the Senate and House of Representatives.●

CHURCH DEDICATED TO MEMORY OF HIS IMPERIAL HIGHNESS HAILE SELASSIE I

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. FLORIO. Mr. Speaker, I would like to congratulate the congregation of the Ethiopian Orthodox Coptic Church, Diocese of New Jersey and Pennsylvania, on the dedication of their new church building at 8 West Hanover Street, Trenton, N.J.

The May 30 dedication of the new church building was to the Glory of God, St. Phillip the Apostle, and to the memory of His Imperial Majesty Haile Selassie I. I commend His Royal Highness Prince Haile Selassie II, members of the royal family, and Bishop Lares on the dedication of their new house of worship.●

FIVE HUNDRED FANS FETE THE DUFFY BROTHERS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. GAYDOS. Mr. Speaker, earlier this month an estimated 500 people from the city of McKeesport, Pa., turned out to salute three men who have spent most of their accumulative 239 years promoting athletes and athletics in that area.

The Duffy brothers—Alvin, "Al," 83; William, "Didd," 81, and Norton "Nordi," 75—are hailed as legends in their own time by sport fans of the region. The great and near-great in district sports from yesteryear and yesterday, many of whom played on Duffy teams, were on hand to recount, time and again, the athletic and humanitarian exploits of these three gentlemen.

Norm Vargo, sports editor of the Daily in McKeesport, capsuled the contributions of the Duffys during the 1930's and 1940's. Whether it was baseball, football, boxing, or basketball, the Duffys promoted an array of sports extravaganzas that may never again be equaled in the area. Vargo said:

The events did what Al Duffy figured they would do. They let McKeesporters forget about the hard times, the breadlines, being out of work, etc. They took the minds of people off their personal troubles.

It seemed appropriate that those who once benefited from the help of the Duffy brothers should now turn out to shake again that helping hand.

State Representative Emil Mrkonic outlined the profound impact the Duffy brothers had on the community and described them as "three of the finest persons McKeesport has ever produced."

The accolades were echoed by speaker after speaker: McKeesport Mayor Louis Washowich; city council president Samuel Vidnovic; Elroy Face, former relief pitching ace for the Pittsburgh Pirates: Chuck Feeney, sports writer for the Pittsburgh Post Gazette.

A host of former athletes, who once played on Duffy teams, dusted of memories of the past—Chippy DeStout, Stan Ukasik, Bernie Leech, Lenny Dulac, Gene Hollar, Pat Connelly, Don Ludwick, Bill Ford, Tony Kastan and Lefty Kendall—and the audience reveled in the nostalgia they produced.

It was a resurrection of the city's finest athletic hours, brought to life by the efforts of men such as Andy Toth, Ted McFarland, Bill Pearce, Harry James, Eddie Stanko, and Earl Metz, who would not let the city forget the Duffy Brothers.

The Duffy saga is not ended. As Norm Vargo pointed out, although up in years their pockets have not gotten so deep to where the hand cannot reach in and find a buck or two to help somebody. All Duffy, in fact, still sponsors a boy's baseball team.

"Why not," says Al. I get a kick out of seeing kids play. Some of their fathers and grandfathers played for me."

Mr. Speaker, on behalf of the Congress of the United States I would like to add official congratulations to those received by the Duffy Brothers—Al, Didd, and Nordi. They are a credit to the community, to the world of athletics, and to the world at large.●

NATIONAL ORCHESTRA WEEK

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. AuCOIN. Mr. Speaker, June 13-19 is National Orchestra Week and I would like to salute this Nation's 1,572 symphony and chamber orchestras.

I feel fortunate that my congressional district is graced by the Oregon Symphony Orchestra—formerly the Portland Symphony—the first orchestra in the West and one of only six major orchestras established in America before 1900. In a city such as Portland, a culturally aware center for the arts, the Oregon Symphony has distinguished itself time and time again.

The growth of the Portland Symphony Orchestra since it was founded in 1896 is well illustrated by its name change to the Oregon Symphony Orchestra. This change, which took place in 1967, reflects the increasing number of concerts played outside Portland and a commitment to serve communities throughout the State.

The Oregon Symphony has reason to be particularly proud this year. In February, it was officially granted "major" status by the American Symphony Orchestra League, the professional association representing approximately 1,500 symphony orchestras in the United States and Canada. Orchestras attain major status based on criteria of professionalism, repertory, and budget.

The United States has only 31 major orchestras, so the honor shown the Oregon Symphony is considerable. Since budget plays an important role in the granting of major status, thanks must go to the many private individuals, foundations, and corporations which have made donations to the Oregon Symphony. In addition, praise should go to the Oregon Arts Commission, the Metropolitan Arts Commission of the City of Portland and Multnomah County, and the National Endowment for the Arts for their support.

Mr. Speaker, it is especially timely to mention the National Endowment for the Arts now, after the recent hearings on its budget for fiscal year 1983. Since the administration has proposed a 30-percent cut in the NEA budget, we in Oregon look in alarm to a future without growth of the arts. I hope the Oregon Symphony's new honor is not soured by the prospect of funding difficulties.

Orchestras are exceedingly important to community life. The presence of a symphony or chamber orchestra acts as a draw to other artists, who recognize an appreciative and cultured audience. I know the Oregon Symphony is a source of pride to Oregonians, as the other fine orchestras in this country as sources of pride to their communities.

Mr. Speaker, I commend all those who support these exceptional artists and I commend the artists who have inspired such support.●

SHEVACH HIGH SCHOOL OF QUEENS HONORED FOR COMMUNITY SERVICE

HON. GERALDINE A. FERRARO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Ms. FERRARO. Mr. Speaker, we in Congress, along with the media, are often criticized for focusing only on bad news and ignoring the good works that make our society a great and humane one.

Today, I want to tell my colleagues and the Nation some good news. Today, in Kew Gardens, Shevach High School is receiving the Queens High School of the Year Award for Community Service from Newsday, the Long Island newspaper.

Shevach is a private high school for Orthodox Jewish girls. It has only 85 teenage students but they have performed prodigious good deeds to win this high honor.

Shevach students work with recently arrived immigrants, many of them Russian Jews, helping them overcome barriers of language and social custom. They bring cheer and assistance to patients confined in hospitals and nursing homes, especially LaGuardia and Booth Memorial Hospitals.

They help the homebound elderly and handicapped with shopping and other errands. They aid working mothers by providing free babysitting services.

This year, Shevach students took on a special project. Three times a week, four girls visit the home of a 3-year-old afflicted with cerebal palsy. They help the child perform special muscle exercises which may enable this baby to eventually lead a fuller life.

I am proud to note the achievements of the outstanding staff and students of Shevach and I commend Newsday for recognizing the good news of their exemplary public spirit.●

"FREE MARKET" IS GAMBLE, ALWAYS WILL BE

HON. JACK HIGHTOWER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. HIGHTOWER. Mr. Speaker, I would like to request that this article from the June 3, 1982, edition of the Southwest Farm Press be printed in the RECORD. The editorial provides some interesting food for thought on farm problems. I would encourage each Member to read it.

"FREE MARKET" IS GAMBLE, ALWAYS WILL BE

(By Wm. S. McNamee)

This little gem of contemporary wisdom appears with some regularity these days in farm articles and speeches:

"Farmers need to become better marketers."

True, oh how true. And here's all you need to have on tap to accomplish this so that you can market your crops at a profit and become very rich and live happily ever after in the "free market." Your superiors have decided this is best for you in the long run. If there is a long run.

First, you need to have plenty of money or a bank that will lend you plenty of money on call. It would be very helpful if, indeed, you have your own money free and clear, that at least half of it comes from some source not dependent in any way on agriculture. You'll need money, you see, to meet margin calls in order to hedge your crops in the futures market and do other shrewd marketing things.

Second, buy a good computer. It can indicate to you that you are losing money in a fraction of the time required with old fashioned pencil and paper. If you're going the computer route be sure your software is good. And don't forget the important GIGO principle, Garbage In, Garbage Out.

Third, you will need enormous amounts of information on crop progress in Brazil, what's going on in the ruling minds of the Kremlin, whether or not Reagan is going to alienate China over arms sales to Taiwan, size of the crop in about 25 countries, a sure fix on what the weather is going to be like in those countries, whether a revolution of one type or another is going to kill a thriving market for your products as it did in Iran, etc., etc., plus an absolutely infallible "gut feeling" for which way U.S. middlemen are going to jump. Putting all of this into your computer's memory bank will allow you to pull out in a second just what you need for "smart marketing."

Fourth, a doctorate in economics might also come in handy or, based on past experience, it might do more harm than good.

Fifth, start now, if you haven't already, to "chart" movements in the world of commodity pricing so that you can play the trends. Very helpful if you know how and if the trends hold up and/or repeat themselves in a predictable way.

Sixth, almost all the people who think you're not a "smart marketer" believe you should sell half of your crop when the price reaches your unit cost of production and hold the remainder to sell on upward moves in the market. Suppose the price never reaches your unit cost of production? Suppose you don't know what your cost of production is going to be because you don't know what your yields are going to be because you don't know what your weather is going to be?

Oh well, mere nitpicking. It works in the articles and speeches and if it has made the article and speech writers rich in the "free market," no reason why it won't do the same for you. Anyway, you've got your charts to fall back on plus reams of good, sound, solid information from various "experts."

Some cotton farmers say they did a little better in 1981 by putting their crop in the "pool." Right, but suppose whoever is running the pool screws up? They're working with essentially the same information. It's happened already.

Seventh, and extremely important, you'll need your own New York commodity broker. They're infallible, too, or if not infallible at least brilliant and sure to be able to tell you just the right time to sell your crop and at what price. At the very least they should be able to improve your batting average.

Just be sure to check their ancestry to see if their father or grandfather was one of those who committed suicide in the 1929 crash.

But you just know it can be done. Look around you at all those other prosperous farmers. But, just as a word of caution, be sure their wives didn't have plenty of money to begin with or that they haven't been holding up liquor stores after dark.

One serious, only semi-sarcastic, note. We do know why our good friends who lead the major old line farm organizations believe the "free market" is the wave of the future. It's because farm land is a finite resource, the world population continues to grow, people must eat, the U.S. produces far more food and fiber than it can consume; therefore, farm commodity prices must go up.

If true, will they go up faster than the price of producing commodities in this expensive country? If true, will they break out into the sunlight of profitability this year, or next year or five years from now, or ten years from now, or during the year 2000, or when? And where will you be by then and what will you be doing? Selling insurance? Pushing up daisies?

Too much sarcasm I suppose. But I've been reading so much junk about the wonderful "free market" and "market oriented" policies since 1973 that I just can't help but point out, after giving it a nine year trial, that there is another side to this matter. A big, big, big other side.

It boils down to this. The farmer can (could up until a few years ago anyway) stand the tremendous risk presented to him by the weather, insects and other natural phenomenon, but he can't hold up under the huge additional risk of trying to outguess the market. After 40 years the federal government saw fit to give this huge extra marketing risk back to him, at the request of his major organizations.

The majority of American farmers are ready to return this additional risk to the federal government where it belongs and where it resides in every other major nation in the world. We're sinking into a morass of utter stupidity.

It's time for intelligent people who can see that something is badly wrong in American agriculture to begin to speak out.

That's what is needed, not a futile quest for a pot of gold at the end of the rainbow termed "becoming better marketers."

The kibitzers are running things and kibitzers are not supposed to run things. They're supposed to sit on the sidelines and kibitz.

To indicate just how easy it is to become more proficient in marketing we quote at this point two paragraphs from a full-time staff economist of one of the leading national farm magazines in an issue dated January 1981. It concerns how to go about marketing your 1981 cotton crop. I am sure that The Farm Press Publications probably had something equally useless at some point from some of our own "experts." But then under this type of farm program they're all we've got. That's the point, not that they were wrong.

Here is the quote:

"Wait for a 90 cent quote on December futures before inking any new-crop forward contract. Then contract 20 percent to 40 percent. There are a lot of opportunities for prices to get better. The economy could improve, foreign and domestic demand could strengthen, and something could happen to the new crop between now and harvest. With supplies as tight as they are, we are almost certain to see at least one weather scare in 1981.

"There's a floor under 1981 cotton between 70 cents and 75 cents, put there by synthetic fiber and petroleum costs. Based on the present slack economy, cotton is now priced about where it should be. If a partial contract in the mid-high 80s is what it takes to get your banker to go along with a loan, then go ahead and do it. Other than that, wait to contract on market strength." End Quote.

This professional economist is one of the best currently advising farmers. Bet you just can't wait until you finish your course on "becoming a better marketer" so you'll be this good.

Stay with the "free market," friend, and we'll all go broke together. Just a matter of time. You're playing against the house and the house doesn't lose, given a little time. The only sure winners are the middlemen. Sort of farm product croupiers.●

INTRODUCTION OF CAPITAL BUDGET LEGISLATION

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. CLINGER. Mr. Speaker, it is my pleasure to introduce today the Federal Capital Investment Act of 1982. This long overdue reform of the budget process is a necessary step if the legislative and executive branches of Government are to rationally allocate scarce public capital investments during these times of fiscal constraint.

America's basic public facilities are wearing out faster than they can be repaired and replaced. Some alarming facts and vital points deserve consideration in the public infrastructure debate:

Measured in constant dollars, America's investment in public capital declined by 30 percent from 1965 to 1980. In 1965, 4.1 percent of the Nation's GNP was spent on public works, as compared to just 1.7 percent in 1980.

Eight thousand miles of the Interstate Highway System and 13 percent of its bridges are now beyond their engineered life and must be rebuilt. Two thousand miles of this system deteriorate and require reconstruction each year.

One-half of the Nation's communities have waste water treatment systems that are operating at full capacity and cannot support further economic expansion.

The old Dust Bowl region of the United States, which now accounts for 23 percent of the Nation's irrigated farmland and produces over 40 percent of its processed beef, is in danger of depleting its water sources. New sources must be developed by the end of the decade to avoid declining yields of important export crops.

As many as 3,000 of the country's 3,500 jails may have to be totally rebuilt or substantially rehabilitated; in most cases this construction is court-ordered and takes precedence over other public works projects.

At least 100 separate Federal agencies, 50 State governments, 3,042 counties, 35,000 general purpose local governments, and 15,000 school districts are engaged in public works planning and construction. Enormous fragmentation of public works decisionmaking is the inevitable result.

Although virtually all major corporations, all State governments, and most local governments use capital budgets in basic planning, the Federal Government has never produced a capital budget to distinguish investment-type programs from current expenditures.

Continued neglect of basic public capital needs threatens to impede economic growth in all parts of the Nation. While older sections of the country require investment to repair and replace existing facilities, the South and West require new facilities to support economic expansion. Economic growth can be more easily fostered through a strong public infrastructure, and a national framework within which to make public capital investment decisions is a first step toward improving that infrastructure.

With the help of my colleague from Pennsylvania, Representative BOB EDGAR, we have fashioned legislation to provide for a capital budget for the Federal Government. It is my understanding that Senator DODD of Connecticut is introducing similar legislation in the other body on this day. We believe that this legislation will serve as a starting point for congressional deliberations of this vital issue.

The bill does not alter the Congressional Budget Act in any way. Instead, it amends the authority from which the President makes his annual budget submissions to Congress. There are three parts to the bill: a special analysis, a capital budget, and an inventory and needs study by the Economic Development Administration.

Congress lacks the basic information necessary to make informed allocations of public infrastructure funding. The bill would provide us with a good management document to identify our public infrastructure investments, assess their condition, estimate what is needed in the future, help establish responsibility among Federal, State and local government, and prioritize our present spending in order to bring about the greatest return on taxpayer investments.

For the benefit of my colleagues, I would like to provide them with a section-by-section analysis of the bill.

SECTION-BY-SECTION ANALYSIS

Section 1: Entitles the bill the "Federal Capital Investment Act of 1982."

Section 2: Describes the five purposes of the Act including:

(1) A basic information document of public capital infrastructure;

(2) An identification of public investment deficiencies in and constraints to national growth;

(3) An establishment of reasonable priorities for the allocation of limited public capital infrastructure funding;

(4) A reduction in fragmentation and duplication between Federal, State, and local governments; and

(5) An improvement in legislative oversight over public capital investments.

Section 3: Amends the Budget and Accounting Act, 1921 and mandates an initial Special Analysis to the President's annual budget submission in fiscal year 1984. This first step in the overall Capital Budgeting process would draw upon existing information which is currently available but not appropriately organized. However, because supplemental information will require more time to obtain and compile, Subsection (k)(2) directs that a complete Special Analysis and Capital Budget will be contained in the fiscal year 1985 budget submission and each year thereafter.

The Special Analysis for fiscal year 1984 would include:

Identification of public infrastructure investments for each function, category, agency, and program by appropriation and expenditure (authorities and outlays);

An estimate of aggregate capital investments (construction and rehabilitation) required to provide specific levels of public works services over periods of one, five, and ten years;

An estimate of aggregate operation and maintenance investment requirements over periods of one, five, and ten years;

The identification of sources of financing;

The identification of federal public works investments priorities; and

A presentation of how the proposed annual capital expenditures contained in the proposed budget would relate to the nation's longer term needs and the federal government's longer term public works investment strategies.

The Special Analysis and Capital Budget for fiscal year 1985 and each year thereafter, in addition to the information for fiscal year 1984, would include:

An identification by State (including the District of Columbia and U.S. territories) of appropriations and expenditures (authorizations and outlays) of public infrastructure investments;

An estimate of separate construction, rehabilitation, operation, and maintenance investments and those required to provide specific levels of public infrastructure capital service over periods of one, five, and ten years;

The creation of a uniform national set of standards to measure the specific level of service provided by specific levels of public works facilities;

An assessment of the levels of service being produced by these facilities;

An estimate of the costs, over discrete periods of time, to continue specific present, higher, and lower levels of service; and

A ten-year projection of appropriate amounts for the capital investment budget.

Subsection (k)(3) lists any appropriation or expenditure to be classified as a public infrastructure investment as they apply to construction, rehabilitation, or repair of such facility. This list applies uniformly to all provisions of this Act:

Education facilities;
Energy facilities;
Fire safety;
Health;
Justice;
Recreation;
Solid waste;
Telecommunications;
Transportation;
Water supply;
Waste water disposal; and
Federal buildings and grounds.

Section 4: Amends Title VII of the Public Works and Economic Development Act of 1965 and provides for an inventory and assessment of public infrastructure facilities. The assessment of the physical condition of the facilities would provide a snap-shot look at the current condition and capacity of existing infrastructure. The magnitude of collecting the data would require a lead time of two-years. An annual report to Congress is due from the Economic Development Administration by January 1, 1984 (in time for the fiscal year 1984 budget submission due date) and each year thereafter and shall be transmitted by the Secretary of Commerce.●

WILLIAM TESTERMAN—OUTGOING CHAIRMAN OF THE BOARD OF MANAGERS FOR THE FAMILY Y

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. ANDERSON. Mr. Speaker, the Torrance-South Bay Area Family YMCA, commonly referred to as the family Y, will hold its annual leadership recognition dinner next Thursday night, June 24. This will be a special occasion since it will honor and thank William Testerman for his able leadership during his unprecedented 3-year tenure as chairman of the board of managers.

During these past 3 years, Bill has unselfishly offered his valuable time and leadership skills in guiding the YMCA through one of the most explosive periods of growth in its 35-year history, and set the stage for a pending $5.8 million expansion of the Y's facilities. It should be noted that the family Y is one of 24 independent operating units located in the Los Angeles basin and it serves approximately 280,000 residents of Torrance, Lomita, Harbor City, Redondo Beach, Hermosa Beach, and Manhattan Beach.

In these hectic times when many Americans are too busy to care about the development of our communities and its men, women, and children, it is heartwarming to see a man, such as Bill, who has a strong personal commitment in helping others—many who are less fortunate—become a valuable asset in this country's future.

Prior to serving as chairman of the board, Bill served in numerous other top YMCA volunteer leadership positions. These included general chairman of the 1977 campaign, campaign division manager, and summer camp director. During Bill's three terms as chairman, the YMCA operating budget increased from $900,000 to $1,576,000; three current support fundraising drives produced a combined total of $739,000, considerably in excess of goals totaling $675,000 (Bill himself raised and gave over $15,000 of this total); YMCA program participation increased 67 percent, and the budget was balanced in the black each year.

During his tenure as chairman of the board of managers, the professional staff was constant and stable, with one new position added; the membership of the board was strengthened considerably with the addition of 15 community leaders; groundwork was laid for the addition of sorely needed facilities through the completion of four major program and financial studies; and the family Y achieved a position of prominence, both locally and among YMCA's across the Nation, for its unparalleled accomplishments in annual fundraising and in the development of successful new programs for families, seniors and youth. Among the many awards received by the family Y were two association trophies for fundraising achievements and two Don Hayward Awards for excellence in program development, presented by the YMCA of Metropolitan Los Angeles. The Y adopted a new name, the family Y, and a new logo in concert with its stated mission to serve and strengthen families through its programs; and, the family Y has strengthened its claim on the title of the "largest private youth and family-serving organization in the South Bay area."

Mr. Speaker, besides Bill's many accomplishments with the family Y, he was appointed earlier this year to the position of corporate records manager for the Hughes Aircraft Co. In this position he is frequently called upon to speak to many organizations from coast to coast and to consult with other companies in the area of corporate records management. Bill and his wife, Bonnie, also own and operate a successful custom framing shop, A & K Custom Framers, in Lomita.

It is for his interest and desire to make the South Bay area a better place to live and work that Bill Testerman will be honored on June 24. It is a way to say thanks for the many, many hours of service to the people of southern California.

My wife, Lee, joins me in paying tribute to this fine individual and his unblemished record of community participation. We wish the best of success and prosperity in the years ahead for Bill, and wife, Bonnie, and their two children, Brent and Kelly.●

TIME TO CRACK DOWN ON THOSE DELINQUENT HEALTH STUDENT LOANS

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. MAZZOLI. Mr. Speaker, I commend to the attention of my colleagues the following editorial from the Louisville Times urging action to crack down on delinquent health professions student loans.

It is shameful that so many health professionals—including many physicians now in lucrative practices—are allowed to get away scot-free on repaying their student loans.

It is time for the Congress to initiate the radical surgery needed to end this inequity.

[From the Louisville Times, June 2, 1982]

RADICAL SURGERY NEEDED

IT'S WAY TO COLLECT ON MEDICAL STUDENTS' LOANS

Like many other Americans, Sen. Charles Percy of Illinois has been irked by college graduates who do not repay the low-interest loans that helped them get through school. He has sponsored a bill that would allow the government to turn addresses of delinquent borrowers over to collection agents and would raise the interest and penalties on overdue loans. A new government study shows the need for such tougher measures.

It revealed that so many physicians, nurses and other health professionals who received the loans have failed to repay them on time that 3,000 current students have been deprived of the opportunity for similar loans. Because of the delinquencies, there isn't enough money in the revolving fund.

The study ran a computer survey of graduates of 37 medical schools and found an outrageous payment record. At Harvard University, for instance, 143 of 218 beneficiaries were behind at least a year in their payments, tying up $153,000. Twenty-five of the delinquents were faculty members.

Similar patterns were found at other medical schools. The U.S. Department of Health and Human Services, which conducted the

study, was embarrassed to turn up 80 delinquent medical professionals on its own payroll.

Even more shocking was the discovery that 442 physician graduates of the 37 medical schools have collected $12.4 million in Medicare and Medicaid fees in 1980 and 1981 while failing to repay their loans on time. One, from the University of Illinois, billed the government $134,459 for Medicaid fees while ignoring repayment of his $2,189 student loan.

Perhaps that suggests an even better way to get at Dr. Deadbeat and others who are dodging repayment. Sen. Percy should consider an amendment to his bill that would require federal agencies to withhold any sums they owe delinquents—for Medicaid, income-tax refunds, or whatever—until those loan payments are brought up to date. For people afflicted with this problem, whatever their profession, radical wallet surgery is indicated.

TIMES EDITORIAL.●

U.S. BUSINESS SUFFERS FROM LAG IN METRIC CONVERSION

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. McCLORY. Mr. Speaker, the recent issue of U.S. News & World Report included an article entitled "Shift to Metrics Moving Ahead by Millimeters." The article predicted the demise of the Metric Board and the substitution of a more limited governmental participation in the metric conversion program by the Department of Commerce.

The dilemma in which our Nation finds itself may well reflect the inadequacy of the legislation which the Congress passed in 1975. The emphasis in that measure on the voluntary conversion to the metric system has permitted haphazard action which, in turn, may have induced some American companies to neglect opportunities for adoption of metric measurements, as a result they have lost the chance to enter foreign markets where the metric system is virtually mandated.

In the event that some of our skeptical Members may feel, indeed, that the metric conversion program is going to go away and that we are going to lapse again into the antiquated English system, I wish to call attention of those colleagues to several statistics to which the U.S. News & World Report article makes reference. It is revealed there that two recent surveys of the Fortune 1000 firms show the following:

Sixty-two percent of these firms produce at least one metric product;

Thirty-four percent of new products produced by these firms use metric designs;

Thirty-two percent of total net sales now are of metric-designed products;

Sixteen percent of the firms reported some loss in sales because of a failure to use metric in product design;

Sixty-eight percent of the firms felt metric would become the predominant system of measurement in their industry; over half favor mandatory conversion in 20 years.

Mr. Speaker, I would hope that there would be a revival of interest in the metric conversion program in this body, that a target date for substantial conversion to metrics might be adopted and that our more forward looking and enlightened members would recognize that in dealing with a world which, except for our Nation, deals almost exclusively in metric terms. We would do well to organize a concerted and orderly program for metric conversion from which all segments of our economy and society might benefit. Without reproducing the entire article from U.S. News & World Report, I wish, nevertheless, to add the following excerpts:

The U.S. auto industry, spurred by a need for metric measurements in its export trade, is going ahead with its own conversion. General Motors expects to be completely metric by the end of this year. Ford is about 50 percent converted at this point. This is causing some shift by the hand-tool industry, now 25 percent converted * * * In a few years, all new tires are expected to come in metric sizes.

Most soft drinks now are marketed in 1 and 2-liter plastic bottles * * *. Roughly 10 percent of the nation's gas pumps have been converted. Only Shell, Amoco and Sun have made corporate commitments to shift gradually from gallons to liters.

In addition, computers and business machines are showing a marked shift to metric. International Business Machines Corporation, for one, plans to complete its conversion this year.

The chemical industry, too, is in the process of switching to metric measurements by 1984 for shipping and billing. The chief reason again is the large export market * * *.

With Congress and government agencies hesitant to push for a faster conversion to metrics in the face of voter reluctance to change, the only major incentive to continue the shift is economic. Firms that are going ahead with a switch to metrics are mostly those that expect to benefit in future sales, often in an export market where customers operate routinely on a metric standard * * *.

Even though a gradual shift to metrics is still going on in many U.S. industries, proponents admit that public enthusiasm will have to be cranked up from today's state of near lethargy before anything near a complete changeover is likely to occur in this country.

Mr. Speaker, action by the Congress toward a more orderly and accelerated conversion to the metric system of weights and measures could influence public opinion and could benefit all segments of our Nation.●

LUXURY BOOMING IN MIDST OF RECESSION

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. FLORIO. Mr. Speaker, it is increasingly clear that the wealthy are not suffering from the recession to the same extent as other Americans. The administration's 3-year tax cut plan only reduces taxes for those already affluent. A Treasury Department analysis, prepared last month, concludes that the only people certain to wind up with real tax cuts are affluent taxpayers making close to $100,000 a year or more.

An article in the Press, from Atlantic City, N.J., has provided insight on how some wealthy Americans are spending their tax cut at the south Jersey shore area. Regrettably, the high demand for Gucci handbags and Mercedes-Benz automobiles does little to relieve the more than 23-percent increase in unemployment in New Jersey during the last year.

Mr. Speaker, I submit the following article from the press to be inserted in the CONGRESSIONAL RECORD:

[From the Press, Atlantic City, N.J., June 8, 1982]

RECESSION STORY HAS TWO SIDES

(By Alice Eckerson)

Clerks in the federal bankruptcy court in Camden are busier this spring than they've ever been. So is Dee Germano, manager of the Gucci shop at Caesars Boardwalk Regency.

"On the whole, business is up about 15 percent," she said. "This year I took in about $30,000 more in March than last year."

Luxury, it seems, is booming in the midst of a severe national recession that has 9.5 million Americans out of work, farmers who can't afford to plant their crops and business people who can't pay their utility bills.

Yet fine wines, $150 silk blouses, gourmet food, fancy cars, gold watches and a seat at the blackjack tables are in great demand.

"Last Monday, we sold three $1,000 lizard bags," Germano said. "You never know."

Atlantic City, which caters to more than its share of big spenders, is enjoying the splurge in luxury spending.

Harold Prosser of H. Prosser Jewelers in Atlantic City has upgraded his merchandise with more diamonds and gold. Prosser, who acknowledges the economic malaise afflicting Atlantic Avenue merchants, is, however, holding his own, thank you.

Atlantic City hosts plenty of people who think nothing of spending $125 a couple for dinner at casino restaurants and $35,000 on expensive cars.

Don LeClair, who sells Mercedes-Benz automobiles, has a problem uncommon to most car salespeople.

"We have trouble keeping up with the demand," said the manager of Auto Haus Atlantic Inc. in West Atlantic City. "We could sell more if we had them."

A Mercedes-Benz sells for between $20,000 and $50,000, LeClair said. The price tag is apparently no deterrent to eager buyers.

"People who buy our cars are not hurt by the recession," LeClair said. "As far as this particular business is concerned, if we were by ourselves, you wouldn't know there was a recession."

Other car dealers report brisk sales of luxury models. Rolls Royce is increasing the number of its exports to the United States. And a car without air conditioning and stereo is becoming unheard of, dealers say.

Meanwhile, LeClair's less expensive Fiats, which go for $10,000, are finding fewer buyers than their more expensive cousins.

LeClair gives the casino industry credit for helping sales. With an average of $3.5 million being lost by gamblers on a winter day in the casinos, it's obvious people with money are more than willing to throw it around in South Jersey.

PARRIS SALUTES THE ALEXANDRIA ORCHESTRA

HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. PARRIS. Mr. Speaker, I would today like to recognize this week of June 13, 1982, as "National Orchestra Week," and with great pride, salute my district's orchestra, the Alexandria Civic Symphony Association.

I am particularly proud of the Alexandria Symphony Orchestra and its musical director of 16 years, Dr. George Steiner. Now in its 37th season, the symphony has grown from just a few original dedicated musicians to the present orchestra core of about 70 members.

The Alexandria Symphony Orchestra concert series consists of five performances rich in cultural and educational value. Featuring outstanding soloists, the symphony provides a balanced program of the highest quality symphonic music to the citizens of Alexandria. In addition, the symphony presents youth concerts for Alexandria public and private school children, an annual free Pops concert, and a scholarship competition for Virginia music students at the college level.

The Alexandria Orchestra is also very important for it is part of America's 1,500 symphony and chamber orchestras located in all 50 States, the District of Columbia, and Puerto Rico. During the 1980–81 season alone, 23 million people attended over 19,000 orchestra concerts. This prodigious institution contributes to the spirit and cultural vitality of America's communities, both large and small.

Orchestras also serve as the nucleus of arts activities in many communities, demonstrating techniques of organizations, fundraising, and audience development, as well as providing artistic leadership and a pool of trained musicians for choral, opera, ballet, and musical theater productions.

Beyond the concert hall, orchestras reach new audiences with special programing and free performances every year. Last year, 3.5 million citizens heard orchestra musicians perform free in hospitals, shopping centers, factories, nursing homes, and community centers. This includes the many free concerts-in-the-park offered every summer. In addition, America's orchestras serve as ambassadors around the world by regularly touring Europe, South America, and the Orient with assemblies of all sizes.

Mr. Speaker, orchestras such as the Alexandria Symphony and others which similarly serve their respective communities around the Nation, deserve our praise and commendation. I believe designation of this week as "National Orchestra Week" is a fitting tribute in recognition of all the pleasures and benefits our Nation's orchestras offer us.●

TRIBUTE TO RABBI JOSEPH NAROT

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1982

● Mr. FASCELL. Mr. Speaker, a memorial service was recently held at Temple Israel in Miami in memory of Rabbi Joseph Narot. Cantor Jacob Bornstein, a longtime friend of Joseph Narot and a man recognized for his dedication to his synagogue and his community, paid tribute to his colleague at the memorial service, and I would like to share Cantor Bornstein's remarks with others who knew, loved, and respected Rabbi Narot.

The memorial follows:

A MEMORIAL TRIBUTE TO RABBI JOSEPH R. NAROT, MAY 16, 1982

(By Cantor Jacob G. Bornstein)

From days immemorial man has sought to snatch from oblivion the memories of loved ones. The tides of life roll on and we are borne out to sea, and our personalities fade even in the lives of our flesh and blood. That is our mortal lot. Our voices die in the distance and soon even the echoes are faint and are no more as our frail voices sink behind the horizon.

But we want to capture and retain the memories of those we cherished. It is part of man's spiritual splendor that he struggles with the winds of time—retaining balance, equilibrium, poise, and holds on to his spiritual legacy. Therefore, man has built tombs and pyramids, raised temples, erected monuments; he has written books and songs and music and dedicated them to the memories of his beloved.

And so, today, we gather here on these sacred steps of our sanctuary to grasp within our hands and to behold with our eyes a symbol that so eloquently expresses our memories of a man, a rabbi, a Jew, a friend, a colleague, Dr. Joseph R. Narot. Here we gather for dedication of a magnificent sculpture in his memory as we reach out to capture and retain his memory—here where we are at our best, where our sacred teachings are rehearsed, where his name shall live and radiate even as his name Narot suggests, the flames of Judaism.

Having served by his side for 28 years, it was my privilege to come to know the essence of his Judaism, the depth of his faith. To be a Jew is to look back over one's shoulder at patriarch, prophet, psalmist. That was Joe Narot. To be a Jew is to feel about the Earth the presence of one's brothers bound to one another in deep ways. Tragedy binds one to the other even when dreams do not. That was Joe Narot.

To be a Jew is to feel many things blended in one's heart; people, faith, mission; it is to love one's own people and to know that this love conflicts in no way with utter loyalty to lands like America which has given one liberty and equality. That was Joe Narot.

To be a Jew is to realize that one has been chosen to be a touchstone of the progress of the human soul and to bear with unbearable sorrow the troubles of the human condition, but to echo with one's strength—of hand and voice—our Torah's admonition, "Do not stand idly by the blood of thy brother." That was Joe Narot.

To be a Jew is to believe with all one's heart that one is a child of God, to have the religious conviction that there is more to life than chemistry, that there is more to living than being born and dying, that there is more to the world than futile and absurd striving. That "more" Joe Marot called God. For this "more", he wrote, "awakens us to reverence, to ethical and moral possibilities." That was Joe Narot.

Yet, there is greater meaning for us today than merely to capture and retain his memory. In so doing, we capture and retain for us the living, for us who follow and remain, for our children and grandchildren what it is that we dedicate in his memory, what meaning we bring to this moment of memorial—what Joseph Narot wished for through his rabbinic career at Temple Israel, that "Temple Israel be a strong synagogue where men, women and children could find comfort and inspiration, and where they could find a challenge for themselves and for the community;" that Temple Israel continue to be a creative, dynamic, committed, united institution; that superficialities, prejudices, and misconceptions that might ever threaten this unity—be dispelled.

Dear friends, Joe Narot was committed to the words he wrote and preached, the very words which appear engraved on the plaque which will ever serve as his memorial beside this sculpture, words which perhaps best reflect him and his life, words which are our heritage. He wrote:

". . . read well the words of the Hebrew prophets in the Bible; learn well the teachings of the later rabbis in the Talmud. Study well the exhortation of modern Jewish literature. . . . Arm yourself with it and you will not only know with clarity who you are, you will also know with strength and dignity how better to help all your fellow men."●