SENATE—*Tuesday, November 19, 1985*

(Legislative day of Monday, November 18, 1985)

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].

PRAYER

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

Let us pray.

*Blessed be the name of God forever and ever, to whom belong wisdom and might. He changes times and seasons; He removes kings and sets up kings; He gives wisdom to the wise and knowledge to those who have understanding * * *.*—Daniel 2:20-21.

O Lord our God, Who led Thy servant Daniel to great influence before an alien monarch, be present at the Geneva talks in wisdom and power. Overrule suspicion, prejudice, enmity, ambition, arrogance, and any spirit that would hinder constructive engagement. Restrain speech which would provoke hostility and inspire words which edify and dignify. Grant to the leaders cool heads and warm hearts and infuse the atmosphere with unexpected good will and trust. Be glorified in this summit conference, sovereign Lord of the nations.

Likewise, gracious God, manifest Thyself in this place. Inspire and direct in ways that will make it possible for the Senate to complete the work which must be done in the few weeks that remain in this session. Overrule the exigencies of human pride and weakness and discouragement that these final weeks may be ones of achievement. In Jesus' name. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order the leaders have 10 minutes each, and I reserve the time for the distinguished minority leader.

Then we have special orders not to exceed 15 minutes each by Senators BYRD and ROCKEFELLER; routine morning business not to extend beyond the hour of 10 a.m.; and then it is our hope that at 10 a.m. we will be on the farm bill with amendments pending.

At the last count there were 90 proposed amendments to the farm bill. I am advised by the distinguished chairman of the Agriculture Committee that he must complete action on the bill this week. That will mean that we will be in late tonight and late tomorrow night. On Thursday night, of course, we will have a joint session so we will not be able to be in late that evening, but there will undoubtedly be a Friday session.

The managers have been working with others on some way to resolve some of the very sticky issues in the farm bill.

We believe there may be an agreement on that sometime today. If so, that might help expedite the business.

It was the hope of the managers that this morning they could bring up a dairy amendment. I understand there is some objection. But there are four or five dairy amendments. There are four or five clear title amendments. There are 12 food stamp amendments. There are all kinds of amendments that can be taken up.

I think I can speak for Senators HELMS and ZORINSKY that they are not particular—they will bring up any amendment. They are ready to go to work and they will be here at 10 a.m.

I urge my colleagues who have amendments that can be disposed of, if they can be accepted, it will be a good time to do that.

So we will have at noon, of course, our party caucuses from 12 to 2, and then we will reconvene following the recess, resume the farm bill, and votes can be expected throughout the day and into the evening.

So I urge my colleagues to be on the floor at 10 a.m. with amendments, and, if they have questions, to contact either Senator ZORINSKY or Senator HELMS.

Mr. President, I reserve the balance of my time. I will be happy to yield the balance of my time to the Senator from Wisconsin.

I reserve the balance of my time.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER (Mr. WALLOP). Under the previous order, the Democratic leader's representative is recognized. The Senator from Wisconsin, Senator PROXMIRE, is recognized.

A FIRST: INTEREST ON DEBT RISES FASTER THAN ANY OTHER COST

Mr. PROXMIRE. What is the least productive and most wasteful spending by the Federal Government? Answer: Payment of interest on the Federal debt. Consider: That spending provides no service. It does not improve the national security. It does not improve educational opportunity. It does not improve the Nation's health. It does not achieve a greater degree of justice of any kind. It does not enforce the law.

So what purpose does paying interest on the national debt achieve? It pays for the costs that Government incurred in the past, and failed to pay for in the past. And what is the most rapidly rising cost of Government? Is it the rising cost of the arms race—the big buildup of the American military establishment? No. Is it the soaring cost of Social Security including pensions, Medicare, and all the other expenditures paid for by the huge payroll tax imposed on virtually all American workers? No. In fiscal year 1985, for the first time in recent American history, the most rapidly rising cost of the Federal Government was interest on the national debt.

How can we justify this expenditure which is utterly useless except as a required payment for the past neglect of the Congress to either hold down spending or raise whatever additional revenue is necessary to cover that Federal spending? At various times in American history, the Federal Government has incurred big deficits. But always before, that increase has had a compelling justification.

In World War I and World War II, for instance, the Federal Government permitted expenditures to run far ahead of revenues for the duration of both of those major wars. Was that borrowing justified? It was. Why? Because the country was fighting for its life. Also both wars were followed by periods of substantial Federal surpluses when the national debt was reduced. Think of it. For 10 years in the Great Depression of the thirties, an average of more than 17 percent of the work force was unemployed. That Depression knocked business and agriculture flat on their backs.

The President of the United States described one-third of our countrymen as ill-fed, ill-housed, and ill-clothed. In spite of all that, were the deficits as high in relationship to the gross na-

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

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tional product at that time as they have been in the past 5 years? No, Mr. President. Even in relationship to the far smaller GNP of the 1930's, those Depression deficits were only half as high.

Mr. President, just consider the gross improvidence of this Congress and this administration in the past 5 years. The United States was not engaged in a major war or anything approaching a major war during this period. The standard of living of the American people had reached the highest level in the history of our country—higher than that of any other country in the world. During most of that period, that is from the fall of 1982 to date, the country enjoyed a strong period of economic expansion.

In fact, the year 1984 saw the most vigorous growth of the economy of any time in the preceding 33 years. With that kind of economic growth, our Government should have been running surpluses, and big surpluses. Instead, we have suffered deficits so enoromous that in the last 5 short years, the Federal Government increased its national debt more than in our entire previous 200-year history. As we know, that debt has now approached the fantastic sum of $2 trillion. And interest rates should have fallen far more than they have in the past 5 years. After all, inflation has declined dramatically.

Normally, interest rates follow inflation as lenders insist on repayments that will, after the lapse of the time between making the loan and receiving the repayment, compensate for the intervening inflation. But interest rates have not fallen in tandem with inflation. Why? Because lenders know that the massive Federal borrowing will very probably—after a few years—result in explosive inflation. So the deficit has shot the national debt to $2 trillion and kept interest rates at still punishing levels.

This has had a double effect in increasing the cost of interest on the national debt. The increase in the debt has required a larger interest payment because the principal has become so enormous. The prospect of future inflation has kept up the interest rate. That devastating combination of a $2 trillion principal and a high rate of interest have given us an increase in the interest cost of the national debt that exceeds any other increase in cost incurred by the Federal Government.

Mr. President, here we have an increase in the rate of spending—the biggest increase in our Federal Government that has nothing to do with any need of our Government or any of our citizens. Why do we increase this spending more rapidly than any other spending in our Federal Government? Because the Congress and the administration lack the courage and will to come to grips with a simple, elementary fact. That fact is that the first duty of elected officials at any level of government is to hold down spending to that level that will permit the government to raise the funds necessary to meet that spending.

We can only begin to bring this utterly useless and totally wasted multibillion-dollar cost down either by holding down spending or raising taxes or doing both. The biggest mistake we can make is to fall for the nonsense that we can grab this economy of ours by the bootstraps and pull ourselves out of our problem by the magic of economic growth. We cannot.

There is only one way we can end this skyrocketing increase in Government spending. It is this: We must cut spending as severely as possible. We must raise taxes by whatever amount it takes to make up the difference. There is no other way.

ARMS CONTROL CAN WORK—STAR WARS CANNOT

Mr. PROXMIRE. Mr. President, this Congress seems hell bent to proceed at breakneck speed to rush into the trillion dollar star wars or SDI Antimissile Defense Program. The independent scientific community overwhelmingly opposes this pell-mell on-rush. Why? Simple. They do not believe it will work.

Many Americans, who are convinced that arms control represents far and away the best chance to prevent a nuclear war, oppose star wars. They oppose it first because it would push the nuclear arms race into space. They oppose it also because it would bluntly and directly torpedo the Anti-Ballistic Missile Treaty. That treaty represents the prime achievement of nuclear arms control to date. It has one single purpose. That purpose is to prevent carrying the nuclear arms race into space with a star wars defense.

There is still another group of opponents that have been strangely quiet so far. These opponents are late on everything. That is why they have such an unblemished record of always losing. I am referring to those who would hold down Federal spending. I am also referring to those who want to restrain Federal taxes. This is the crowd that bemoans, and wisely so, the colossal deficits that so gravely threaten our economy. They call for an end to massive Government spending increases. But as usual they overlook the big, oncoming programs until those programs have built up a momentum and a head of steam that makes them irresistible.

Of course, if star wars could work it would be worth an immense burden of taxes, or even continued massive deficits. If it worked, it could even justify repudiation of the ABM Treaty. If it will not work, it will be a disaster for this country to proceed with it. It will be a fiscal disaster. It will be a national security disaster.

So will star wars work? No. It will not. Why not? Mr. President, the prime reason star wars will not work is because whatever defensive miracles our magnificent military technology might develop will provoke a match in similarly magic technological miracles that both superpowers will develop in offensive nuclear penetrating weapons.

What is the basis for the support of star wars? It is a boundless faith in our scientists to continue to make breakthrough after breakthrough until they have solved every technological military problem. I share that faith. If only the offense would stand still, there is no question in my mind that our scientists would develop an antiballistic missile defense that would stop any offensive missile now in existence. I am sure of that.

But Mr. President, that is not enough; 15 or 20 or 25 years from now when we have spent several trillion dollars and fully deployed our marvelous star wars astrodome defense, scientists working night and day on methods of penetrating that offense will have developed the successful response, and the offensive penetrating magic. Why is not that obvious? It should be. After all, as technology develops to serve a defensive purpose, it also develops to serve the purpose of overcoming that defense.

On Saturday, November 9 in an article in the Washington Post, George Wilson reported that already even today both superpowers have developed an offensive missile system that can certainly penetrate any star wars defense so far dreamed of. It gets worse. That nuclear missile offense is out of the reach of arms control agreements. Both sides know that there is no verifiable method to control it. I am speaking of sea-launched cruise missiles. That is SLCM's or "Slickems."

One of the Senate experts on these matters, former Navy Secretary, now Senator JOHN WARNER calls these weapons "the untouchable" of arms control. He says a way to prevent their proliferation "isn't there." Kenneth Adelman—head of the Arms Control and Disarmament Agency agrees.

Mr. President, these cruise missiles do not even represent a new technology. They have been around for more than 30 years. And how ironic, the astrodome defense of star wars that may not be deployed for another 30 years cannot touch them now, and will not be able to touch them 30 years from now. Why not? Because star wars would work by intercepting missiles in the course of a long trajectory. During the trajectory intercontinental nuclear missiles would reach a height of

hundreds of miles above the Earth where they could be tracked and intercepted in a variety of ways.

Could we track and intercept cruise missiles? No, we would not. Why not? Because cruise missiles can come from submarines that fire from beneath the surface of the ocean from anywhere at any time—5 or 6 miles off America's thousands of miles of coast line. They already have ranges of more than 1,500 miles. So they can reach any target in the United States. Why could not the star wars net stop them? Because cruise missiles hug the ground. They have no trajectory. They travel a few feet above the ground. They carry a map in their brain. They fly around mountains and hills, and through valleys. Their speed is constantly increasing. So is their range. They already strike their target with the power of 200,000 tons of TNT. That payload is increasing too.

For any American who feels that 20 years from now star wars will be our security blanket, today's cruise missile posses a tough rebuttal. Some say we can knock out cruise missiles if we spend hundreds of billions of dollars in antiaircraft defense. Sure we can. But by the time we have such defense in place, technology can give cruise missiles a speed and maneuverability that will certainly permit many cruise missiles to penetrate antiaircraft fire.

So what is the answer? The answer is the same as it is to every other part of the arms race. If both superpowers are to survive, they have to rely on arms control agreements. They have to improve those agreements. They should start with greatly expanded opportunities for verification. Arms control agreements have to permit verification teams to come aboard every submarine, every ship, every plane of both superpowers to make meticulous inspection to determine the presence of cruise missiles. The inspections will have to be without notice.

Mr. President, I suppose some will say this will make the world safe for star wars. How about that? The answer is that if we can achieve this kind of arms control—with thorough and reliable verification to prevent cheating—we will not need to carry the arms race into space. We will not need to spend a trillion dollars or more on star wars.

For the 40 years of the nuclear age there has been no superpower war. Why? Because both nations had a credible nuclear deterrent. The one way we can assure that there will be no superpower nuclear war in the next 40 years is through an end to the arms race.

Arms control will need the following characteristics:

First, it must be mutual. Each side will have to make the same concessions the other side makes.

Second, it will stop all nuclear weapons testing, all nuclear weapons production, and all nuclear weapons deployment.

Third, it will sharply reduce the nuclear weapons arsenals equally leaving sufficient nuclear deterrent capability on both sides to prevent a third country attack on either superpower.

Fourth, the agreement will be reinforced by the most comprehensive possible kind of verification, including satellite inspection, unannounced on the spot followup inspections, and the stationing of monitoring stations within the territory of both superpowers to detect nuclear weapons test explosions on both sides.

Fifth, it will elevate the Standing Consultative Commission to a very active status. The SCC will continue to discuss alleged violation of nuclear arms control agreements on both sides. Its mission will continue to be to determine violations or allay suspicions of violations.

Sixth and finally, both sides will express their willingness to renounce an arms control treaty—with notice if the other side insists on violating its terms.

Mr. President, the cost of the arms control regime I have described would be minuscule compared to the cost of star wars. And the prospect of its success in preventing a nuclear holocaust would be infinitely greater.

Mr. President, I ask unanimous consent that the article by George Wilson in the Saturday, November 9 Washington Post headlined: "Sea-Based Missiles Defy Limiting" be printed in the RECORD.

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

SEA-BASED MISSILES DEFY LIMITING

(By George C. Wilson)

As the United States and Soviet Union grapple for a way to slow the arms race, Reagan administration officials acknowledged this week that one type of nuclear weapon is so out of control that effective limits appear impossible: sea-launched cruise missile (SLCM), commonly called Slickems.

Kenneth L. Adelman, director of the U.S. Arms Control and Disarmament Agency, said in an interview that SLCM's were excluded from President Reagan's arms-control proposal last month because neither Washington nor Moscow has devised "a sound way" to verify how many each side has and whether the missiles are nuclear-tipped. Sen. John W. Warner (R-Va.) calls the weapons "the untouchable" of arms control, adding that a solution to curbing their proliferation "isn't there."

In flight after being fired from a ship or submarine, the Navy's Tomahawk cruise missile hugs the sea or land, similar to a drone jet. It can sink ships or attack land targets. The missile can carry either a conventional or nuclear warhead without any change in the weapon's external appearance.

Many arms-control specialists are distressed that the Reagan administration is making no attempted to negotiate limits on SLCMs. They warn that the superpowers will be less secure as the missiles proliferate and say they could be as destabilizing as multiple, independently targetable reentry vehicles (MIRVs), which complicated arms control in the early 1970s when both sides were putting numerous nuclear warheads atop individual missiles. For example, Spurgeon M. Keeny Jr., president of the Arms Control Association, said the United States is more imperiled by SLCMs than is the Soviet Union because of the number of large American coastal cities within range of Soviet cruise missiles.

Eugene J. Carroll, a retired Navy rear admiral who serves as deputy director of the Center for Defense Information, said letting the Navy develop a nuclear SLCM with a range of more then 1,200 miles gives the United States unnecessarily redundant firepower against land targets which can already be destroyed by U.S. land-based and submarine-based missiles.

Low-flying SLCMs also threaten any antimissile defense, such as Reagan's Strategic Defense Initiative program, which envisions a shield primarily against ballistic missiles raining down from space, added Sen. William S. Cohen (R-Maine), a member of the Senate Armed Services Committee. Reagan administration officials concede the point but say that stopping cruise missiles would be left to U.S. fighter planes and antiaircraft missiles.

The proliferation of SLCMs would require the spending of billions of dollars to bolster antiaircraft defenses, many experts believe. Such concerns, however, have generally been pushed aside as the superpowers concentrate on achieving reductions in the more-menacing intercontinental ballistic missiles.

When the superpower summit convenes in Geneva Nov. 19, the United States will have no proposal in its arms-control package concerning SLCMs, Adelman said. The Soviets, he added, have proposed banning all cruise missiles, both sea- and air-launched, with a range greater than 360 miles, an idea rejected by the administration as unverifiable and disadvantageous.

The arms control conundrum of verifying whether SLCMs are carrying nuclear warheads has led to proposals to allow each side to inspect the other's cruise missiles before they go to sea. However, Adelman said, "it would take just a cartridge"—which could be provided by supply ships on the high seas—to swap a conventional warhead for a nuclear one.

The Navy plans to buy 3,994 Tomahawk cruise missiles by 1994 for $14 billion from General Dynamics Corp. and McDonnell Douglas Corp. The Tomahawk SLCMs have been installed on submarines and battleships, with ultimate plans to arm 106 submarines and 91 surface ships, including destroyers, with missiles. Of that total, 758 would be nuclear-armed. The Soviets also have hundreds of SLCMs.

The issues of who started the cruise missile race and who is winning is hotly debated today. Public documents show that the Navy believed almost 30 years ago that it was ahead of the Soviets in this race. In 1956, the Navy had a cruise missile, Regulus I, deployed on two submarines and four cruisers and was working on an improved version, Regulus II, which was canceled in an economy move.

On Dec. 16, 1957, Rear Adm. John E. Clark, head of the Navy's guided missile division, had this exchange with Edwin L.

Weisl, chief counsel of the Senate permanent investigating subcommittee and Sen. Lyndon B. Johnson (D-Tex.), the committee chairman:

Weisl: Do you consider two submarines equipped with Regulus I sufficient?

Clark: I do for Regulus I, yes sir.

Johnson: What knowledge do we have as to the status of Soviet naval type missiles?

Clark: We have considerable knowledge.

Johnson: Are we ahead or behind them?

Clark: I think generally we are ahead, Mr. Chairman.

MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, the myth of the day is the often heard statement that the President's tax reform proposals would simplify the present tax system?

Sounds good, does it not? Everyone wants a simpler tax system—one that could be done at home in a few minutes without the assistance of an expensive accountant. The President said that even Albert Einstein reportedly needed help on his 1040 form. So does the President's plan answer that problem? Does it make the Tax Code simpler, the tax form easier to read and understand? Would the President's tax plan put tax preparers out of work and into the unemployment lines to be joined by their accountant friends and tax lawyers?

What a sight that would be, Mr. President, but there is not a chance of that happening. In fact those accountants and tax lawyers may be sharpening their pencils and calculating their net worth gains if the President's plan goes into effect because there will be very little simplification, and a whale of a lot of added complexity.

The President's plan calls for reducing the number of tax brackets from 14 to 3. Sounds like simplification. But in reality a taxpayer simply reads across one line in a tax table and he will still have to do exactly that.

The creation of an expanded eligibility for the tax credit for the elderly and disabled will involve a new complicated formula for many taxpayers. Those receiving workers' compensation and black lung payments would be required to have to compute an offset against the expanded credit for the elderly and disabled. All employees would have to compute the value of their employer-provided health insurance and begin reporting that in order to pay a portion in taxes. Similar calculations would have to be made by millions who have built up value in their whole life insurance policies—so that can be taxed. And there would be a complex mathematical computation arising from the limit on deductions for personal interest payments which would be set at $5,000 above the taxpayer's so-called passive investment income.

Mr. President, there may be some simplification flowing from the President's plan but for every reduction in paperwork it appears to me there will be a corresponding increase in some other area for many taxpayers—particularly those in the middle-income brackets who would continue to itemize.

Simplification? Not hardly. An increase in complexity for many. But the myth remains that this plan will ease the paperwork for American taxpayers.

"RE'EH": WITNESS THE HOLOCAUST

Mr. PROXMIRE. Mr. President, few artists have contributed to our understanding of the Holocaust as powerfully as Irwin Kremen, a professor of psychology at Duke University.

According to the Art Review section of the September 15 New York Times, Irwin Kremen successfully has turned "images identified with the Holocaust into metaphors" that seem to say "witness this event, do not let it fall away from your consciousness."

Kremen's series of abstract collages treat the Holocaust with restraint. His works are small and intimate, composed of scraps of paper he has carefully selected from the walls of old American and European homes. His selections of old wallpaper evoke images of the past and shadows of the Holocaust.

According to the Times, Kremen's use of paper scraps that have been worn down over time allows the history of his theme to emerge with dramatic emotional impact. The Times comments that Kremen's collages "are like images we have looked at a thousand times yet never seen."

This is the genius of Kremen's work. He brings out images of the Holocaust that have become part of Western imagination. In doing so, he reminds us of the important role these images continue to play in our political conscience.

Mr. Kremen's art complements our historical understanding of the Holocaust with an artistic interpretation. His abstract images are a sensitive supplement to the concrete evidence of the Holocaust that exist in pictures and on film. These images serve as a subtle reminder of systematic thinking pushed to its irrational limits.

Mr. Kremen calls his series of 11 abstract collages "Re'eh." In Hebrew, "Re'eh" encompasses the meanings "Look." "See." "Witness." "Remember."

Mr. President, we will remember. Our interest in the Holocaust will continue. Our desire to prevent any more of these atrocities will continue.

We must take whatever steps are available to us to prevent future Holocausts. One important step we can take is that of ratifying the Genocide Convention.

Mr. President, ratifying the Genocide Convention would make genocide an international crime. In ratifying the convention, we will be joining 96 nations who have agreed according to the articles of the convention to act to prevent, as well as punish, all perpetrators of genocide.

Ratifying the Genocide Convention is one step in the direction of preventing future crimes against national, ethnical, racial and religious groups. It is a step in support of our vocal commitment to human rights.

Let us take this step and join the international community in its condemnation of genocide.

ORDER OF PROCEDURE

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the time of the distinguished minority leader, Senator BYRD, be yielded to the junior Senator from West Virginia, Senator ROCKEFELLER, and that his leader time be reserved for Senator BYRD's use later in the day.

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

Mr. ROCKEFELLER. Mr. President, I thank the senior Senator from Wisconsin.

RECOGNITION OF SENATOR ROCKEFELLER

The PRESIDING OFFICER. Under the previous order, the Senator from West Virginia, Senator ROCKEFELLER is recognized for not to exceed 30 minutes.

LESSONS OF WHEELING-PITTSBURGH

Mr. ROCKEFELLER. Mr. President, on October 26, the Wheeling, WV, United Steelworkers voted by a margin of more than 7 to 1 to approve the contract negotiated by the union with the new management of Wheeling-Pittsburgh Steel. The ratification ended the 98-day strike that had brought Wheeling-Pitt, the Nation's seventh largest steelmaker, already in chapter 11 bankruptcy proceedings, perilously close to liquidation.

I was in Wheeling for the ratification, and it was an extraordinary experience.

The new chief executive officer of the company, George Ferris, was there, mingling with the workers, who called him by his first name.

They described him as a breath of fresh air, who has transformed a bitter, deadlocked situation: By opening the company's books to the union; cutting management salaries and personally working without pay until the strike was resolved; and above all, by being willing to really listen to both the union leadership and the workers.

Mr. Ferris called the union negotiators, led by Paul Rusen, the most cooperative group that he had ever bargained with.

Workers spoke enthusiastically about the features of the cooperative partnership agreement included in the new contract and promised Mr. Ferris that their plant would make the best steel in the country.

In short, I saw the bitter strike—the first major strike in the steel industry since 1959—end, not with resignation, but with a genuine hope for a new day at Wheeling-Pitt.

I have been deeply and continuously involved in the Wheeling-Pitt situation since February. Wheeling-Pitt is the economic backbone of the Ohio and Monongahela Valleys—a region where West Virginia, Pennsylvania, and Ohio come together. The company employs 8,200 people in this area which has not yet recovered from the recession. Thousands of families depend on the company—directly or indirectly—for their economic well-being. If Wheeling-Pitt were to fail, the impact on that region would be devastating.

The jobs at stake, the families affected, and the fate of whole communities were my paramount concern in the Wheeling-Pitt situation. But I also believe that Wheeling-Pitt is a special company.

When other steel companies invested in oil or real estate, Wheeling-Pitt invested in steel. Under the leadership of Dennis Carney, Wheeling-Pitt invested every dollar it could find in modernization: Up-to-date pollution abatement equipment; the most modern rail mill in the country; a pathbreaking, innovative joint venture with Nisshin Steel of Japan to build a coating mill.

The commitment to modernize and to compete was unique. For example, from 1979 to 1983, no Japanese steel firm invested as high a percentage of its sales volume in modernization as Wheeling-Pitt did. This modernization program was made possible, when the industry was in recession, only by the far-sighted willingness of the steelworkers to make wage concessions and take preferred stock in the company because they saw that modernization was critical.

And yet, in the past 9 months, the company moved to the brink of liquidation. The same economic conditions that cost the steel industry 40 percent of its jobs in the past 5 years made it impossible for Wheeling-Pitt to earn the profits needed to service the debt incurred to modernize. the labor-management cooperation that had made past accomplishments possible broke down, leading first to chapter 11 and then to the strike just ended.

The end of the strike is only the first step in what must be a long recovery process for Wheeling-Pitt. The company faces a difficult and painful reorganization under the bankruptcy laws. It must keep the old customers and gain new ones at a time when there is an excess of low-cost steel available. But I believe that the Wheeling-Pittsburgh situation holds very important lessons for the country about the urgent need for labor-management cooperation to revitalize our critical industries and meet the challenges posed by a competitive, world economy.

Newspaper accounts of the end of the strike have focused on the $18 per hour cost of the labor package—compared to the industry norm of $23.50—and speculated about its effect on next year's bargaining in the steel industry. They have also talked about the implications of terminating Wheeling-Pitt's pension plan as part of the agreement reached. Comparatively little attention, however, has been given to the extraordinary nature of the cooperative partnership agreement, incorporated into the new contract.

If the spirit of the agreement follows the letter—and I fully believe it will—it will be a breakthrough in labor-management relations for Wheeling-Pitt and the steel industry: A virtually unprecedented commitment to partnership between workers and management in charting the future of this company.

The cooperative partnership agreement is an extraordinary document which I predict will be the basis for negotiations in other steel contracts next year. It is premised on the view that "both parties must more closely work together in a joint partnership that extends from the shop floor to the board room to solve problems in a quicker and more cooperative way." The agreement recognizes that "survival of the company depends on building its reputation as the highest quality supplier of competitively priced steel products" and to build such a reputation, "the experience, skill, intelligence, and commitment of each employee will be needed, and must be fully utilized."

To carry out this philosophy, the contract places a representative of the union on the Wheeling-Pitt board. Except for Weirton Steel, which the employees own, no other steel company has done this. But the agreement goes far beyond that. It establishes an eight member joint strategic decisions board, composed of four union representatives and four from management, including the CEO and president of the company. This board will consult regularly and advise on the full range of decisions most fundamental to the future of the company: Performance levels and quality controls; cost cutting measures, including ways to reduce capacity; decisions about capital investment, and the installation of new technology. It will review the performance of the company on a monthly basis and report directly to the company's board of directors.

In addition, recognizing that for operations to improve, major changes have to occur at the department and plant level, the agreement establishes a system of labor-management committees within each department of each plant covered by the agreement. These committees will deal with a variety of workplace problems and—drawing on suggestions from the shop floor—seek ways that performance can be improved.

This contract is a visionary and far-reaching framework. But it is also distinguished by an absence of naivete. The agreement notes that "both parties recognized that bringing about change in an ongoing operation is an extremely difficult task which must be approached realistically and patiently because we are dealing with deep rooted attitudes and practices." But "if the company is to survive, these changes must be made."

Mr. President, the words of this agreement—and its spirit—reflect what I believe is a deep-seated recognition, not just at Wheeling-Pitt, or in the steel industry—but in the country as a whole. In the past, the strength of America's competitive position allowed us to lead the world economy despite labor-management hostility. That time is gone, and it won't be returning. We can no longer afford the luxury of our old antagonisms.

We all know that adversarial labor-management relations have cost us dearly: Not just in days lost from strikes, but the toll sometimes taken by rigid work rules, indifference to quality, lack of price in our products and commitment to our companies. We all know that our economy would perform better if our corporate executives realized that they can't do it alone; that decisionmaking must be decentralized and shared, with the talents of our workers used to their fullest potential. We all know that one major reason for Japan beating us in industry after industry is the profound differences on the factory floor: Where they benefit from trained workers, given responsibility, taking pride in the quality of their products and the performance of their companies—and their departments within those companies.

And we also know that here in those companies that have begun substituting cooperation and participation for the old ways of doing business—from the auto factories to Silicon Valley—the improvements have been unmistakable and immediate. What one group of authors called industrial renaissance is beginning—and will occur in this country—only through that commitment to partnership and cooperation.

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Real participation and partnership cannot be limited to the factory floor—critically important though that is. Modernizing our industries to make them competitive, and keep them competitive, will require tough choices and some bitter medicine. Sometimes wage concessions will be needed; sometimes jobs will be lost as companies restructure in order to compete. Isn't it obvious that those hard decisions will be made better and more fairly if the representatives of the workers understand the justification for the hard decisions, and fully participate in making them?

I am under no illusion that labor-management cooperation alone can guarantee the success of Wheeling-Pitt or secure the future of the American steel industry. It cannot fully offset the handicaps imposed by three recessions in 10 years, an overvalued dollar, and the lack of a realistic trade policy. Government policies can make the difference between competitive success or failure, and the Reagan administration economic and trade policies have tilted the scales sharply against our steel industry.

In the past 5 years, the American steel industry has gone through its worst crisis since the Great Depression. The recession of 1981-82 drove the American steel industry's operating capacity below 50 percent. In just 2 years, 1982 and 1983, the American steel industry lost $6 billion. When the recovery came, it brought little relief to the industy; U.S. manufacturing industries turned increasingly to imported steel to meet their renewed needs.

The Reagan administration preached the virtues of free trade, in a world where, as the chairman of Bethlehem Steel observed, "government ownership, control, and subsidization of steel is a basic fact of economic life." The result was inevitable; as the world's largest relatively open market, we became the dumping ground for the world's excess steel. Imports surged from 15 percent of the domestic market in 1980 to 26 percent in 1984, depriving our companies of the market share and the profits needed for modernization and reinvestment.

In the past year, the administration has worked to negotiate voluntary export restraints with other steel-producing nations. That policy represented a welcome change from the policy of neglect followed by the administration until the politics of an election year dictated a change of course. But the hard truth is that the new policy has only produced negligible improvements. The import level for 1985 will be 25 percent—a far cry from the 18.5-percent goal proclaimed by the administration when it convinced Congress that steel quotas were unnecessary. The difference between 18.5 percent and 25 percent import penetration could still spell the difference between success or failure at Wheeling-Pitt—not to mention LTV, Armco, Bethlehem, and other major steel companies that have moved close to the financial edge.

It is ironic that in the 1960's and 1970's, domestic steel companies had a relatively stable share of the market, thanks to import relief, but management and labor failed to take advantage of it. Management did not commit to modernization, and the companies and the union negotiated wage increases that had no relationship to increases in productivity.

In the past few years, the companies have begun to recognize the seriousness of the challenge; the workers have bitten the bullet on wage concessions to help the companies survive and modernize. Now, however, the failure of Government economic and trade policy may make the efforts of labor and management futile: Sand castles washed away by a tidal wave of imported steel. How long until we grasp what should be obvious: That the future of this industry depends on labor and management cooperating, along with Government doing its share?

President Reagan in 1980 promised to get Government off the back of the American steel industry. In fact, it's time to get the Government on the side of the American steel industry. We in Government should be limiting imports to the goal set by Congress and the President—which would still leave us a more open market than any of our trading partners. But in exchange for that import relief, we should be requiring commitments from the steel companies and workers on modernization, and wage and price restraint.

And yet, even in bad economic times, or at times when the Government puts its head in the sand and ignores the plight of our industries and our workers, we have seen dramatic examples of what American workers and management can do when they work as partners, sharing the burdens and benefits of industrial change and adjustment.

Close to home for me in West Virginia is the extraordinary success story of Weirton Steel. Weirton was set for shutdown when the workers decided to form an employee stock ownership plan [ESOP] and buy the company. By a 9-to-1 margin, they approved a contract containing a 20-percent reduction in wages, in order to have a chance to make the company work. In a period in which virtually all steel companies have reported massive losses, Weirton recently reported its seventh consecutive profitable quarter. At Weirton, the partnership and teamwork often missing in American industry are a way of life; people worry about making steel well, not who has a key to the executive washroom.

The old habits of labor-management antagonism are deeply ingrained—particularly in my part of the country. But Wheeling-Pitt demonstrates that the potential for rapid change is far greater than one might think. There is a recognition that the old habits are not suited to the world characterized by tough, international competition. In the steel industry, there is an urgency to the understanding that companies cannot survive for long if management and workers are adversaries. They must be partners, working and fighting together against the real threats to their industry: The challenge of foreign competition—fair and unfair—and our Government's tragic indifference to their plight.

Mr. President, on the day that the ratification of the Wheeling-Pitt agreement took place, the Washington Post reported that United States Steel, which last year earned more than half its revenue from oil and gas, was considering a merger with Texas Oil & Gas. The Post also reported that Monsanto was moving ahead on a radical restructuring of its business to emphasize specialty chemicals instead of basic chemicals, and that Texas Instruments, the world's largest semiconductor company, had lost $82 million in the third quarter, and laid off 7,000 workers—fully 10 percent of its work force—in the past year.

That's just 1 day's news, but it is a vivid reminder that the pace of economic change in our country is stunning: Driven by the twin forces of international competition and changing technology. We will navigate what one commentator called the white water of change only by enlisting the talents of all our people in a cooperative effort.

Dr. Paula Stern, Chair of the International Trade Commission, put it well in her recent speech to the National Press Club. Trade, she said, is important, but competitiveness is the issue. And while we should always oppose unfair trade, we should worry "less about the level of the playing field and more about the quality of the American team."

And "the quality of the American team" is what real cooperation between labor and management is about. It is a recognition that we as a Nation will accomplish more together than divided, and that the skills of our people are our most precious asset. It carries with it not just profound implications for the workplace, but also for new policies in education, training, and adjustment assistance. It represents a belief in our people, a commitment to them, and a willingness to invest in them. Nothing is more fundamental to our economic future.

Mr. President, before I yield back the remainder of my time, I thank the distinguished majority leader of the Senate for making his time available to me. I also thank those of my colleagues who were courteous and kind enough to be sure.

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

Mr. LONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. LONG. Mr. President, I congratulate the Senator from West Virginia on what has been the most exciting and inspiring speech I have heard in this Congress. The Senator points to the need of a new capitalism. He has suggested that management and labor are partners, and indeed they are. But they must recognize that they are partners. The difficulty is that they have been partners for many years and have not seemed to know it, but invariably, the success of one depends on the success of the other.

The Senator, as Governor of West Virginia, provided leadership to save one of the largest payrolls in his State, Weirton, WV. Without his leadership, that payroll would have been extinguished. When the workers saw fit to put themselves to work, they obtained the best management advice that could be obtained anywhere in the world to see what could be done and what should be done to save their jobs, and they improved their operation to what is now perhaps the most productive steel operation in the United States. That kind of imaginative new approach to cooperation and understanding among management, labor, and government is clearly the wave of the future.

There are many ways it can be achieved, as the Senator has pointed out, but the teamwork that was implicit in the contract he has just discussed will necessarily have to be the direction in which we point. In other words, we need an approach of understanding and cooperation instead of fighting one another where each wants more for less—labor wants more money for less work; management wants more productivity and more work for less pay; and on the other hand, Government wants more taxes while only doing a minimum to take an interest in the outcome of their venture.

All three are partners. Unless they work together, we shall fail. It is time we realized that we must be a team, we must work together, and failure to find new methods of doing that would mean a failure for our system. I believe our system will not fail, it will succeed, thanks to the kind of leadership the Senator from West Virginia has projected here today.

Mr. EAGLETON. Mr. President, I ask unanimous consent that I may proceed for 2 minutes to comment on the excellent speech by the Senator from West Virginia.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. EAGLETON. I thank the Presiding Officer.

Mr. President, I share the sentiments expressed by the distinguished Senator from Louisiana. I think the speech by the Senator from West Virginia is one of the finest I have heard and certainly the finest with respect to a significant part of the industrial sector of America: to wit, the steel industry. The Senator said "No longer can we afford the continuance of old antagonisms." I say amen. The steel industry in America, Mr. President, is a classic example, indeed it is the classic example of where American industry must find a better way, and I mean all of American industry—labor, management, and government as well. If there is to be import relief—and I suspect such is very necessary in the steel industry—it must be accompanied by concessions by labor and modernization by management. Any relief that the Government may give has to be accompanied by a quid pro quo. I think the speech of the Senator from West Virginia magnificently spells out the dilemma which exists today in the American steel industry and points the way to the future. I commend him for his remarks.

Mr. SARBANES. Will the Senator from Missouri yield?

Mr. EAGLETON. I yield to my colleague from Maryland.

Mr. SARBANES. I appreciate the Senator yielding.

Mr. President, I commend the very able Senator from West Virginia for a most thoughtful and perceptive address and for bringing to the attention of this body and to the country matters of the utmost importance to our Nation's future, the strength and vitality of our economy.

As the distinguished Senator from West Virginia has pointed out, labor-management hostility in the old tradition simply will not work. We cannot afford the luxury of our old antagonisms, and he has illustrated from his experience in West Virginia, from what has taken place there—a path that we may be able to follow not only in the steel industry but in other industries that find themselves similarly beleaguered.

Perhaps the most important theme in the Senator's address was his sensitivity to the necessity to include workers fully in the decisionmaking process involving their future and affecting their lives. If we are to succeed in modernizing these industries and to make them competitive, it is essential, as the Senator has pointed out, that the workers be an intimate part of that process and that it truly be real participation in a shared partnership with a genuine cooperation.

I applaud the Senator for taking the specifics which are being applied by labor and management in his State and generalizing from the particular to establish certain important concepts which would be effective guides in moving the Nation to a more energetic and vital economy. The Senator has made a very significant contribution to the national debate on this issue, as he has on many other issues and we look forward to his continuing and effective leadership.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, I wish to associate myself with the remarks of my distinguished colleagues in commendation of our new and distinguished colleague from West Virginia [Mr. ROCKEFELLER].

Let me go one step further as it relates to our distinguished colleague. There is a quote I think which is important that we understand, that service to people is the only reason for Government's existence. Inasmuch as he has been Governor of West Virginia, and closer to the anguish, the hopes and desires of the people of Appalachia, their need to acquire some things that others take for granted, he has better insight into local desires. While Congress does try to exercise that imagery, he brings to this body the realism of having been Governor. It is an unnecessary ingredient, but I think it is one that we should take note of and try to learn from and then exercise our judgment—we hope it will be a commonsense judgment—as it relates to the good of our people in the future. I compliment my friend and colleague from West Virginia for the statement he has made today.

Mr. DANFORTH. Mr. President, yesterday when I learned that the Senator from West Virginia would make this morning his first major speech on the floor of the Senate, little did I realize that it would in fact be a major speech. Around here "major speech" generally means long speech, not necessarily a good speech. The Senator from West Virginia made an excellent speech. He made an excellent speech because he went to a major problem in this country and he pointed to the solution. The steel industry is in desperate trouble, heavy industry in general in America is in desperate trouble, and we in the Congress typically address ourselves to what sorts of remedies we can offer. We talk about the relationship between the deficit and our trade problems. We talk about unfair trade practices abroad. We talk about the possibility of providing temporary relief to beleaguered industries. But always it seems to me we have to focus not only on what Government can do usually on a short-term basis to make things

better for import-affected industries but we have to focus on what those industries can do for themselves.

Back in 1981, at the time of the voluntary restraints for automobiles, a lot of people made it clear at that time that while it was possible to provide temporary import relief for the automobile industry, the future of that industry depended not on the relief that was granted either by the Government of this country or the Government of Japan, but, rather, on whether the industry and its work force was able to produce competitive automobiles at a competitive price. The same is true for any industry. Eventually, the time comes when the industry is going to have to make its own future, and that is certainly the case with steel. The Senator from West Virginia has pointed to the kind of cooperation which is going to be necessary, and I think that it is informative to the Senate that in his first major speech to the Senate the Senator from West Virginia has talked about the need for coooperation, the need to bring diverse groups together to work for a common purpose. That same spirit is needed throughout our country. The same spirit is needed, as a matter of fact, within the Senate itself. One of the great privileges I have had is that the Senator from West Virginia chose to serve on the Senate Commerce Committee, which I am privileged to chair. He has brought that same kind of willingness to bring together disparate forces, that same sort of spirit he has brought to the Commerce Committee which he has referred to in this speech. So I join with his other colleagues in complimenting the Senator from West Virginia for a truly marvelous message.

Mr. DODD. Mr. President, I join with my colleagues this morning in commendation of our distinguished colleague from West Virginia in what has been an extremely thoughtful and very fine presentation of a major, major issue that affects all of us in this country. As my distinguished colleague from Maryland has pointed out, he has taken a situation in his home State of West Virginia and translated that very finely to a far broader problem that we all face across this country in a variety of industries.

It is interesting as well, Mr. President, that the distinguished Senator from West Virginia has chosen this particular day to address this issue. As we sit here this morning, the President of our country is meeting with the General Secretary of the Soviet Union. One may first ask, "What is the relationship between the subject matter of the speech given by the Senator from West Virginia and what is going on in Geneva at this very hour?" The subject matter is the same. It is national security. It is the defense of this country.

The subject matter chosen by the distinguished Senator from West Virginia is no less important to this Nation's future, I suggest, than the discussions going on at this very hour on the other side of the world. Certainly, we would never be a very strong Nation were we to lose an essential manufacturing base such as steel in this country.

We will never be a strong country, regardless of the product being produced, if there is not that sense of cooperation between labor and management and the essential element of Government playing a positive and constructive role. I think the two subject matters go hand in hand.

It was creative and unique for the distinguished Senator from West Virginia to raise this subject at this time, and I join my colleagues in praise and commendation for him.

Mr. LEVIN. Mr. President, I congratulate my friend from West Virginia for a clear and brilliant speech on the most important economic subject we face, which is making America competitive so that we can compete in this world.

The compliment paid to the Senator from West Virginia by the Senator from Louisiana is symbolic of the others who have responded to this speech, and it is important. The Senator from Louisiana was the father, or one of the fathers, of ESOPS. Perhaps our friend from West Virginia, being somewhat new to the Senate, is not aware of the kind comment he received from the Senator from Louisiana, because ESOPS, to which the Senator from West Virginia referred, was sponsored not for the first time but at one time by the Senator from Louisiana [Mr. LONG].

So that is quite a compliment, coming from the Senator from Louisiana, about the remarks delivered this morning by the Senator from West Virginia, and it is a well-deserved compliment indeed.

You have touched the heart of the problem we face in this country economically, and that is that we must be cooperative and harmonious in our relations if we are to compete in this world.

It is hoped that legislation will come to the floor involving the Department of Trade. The Senator from Missouri is critically involved in that legislation, which involves voluntary competitive counsel. That is at the heart of the subject which you addressed today. So I congratulate you.

Everybody here has had a role in the trade effort in the Senate. Senator DANFORTH pointed out very well the kind of cooperative relationships which you pointed to in the area of competitiveness which will be essential in the Senate if we are to pass important competitive trade legislation. Your leadership will be essential to the passage of that legislation.

Mr. SIMPSON. Mr. President, I wish to add my remarks to what others have said about the Senator from West Virginia.

It is indeed his first major statement in depth on this floor. It is a very provocative review of the problems of an ailing industry, an industry that is well known to the Senator from West Virginia because of his stewardship as Governor of that fine State. He knows it intimately.

I have come to know and enjoy my angular colleague from West Virginia. I have come to see him as a very thoughtful and very sensitive man. He comes here following two legendary figures not only in West Virginia history but also in Senate history—our remarkable minority leader, Senator ROBERT BYRD and the dear Senator Jennings Randolph, towers of the Senate. But he does pretty well at towering, too, at 6 feet, 6 inches.

I have observed him; I have shared much with him. I have come to admire him. He is in a tough, new arena in this fishbowl existence of the Senate. He handles well all the hoopla that goes with that, directed to him, to his particular situation, the intrusions and speculations and commentaries; the rather goofy questions and frenetic fans and harsh judges and all of the rest of the stuff that goes with that.

He and Sharon, his wife, handle it all with great grace. She, of course, is the daughter of our respected former colleague from Illinois. They are indeed a great pair. Lovely people. They are a nice addition to the life of the Senate.

It is a pleasure to hear him relate this concept. These are the things we will use as tools as we grapple with the tough issue of how to make American industry work, without the pettiness and the bitterness and the continual playing of "win or lose," when labor, management, and government should all be playing "all win." What he shares with us will help us do the things we must do.

I see in my colleague a man who wants very much to do the job right in the U.S. Senate, not just for the citizens of West Virginia but also for the citizens of the country and for himself—and I predict that he will do that beautifully.

I yield back the remainder of my time.

Mr. BYRD. Mr. President, Senator ROCKEFELLER's remarks reflect an understanding of the current challenges facing our basic industries.

The Wheeling-Pitt negotiations are an excellent example of the importance of flexibility and innovation in meeting the competitive challenge. Senator ROCKEFELLER and I worked to-

gether when he was West Virginia's Governor to assist the Weirton Steel employees in their successful efforts to restructure that company. In West Virginia, we have examples of the kind of labor-management partnership and cooperation that must prevail to assure that American industries compete and retain their world-class status. But these must become the rule, rather than special cases, if we are to succeed as a nation.

Senator ROCKEFELLER has called for an appropriate, activist policy on behalf of Government. He and I are concerned that this administration's lack of a convincing trade or economic strategy is turning winning American companies into losers.

Nowhere is this lack of policy more evident than in the American steel industry. We are the only major steel producing country—and one of the only countries in the world—that has no comprehensive steel plan. In an excellent column in the Washington Post of June 30, 1985, George Will noted that:

> The steel industry's primary problem is that it is competing not with foreign corporations * * * but with foreign governments that have flooded the world with excess capacity and are running nationalized steel plants as jobs programs.

Last year, the administration turned down the International Trade Commission's recommendation of import relief for our steel industry and developed a program that called for an 18.5 percent ceiling on foreign steel imports. In October of this year, foreign steel accounted for about 30 percent of the American market. As Senator ROCKEFELLER has pointed out, American steelworkers and steel companies have made the tough choices and are working diligently to become more productive, more efficient, and better competitors. But time is short for America's steel industry, and a failure of will on the part of the administration is imperiling this crucial sector.

My colleague's call for a new, dynamic approach to labor-management-government coordination should be heard far beyond the steel industry. As my colleague points out, the high technology firms, of which we are justifiably proud, are learning that they, too, must compete in a global market. This challenge was described by Senator TED KENNEDY and his colleagues in the Senate Democratic Task Force on Jobs for the Future that I appointed 2 years ago. The dangers—and the opportunities—described at that time are even more real for us today than they were then.

I commend Senator ROCKEFELLER for his insight and his understanding in describing the problems we face. His statement today is a useful step in advancing the terms of debate as we seek wise and effective solutions in the good interests of the Nation.

I again compliment my distinguished colleague.

Mr. ROCKEFELLER. Mr. President, I want to thank all my colleagues who have spoken for their extraordinarily generous remarks. They mean a great deal to me.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. CHAFEE). Under the previous order, there will now be a period for the transaction of routine morning business not to extend the hour of 10 a.m., with statements therein limited to 5 minutes each.

OPPOSITION TO COAST GUARD BUDGET REDUCTION

Mr. STEVENS. Mr. President, the Senate recently passed an appropriations bill for the Department of Transportation which reduced the Coast Guard operating budget by $230 million. The Appropriations Committee included this reduction in an effort to reconcile outlay authority which is purportedly inconsistent with the budget resolution.

I strongly support the efforts of the Senate in coping with the budget deficit. However, a reduction of this magnitude in the Coast Guard's operating budget is against the national interest. The Coast Guard plays a vital role in our national defense. It is also responsible for drug interdiction and border patrol. These types of activities benefit the residents of inland States as well as the coastal States. Illegal aliens and narcotics are not confined to the coastal States if movement across our borders is successful.

The Coast Guard is an integral part of the management of the living marine resources located in Federal waters, and has the sole responsibility for search and rescue. Alaska has special need for the continuation of a strong Coast Guard. Alaska has over 33,000 miles of shoreline. Over half of the residents of my State live on the coast, and are dependent on the ocean for transportation and employment opportunities. There is a billion dollar fishing industry in Alaska and a high level of offshore oil and gas development.

The tremendous expansion of missions by the Congress have imposed a huge burden on the Coast Guard to act as the savior of last resort during times of emergency. Last year the Coast Guard patrolled over 530,000 miles of Alaskan shoreline and saved over 200 lives. If the proposed reduction is allowed to stand, the Alaska ship and air fleets will be reduced by 30 percent. This will include the decommissioning of six cutters and the closure of five Coast Guard stations. One thing is sure—many lives will be lost if the operating budget is not restored.

Alaskans are keenly aware of the Coast Guard's life-saving function. Last week a radio station in Kodiak, AK, received almost 1,200 phone calls in support of the Coast Guard within a 3-hour time span. Kodiak is an island surrounded by some of the most dangerous waters in the world. The residents of Kodiak considered the Coast Guard their "life line." In an era where many communities shun the presence of the military, the strong feelings emanating from the Alaskan coastal communities for the Coast Guard illustrates the importance of its function.

ANGLO-IRISH AGREEMENT ON NORTHERN IRELAND

Mr. KENNEDY. Mr. President, the far-reaching agreement signed at Hillsborough in Northern Ireland on November 15, 1985 between the Irish and British Governments is a hopeful step toward peace in Northern Ireland and an end to the violence and terrorism that have plagued the province since 1969.

For the first time, the British Government has granted a specific—and long overdue—role for the Republic of Ireland in the day-to-day affairs of Northern Ireland. The Catholic minority in the North will have an effective new advocate to advance their rights—and reduce the alienation and oppression that have led to so much tragedy and violence.

Once before, in 1973, a major initiative was taken—and failed, because of the die-hard refusal of the entrenched Protestant majority to grant fundamental rights to the Catholic minority. The new agreement shows that both Ireland and Britain have learned from that experience—and Hillsborough can succeed where Sunningdale did not.

This is an agreement that can work, if the governments hold firm, and if the extremists on both sides put aside their prejudicies and give it a chance. All of us in Congress who care about peace in Northern Ireland are encouraged by this new initiative, and we hope for its success.

Mr. President, I ask unanimous consent that a statement by Members of Congress endorsing the agreement may be printed in the RECORD, together with the joint communique issued at the summit meeting, a summary of the agreement released by the two governments, and the agreement itself.

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

STATEMENT ON THE ANGLO-IRISH AGREEMENT ON NORTHERN IRELAND

[November 15, 1985]

As friends of Ireland in the United States Congress, we strongly support the agreement reached today by the Governments of Ireland and Great Britain in their historic joint effort to end the violence and achieve a peaceful settlement of the conflict in Northern Ireland.

The new agreement is not a final answer, but it is an important step toward reconciliation between the Nationalist and Unionist traditions in Northern Ireland and among all the peoples of Ireland. It also fairly reflects the spirit of the far-reaching principles set forth in the report of the New Ireland Forum in 1984.

We are particularly encouraged by the British Government's acceptance of an unprecedented official role for the Irish Government in the day-to-day affairs of Northern Ireland.

At this hopeful time, we renew our unequivocal condemnation of the violence in Northern Ireland. In the weeks ahead, we stand ready to work in Congress and with the President to provide all appropriate assistance by the United States, including financial and economic support, to help implement the new agreement.

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Daniel Patrick Moynihan
Robert C. Byrd
Alan Cranston
Claiborne Pell
Joseph R. Biden, Jr.
Jeff Bingaman
Christopher J. Dodd
Thomas F. Eagleton
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Raymond J. McGrath
Bill Lowery

ANGLO-IRISH SUMMIT MEETING, 15 NOVEMBER 1985, JOINT COMMUNIQUE

1. The Taoiseach, Dr. Garret FitzGerald T.D. and the Prime Minister, the Rt. Hon. Mrs. Margaret Thatcher FRS MP, met at Hillsborough on 15 November 1985. It was the third meeting of the Anglo-Irish Intergovernmental Council to be held at the level of Heads of Government.

2. The Taoiseach was accompanied by the Tanaiste (Deputy Prime Minister), Mr. Dick Strong TD, and the Minister for Foreign Affairs, Mr. Peter Barry TD. The Prime Minister was accompanied by the Secretary of State for Foreign and Commonwealth Affairs, the Rt. hon. Sir Geoffrey Howe QC MP, and the Secretary of State for Northern Ireland the Rt. Hon. Tom King MP.

3. The Taoiseach and the Prime Minister signed a formal and binding Agreement between their two Governments, which will enter into force as soon as each Government has notified the other of acceptance. The Agreement has the aims of promoting peace and stability in Northern Ireland; creating a new climate of friendship and cooperation between the people of the two countries; and improving cooperation in combatting terrorism.

4. The Agreement deals in particular with the status of Northern Ireland and the establishment of an Intergovernmental Conference in which the Irish Government will put forward views and proposals concerning stated aspects of Northern Ireland affairs; in which the promotion of cross-border cooperation will be discussed; and in which determined efforts will be made to resolve any differences between the two Governments.

5. The Taoiseach and the Prime Minister committed themselves to implementing and sustaining the measures set out in the Agreement with determination and imagination and undertook to encourage people of both the unionist and nationalist traditions in Ireland to make new efforts to understand and respect each other's concerns with a view to promoting reconciliation.

6. The exchange of notifications of acceptance will not be completed until the Agreement has been approved by Dail Eireann and by the British Parliament. The two Governments intend that action to implement the provisions of the Agreement should begin once the exchange of notifications has been completed. The first meeting of the Intergovernmental Conference will take place as soon as possible thereafter. The Irish side will be led by the Minister designated as the Permanent Irish Ministerial Representative and the British side by the Secretary of State for Northern Ireland.

7. The two Governments envisage that the meetings and agenda of the Conference will not normally be announced. But they wish it to be known that, at its first meeting, the Conference will consider its future programme of work in all the fields—political, security, legal, economic, social and cultural—assigned to it under the Agreement. It will concentrate at its initial meetings on: relations between the security forces and the minority community in Northern Ireland; ways of enhancing security co-operation between the two Governments; and seeking measures which would give substantial expression to the aim of underlining the importance of public confidence in the administration of justice.

In the interests of all the people of Northern Ireland the two sides are committed to work for early progress in these matters. Against this background, the Taoiseach said that it was the intention of his Government to accede as soon as possible to the European Convention on the Suppression of Terrorism.

8. In addressing the improvement of relations between the security forces and the minority community, the Conference at its first meeting will consider:

a. the application of the principle that the Armed Forces (which include the Ulster Defence Regiment) operate only in support of the civil power, with the particular objective of ensuring as rapidly as possible that, save in the most exceptional circumstances, there is a police presence in all operations which involve direct contact with the community;

b. ways of underlining the policy of the Royal Ulster Constabulary and of the Armed Forces in Northern Ireland that they discharge their duties even-handedly and with equal respect for the unionist and nationalist identities and traditions.

9. In its discussion of the enhancement of cross-border co-operation on security, the first meeting of the Intergovernmenal Conference will give particular attention to the importance of continuing and enhanced co-operation, as envisaged in Article 9(a) of the Agreement, in the policing of border areas.

10. In addition to concluding the new Agreement, the Taoiseach and the Prime Minister reviewed the wide range of work being done under the auspices of the Anglo-Irish Intergovernmental Council to develop further the unique relationship between the two countries. The fact that in the past year there have been more than twenty meetings between Ministers of the two Governments demonstrates the closeness of co-operation. The Taoiseach and the Prime Minister decided that this work should be actively continued, in the interests of friendship between all the people of both countries.

11. The Taoiseach and the Prime Minister agreed to meet again at an appropriate time to take stock of the development of relations between the two countries and of the implementation of the agreement which they have signed.

SUMMARY OF THE ANGLO-IRISH AGREEMENT 1985, JOINT PRESS RELEASE

(Note: This summary has no legal status)

1. The Agreement begins with a preamble incorporating a joint statement of objectives.

THE STATUS OF NORTHERN IRELAND

2. The two Governments affirm that any change in the status of Northern Ireland would only come about with the consent of a majority of the people of Northern Ireland; recognise that the present wish of a majority there is for no change in that status; and declare that, if in the future a majority there clearly wish for and formally consent to the establishment of a united Ireland, the two Governments will introduce and support legislation in the respective Parliaments to give effect to this. (Article 1)

FRAMEWORK AND OBJECTIVES OF THE INTERGOVERNMENTAL CONFERENCE

3. The Agreement establishes, within the framework of the Anglo-Irish Intergovernmental Council, an Intergovernmental Conference concerned with Northern Ireland and with relations between the two parts of the island of Ireland which, subject to the terms of the Agreement, will deal on a regular basis with: political matters; security and related matters; legal matters, including the

administration of justice; the promotion of cross-border co-operation. (Article 2(a))

The Agreement provides for a review of the working of the Conference after three years, or earlier if either side desires. (Article 11)

4. The Conference will proceed on the basis that: the United Kingdom Government accept that the Irish Government will put forward within the Conference views and proposals on certain matters relating to Northern Ireland as provided for in the Agreement; in the interest of promoting peace and stability, determined efforts will be made in the Conference to resolve any differences; there will be no derogation from the sovereignty of either Government, and each retains responsibility for the decisions and administration of government within its own jurisdiction. (Article 2(b))

5. The Conference will be a framework within which the two Governments work together for the accommodation of the rights and identities of the two traditions in Northern Ireland and for peace, stability and prosperity throughout Ireland by promoting reconciliation, respect for human rights, cooperation against terrorism and the development of economic, social and cultural cooperation. (Article 4(a))

PROCEDURES AND MEMBERSHIP OF THE INTERGOVERNMENTAL CONFERENCE

6. There will be regular and frequent meetings of the Conference at Ministerial level as well as meetings at official level, and special meetings may be convened at the request of either side. The joint Chairmen at Ministerial level will be on the Irish side a Minister designated as the Permanent Irish Ministerial Representative and on the United Kingdom side the Secretary of State for Northern Ireland. Other Ministers and advisers will participate as appropriate. There will be a Secretariat to service the Conference on a continuing basis. (Article 3)

7. The Irish Government declare their support for the United Kingdom Government's policy of seeking devolution in Northern Ireland on a basis which would secure widespread acceptance throughout the community. (Article 4(b)). The Conference will be a framework in which the Irish Government can put forward views and proposals on the modalities of devolution, in so far as they relate to the interests of the minority community. (Article 4(c)). Should a devoted administration be established, the devolved matters would not be for consideration by the Conference. (Article 2)

POLITICAL MATTERS

8. The Conference will concern itself with measures to recognise and accommodate the rights and identities of both traditions in Northern Ireland in such areas as cultural heritage, electoral arrangements, use of flags and emblems, the avoidance of economic and social discrimination and the advantages and disadvantages of a Bill of Rights for Northern Ireland. (Article 5(a))

9. Should it prove impossible to achieve and sustain devolution, proposals for major legislation and major policy issues where the interests of the minority community are significantly or especially affected and which come within the administrative responsibility of the Northern Ireland Departments will be for consideration by the Conference. (Article 5(c))

10. The Conference will be a framework within which the Irish Government may put forward views on the role and composition of bodies appointed by the Secretary of State for Northern Ireland or his Departments. (Article 6)

SECURITY AND RELATED MATTERS WITHIN NORTHERN IRELAND

11. The Conference will consider security policy issues as well as serious incidents and forthcoming events. A programne of action will be developed with the particular object of improving the relations between the security forces and the nationalist community. Elements of the programme may be considered by the Irish Government for application in the South. The Conference may also consider policy issues relating to prisons, and individual cases may be raised. (Article 7)

LEGAL MATTERS INCLUDING THE ADMINISTRATION OF JUSTICE

12. Both Governments recognise the importance of public confidence in the administration of justice. The Conference will seek measures that would give substantial expression to this aim, considering among other things the possibility of mixed courts in both jurisdictions for the trial of certain offences. The Conference will also consider whether there are areas of the criminal law in both jurisdictions which might with benefit be harmonised and will be concerned with policy aspects of extradition and extra-territorial jurisdiction as between North and South. (Article 8)

CROSS-BORDER CO-OPERATION ON SECURITY, ECONOMIC, SOCIAL AND CULTURAL MATTERS

13. The Conference will set in hand a programme of work to be undertaken by the Chief Constable of the Royal Ulster Constabulary and the Commissioner of the Garda Siochana with a view to enhancing co-operation between the security forces of the two Governments in such areas as threat assessments, exchange of information, liaison structures, technical co-operation, training of personnel and operational resources. The Conference will have no operational responsibilities. (Article 9)

14. The two Governments undertake to co-operate to promote the economic and social development of those areas in both parts of Ireland which have suffered most severely as a result of the instability of recent years. The two Governments will consider the possibility of securing international support for this work. (Article 10(a))

15. The Conference will, in the absense of devolution, be the framework for the promotion of cross-border economic, social and cultural co-operation. In the event of devolution, machinery would be needed to deal with co-operation in respect of cross-border aspects of devolved matters. (Article 10 (b) and (c))

INTERPARLIAMENTARY BODY

16. The two Governments agree that they would give appropriate support to any Anglo-Irish Interparliamentary body established by the two Parliaments. (Article 12)

AGREEMENT BETWEEN THE GOVERNMENT OF IRELAND AND THE GOVERNMENT OF THE UNITED KINGDOM

The Government of Ireland and the Government of the United Kingdom:

Wishing further to develop the unique relationship between their peoples and the close co-operation between their countries as friendly neighbours and as partners in the European Community;

Recognising the major interest of both their countries and, above all, of the people of Northern Ireland in diminishing the divisions there and achieving lasting peace and stability;

Recognising the need for continuing efforts to reconcile and to acknowledge the rights of the two major traditions that exist in Ireland, represented on the one hand by those who wish for no change in the present status of Northern Ireland and on the other hand by those who aspire to a sovereign united Ireland achieved by peaceful means and through agreement;

Reaffirming their total rejection of any attempt to promote political objectives by violence or the threat of violence and their determination to work together to ensure that those who adopt or support such methods do not succeed;

Recognising that a condition of genuine reconciliation and dialogue between unionists and nationalists is mutual recognition and acceptance of each other's rights;

Recognising and respecting the identities of the two communities in Northern Ireland, and the right of each to pursue its aspirations by peaceful and constitutional means;

Reaffirming their commitment to a society in Northern Ireland in which all may live in peace, free from discrimination and intolerance, and with the opportunity for both communities to participate fully in the structures and processes of government;

Have accordingly agreed as follows:

A STATUS OF NORTHERN IRELAND

Article 1

The two Governments:

(a) affirm that any change in the status of Northern Ireland would only come about with the consent of a majority of the people of Northern Ireland;

(b) recognise that the present wish of a majority of the people of Northern Ireland is for no change in the status of Northern Ireland;

(c) declare that, if in the future a majority of the people of Northern Ireland clearly wish for and formally consent to the establishment of a united Ireland, they will introduce and support in the respective Parliaments legislation to give effect to that wish.

THE INTERGOVERNMENTAL CONFERENCE

Article 2

(a) There is hereby established, within the framework of the Anglo-Irish Intergovernmental Council set up after the meeting between the two Heads of Government on 6 November 1981, an Intergovernmental Conference (hereinafter referred to as "the Conference"), concerned with Northern Ireland and with relations between the two parts of the island of Ireland, to deal, as set out in this Agreement, on a regular basis with (i) political matters; (ii) security and related matters; (iii) legal matters, including the administration of justice; (iv) the promotion of cross-border co-operation.

(b) The United Kingdom Government accept that the Irish Government will put forward views and proposals on matters relating to Northern Ireland within the field of activity of the Conference in so far as those matters are not the responsibility of a devolved administration in Northern Ireland. In the interest of promoting peace and stability, determined efforts shall be made through the Conference to resolve any differences. The Conference will be mainly concerned with Northern Ireland; but some of the matters under consideration will involve cooperative action in both parts of the island of Ireland, and possibly also in Great Britain. Some of the proposals considered in respect of Northern Ireland may also be found to have application by the Irish Government. There is no derogation from the sovereignty of either the Irish Government

or the United Kingdom Government, so that each retains responsibility for the decisions and administration of government within its own jurisdiction.

Article 3

The conference shall meet at Ministerial or official level, as required. The business of the Conference will thus receive attention at the highest level. Regular and frequent Ministerial meetings shall be held; and in particular special meetings shall be convened at the request of either side. Officials may meet in subordinate groups. Membership of the Conference and of sub-groups shall be small and flexible. When the Conference meets at Ministerial level an Irish Minister designated as the Permanent Irish Ministerial Representative and the Secretary of State for Northern Ireland shall be joint Chairmen. Within the framework of the Conference other Irish and British Ministers may hold or attend meetings as appropriate: when legal matters are under consideration the Attorneys General may attend. Ministers may be accompanied by their officials and their professional advisers: for example, when questions of security policy or security co-operation are being discussed, they may be accompanied by the Commissioner of the Garda Siochana and the Chief Constable of the Royal Ulster Constabulary; or when questions of economic or social policy or co-operation are being discussed, they may be accompanied by officials of the relevant Departments. A Secretariat shall be established by the two Governments to service the Conference on a continuing basis in the discharge of its functions as set out in this Agreement.

Article 4

(a) In relation to matters coming within its field of activity, the Conference shall be a framework within which the Irish Government and the United Kingdom Government work together (i) for the accommodation of the rights and identities of the two traditions which exist in Northern Ireland; and (ii) for peace, stability and prosperity throughout the island of Ireland by promoting reconciliation, respect for human rights, co-operation against terrorism and the development of economic, social and cultural co-operation.

(b) It is the declared policy of the United Kingdom Government that responsibility in respect to certain matters within the powers of the Secretary of State for Northern Ireland should be devolved within Northern Ireland on a basis which would secure widespread acceptance throughout the community. The Irish Government support that policy.

(c) Both Governments recognise that devolution can be achieved only within the co-operation of constitutional representatives within Northern Ireland of both traditions there. The Conference shall be a framework within which the Irish Government may put forward views and proposals on the modalities of bringing about devolution in Northern Ireland, in so far as they relate to the interests of the minority community.

C. POLITICAL MATTERS

Article 5

(a) The Conference shall concern itself with measures to recognise and accommodate the rights and identities of the two traditions in Northern Ireland, to protect human rights and to prevent discrimination. Matters to be considered in this area include measures to foster the cultural heritage of both traditions, changes in electoral arrangements, the use of flags and emblems, the avoidance of economic and social discrimination and the advantages and disadvantages of a Bill of Rights in some form in Northern Ireland.

(b) The discussion of these matters shall be mainly concerned with Northern Ireland, but the possible application of any measures pursuant to this article by the Irish Government in their jurisdiction shall not be excluded.

(c) If it should prove impossible to achieve and sustain devolution on a basis which secures widespread acceptance in Northern Ireland, the Conference shall be a framework within which the Irish Government may, where the interests of the minority community are significantly or especially affected, put forward views on proposals for major legislation and on major policy issues, which are within the purview of the Northern Ireland Departments and which remain the responsibility of the Secretary of State for Northern Ireland.

Article 6

The Conference shall be a framework within which the Irish Government may put forward views and proposals on the role and composition of bodies appointed by the Secretary of State for Northern Ireland or by Departments subject to his direction and control including:

The Standing Advisory Commission on Human Rights;

The Fair Employment Agency;

The Equal Opportunity Commission;

The Police Authority for Northern Ireland;

The Police Complaints Board.

D. SECURITY AND RELATED MATTERS

Article 7

(a) The Conference shall consider (i) security policy; (ii) relations between the security forces and the community; (iii) prisons policy.

(b) The Conference shall consider the security situation at its regular meetings and thus provide an opportunity to address policy issues, serious incidents and forthcoming events.

(c) The two Governments agree that there is a need for a programme of special measures in Northern Ireland to improve relations between the security forces and the community, with the object in particular of making the security forces more readily accepted by the nationalist community. Such a programme shall be developed, for the Conference's consideration, and may include the establishment of local consultative machinery, training in community relations, crime prevention schemes involving the community, improvements in arrangements for handling complaints, and action to increase the proportion of members of the minority in the Royal Ulster Constabulary. Elements of the programme may be considered by the Irish Government suitable for application within their jurisdiction.

(d) The Conference may consider policy issues relating to prisons. Individual cases may be raised as appropriate, so that information can be provided or inquiries instituted.

E. LEGAL MATTERS, INCLUDING THE ADMINISTRATION OF JUSTICE

Article 8

The Conference shall deal with issues of concern to both countries relating to the enforcement of the criminal law. In particular it shall consider whether there are areas of the criminal law applying in the North and in the South respectively which might with benefit be harmonised. The two Governments agree on the importance of public confidence in the administration of justice. The Conference shall seek, with the help of advice from experts as appropriate, measures which would give substantial expression to this aim, considering inter alia the possibility of mixed courts in both jurisdictions for the trial of certain offences. The Conference shall also be concerned with policy aspects of extradition and extra-territorial jurisdiction as between North and South.

F. CROSS-BORDER CO-OPERATION ON SECURITY, ECONOMIC, SOCIAL AND CULTURAL MATTERS

Article 9

(a) With a view to enhancing cross-border co-operation on security matters, the Conference shall set in hand a programme of work to be undertaken by the Commissioner of the Garda Siochana and the Chief Constable of the Royal Ulster Constabulary and, where appropriate, groups of officials, in such areas as threat assessments, exchange of information, liaison structures, technical co-operation, training of personnel, and operational resources.

(b) The Conference shall have no operational responsibilities; responsibility for police operations shall remain with the heads of the respective police forces, the Commissioner of the Garda Siochana maintaining his links with the Minister for Justice and the Chief Constable for the Royal Ulster Constabulary his links with the Secretary of State for Northern Ireland.

Article 10

(a) The two Governments shall co-operate to promote the economic and social development of those areas of both parts of Ireland which have suffered most severely from the consequences of the instability of recent years, and shall consider the possibility of securing international support for this work.

(b) If it should prove impossible to achieve and sustain devolution on a basis which secures widespread acceptance in Northern Ireland, the Conference shall be a framework for the promotion of co-operation between the two parts of Ireland concerning cross-border aspects of economic, social and cultural matters in relation to which the Secretary of State for Northern Ireland continues to exercise authority.

(c) If responsibility is devolved in respect of certain matters in the economic, social or cultural areas currently within the responsibility of the Secretary of State for Northern Ireland, machinery will need to be established by the responsible authorities in the North and South for practical co-operation in respect of cross-border aspects of these issues.

G. ARRANGEMENTS FOR REVIEW

Article 11

At the end of three years from signature of this Agreement, or earlier if requested by either Government, the working of the Conference shall be reviewed by the two Governments to see whether any changes in the scope and nature of its activities are desirable.

H. INTERPARLIAMENTARY RELATIONS

Article 12

It will be for Parliamentary decision in Dublin and in Westminster whether to establish an Anglo-Irish Parliamentary body of the kind adumbrated in the Anglo-Irish Studies Report of November 1981. The two

Governments agree that they would give support as appropriate to such a body, if it were to be established.

I. FINAL CLAUSES

Article 13

This Agreement shall enter into force on the date on which the two Governments exchange notifications of their acceptance of this Agreement.

In witness whereof the undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement.

Done in two originals on the 15th day of November 1985.

An Taoiseach,
DR. GARRET FITZGERALD,
For the Government of Ireland.
Prime Minister,
MRS. MARGARET THATCHER,
For the Government of the United Kingdom.

MAINTAINING THE SALT NO-UNDERCUT POLICY

Mr. LEAHY. Mr. President, the egregious leaking to the press of Secretary Weinberger's letter accompanying the Defense Department report to the President on Soviet arms control compliance is clearly a maneuver to undermine the possibility of a formal understanding being reached in Geneva that both sides will not undercut SALT II limitations.

Specifically, in his letter, Secretary Weinberger opposed seeking at the summit either a formal agreement to extend adherence to provisions of the SALT II Treaty for another year, or any understanding with the Soviets which would result in a restrictive interpretation of the ABM Treaty and thereby constrain star wars.

The effect of this calculated leak has been to attack the President's existing policies and to illuminate at a most unfortunate moment the disarray within the administration over fundamental arms control issues.

Mr. President, I, together with several of my colleagues, have for the last 2 years argued that extending adherence to the key numerical ceilings of the SALT I Interim Agreement and the SALT II Treaty for another year would at the very least allow our negotiators to work without fear that their efforts would be overtaken by an acceleration of the arms race.

Indeed, President Reagan supported our view when, on June 10, 1985, he went along with the recommendation of the Bumpers-Leahy-Chafee-Heinz amendment that the United States should dismantle an older Poseidon submarine in order for the United States to remain within the SALT II MIRV'd ICBM and SLBM launcher subceilings. Our amendment was adopted by a vote of 90 to 5 in the Senate.

The President took this action, certainly not because of his dedication to the SALT agreements—which he once labeled as "fatally flawed"—but because he must understand that the Soviets are in a better position to exploit a breakdown in adherence to numerical limits of SALT. Obviously, in making his June 10 decision, he recognized that in the absence of the SALT restraints, ongoing Soviet strategic programs would increase the nuclear threat to the United States.

Secretary Weinberger also must be aware of these facts, yet he continues to ignore them. Perhaps the Secretary feels that engaging in a mutual breakout of the SALT subceilings is the only way to generate support in the United States for the type of massive nuclear build-up he apparently favors.

Mr. President, I challenge Secretary Weinberger's selective interpretation of the facts.

In his letter to the President, as published in the newspapers, Secretary Weinberger declares that continued adherence by the United States to the numerical ceilings of SALT II would "require us to dismantle far larger numbers of modern weapons than the Soviets over the near term."

Yet, Secretary Weinberger chooses to define the near term as "through 1991," as though there were any realistic prospect of the current situation extending that long. A much more meaningful timeframe to evaluate the implications of extending the SALT ceilings is through 1986 or perhaps 1987. Using figures from open-source publications of the Congressional Research Service, the International Institute for Strategic Studies and the Nuclear Weapons Data Book, I have prepared an alternative set of figures for the impact of dismantlements through 1987. Let's look at what would happen during that period.

If SALT II limits were continued through 1986 or 1987, the Soviet Union would clearly pay a higher price in terms of required dismantlements than would the United States. Through 1986, the United States would have to dismantle either 3 Poseidon submarines or 40-50 Minuteman III's. However, the Soviet Union would be forced to dismantle 4 Yankee class submarines, 2 hotel class submarines and 125 SS-11 and SS-17 ICBM's. In 1987, because no Trident submarine deployments are scheduled, the United States would only have to compensate for a modest deployment of air launched cruise missiles on B-52 or B-1 bombers. As an offset, the United States would have to dismantle either 1 additional Poseidon submarine or 20 Minuteman III ICBM's. The Soviets, on the other hand, would be required to dismantle a further 2 or more Yankee class submarines and 90 or more SS-11 and SS-17 ICBM's.

More important than the launcher numbers, other measures, such as warhead reductions would favor the United States as well, as would other indices beloved of the administration such as throwweight and megatonnage. Through 1987, for example, the U.S. warhead reduction could be as low as 240, if we opted to dismantle vulnerable silo-based Minuteman III ICBM's instead of Poseidons. By contrast, the Soviets would be required to eliminate nearly 500 operational ballistic missile warheads. For the same period, the Soviets would have to reduce over 800,000 pounds of throw-weight and 337 megatons of destructive power. The corresponding figures for the United States in the same period are 212,000 lbs. of throw-weight and 31 megatons.

Mr. President, the facts make clear that in the real near term—through 1987—contrary to Secretary Weinberger's assertion, the SALT dismantlements would continue to favor the United States. Beyond 1987, as new U.S. strategic systems come on line, it is true that the United States would then begin to make greater sacrifices in order to remain within the SALT ceilings. However, no one to my knowledge has suggested that the policy of interim restraint be carried on indefinitely. The Bumpers, Leahy, et al amendment adopted this year recommends only that the present "no undercut" policy be continued through 1986.

Interim restraint is no substitute for a new treaty which results in deep reductions in strategic weapons. However, a formal extension of SALT II for a year or two would at the very least provide our negotiations in Geneva with a more positive atmosphere to follow up on the summit. It would also allow us to pursue serious compliance issues with the Soviets at the Standing Consultative Commission and in other channels in a business-like manner.

Unfortunately, Secretary Weinberger in his letter to the President repudiated the SCC, the only established forum we have for the peaceful resolution of outstanding compliance issues with the Soviet Union. The Secretary described the SCC as a "diplomatic carpet under which Soviet violations have been continuously swept, an Orwellian memory hole into which our concerns have been dumped like yesterday's trash." This type of inflated rhetoric is simply not worthy of a policy statement by a senior member of this administration—or any administration. Until the advent of the present administration, the SCC has been a place where issues could be discussed, and in most cases, resolved in a manner free from the public tirades which characterize much of the United States-Soviet relations. Over the last 5 years, the SCC has fallen victim to the broader breakdown in communication between the United States and the Soviets on all significant arms control matters.

The SCC works when both sides want to use it quietly and in a business-like way to discuss compliance issues, and when both sides are determined to address serious arms control problems without turning them into tests of national wills. Neither of these conditions exist now, nor have they existed for several years. That is not to denigrate the past accomplishments of the SCC, for which I refer Senators to the public report of then-Secretary of State Cyrus Vance in July 1979, nor to disparage its potential when both sides are once again prepared to use it in the manner and for the purpose for which it was created.

Mr. President, many of us, both Republican and Democratic, have had large differences with this administration over its arms control policies. Yet as the summit approached, we all have come together behind our President, in the hope that he and the Soviet leader would be able to take meaningful steps toward the deep reductions we all so deeply want.

Unfortunately, some of the President's own advisers have decided to undermine his efforts. Let us hope the President will repudiate them.

I ask unanimous consent that an editorial on this subject that appeared in this morning's Washington Post be printed in the RECORD.

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

LEAKED LETTER

Even in a city inured to rocking disclosures, the weekend leak of Secretary of Defense Caspar Weinberger's letter to President Reagan was an eye-opener. Here was a powerful Cabinet officer being seen to warn the president against coming to terms with Mikhail Gorbachev on several of the most critical issues ostensibly being considered for negotiation at Geneva. Here was a president five years in office, barely hours away from his first meeting with a Soviet leader, appearing to have failed so far to resolve fundamental issues bearing on summit tactics and grand strategy.

On both these scores—reluctance in the Pentagon, confusion in the White House—the letter was an embarrassment to the president and a coup for the Soviets. If Mr. Reagan takes the advice in the letter, he risks being portrayed as a captive of the "military-industrial complex"—the phrase of President Eisenhower that Mr. Gorbachev has recently put to his own propaganda uses. If the president ignores the advice, it will look as though he has repudiated a faithful aide and an important slice of his constituency. Certainly the leak illuminated public understanding. It also steepened the president' summit path.

The Weinberger letter focused first on suspected Soviet violations of SALT II. In the Pentagon, the letter implicitly granted, there are two views on what military response may be required. The Joint Chiefs feel that programs already requested are enough; the command is on record as arguing the Soviet Union is considerably better placed than the United States to break through SALT ceilings if the present mutual policy of not undercutting the treaty is set aside. By contrast, the Weinberger view is that Soviet violations require new American strategic programs. To make them legal, he urged the president not to agree to continue observing SALT II.

The secretary also urged Mr. Reagan to rebuff summit pressures to hold to the "narrow and, I believe, wrong" interpretation of the Anti-Ballistic Missile Treaty that the administration recently accepted. To confirm that research-only interpretation in an agreement with Moscow, Mr. Weinberger said, would endanger the president's Strategic Defense Initiative.

In short, Mr. Weinberger would move away from the key existing Soviet-American agreements limiting both offensive and defensive strategic arms. He would end any effort to treat arms control as well as arms building as vital to American security.

Conceivably the summit will finish off arms control, thanks to Soviet intransigence. But the summit should not come to that thanks to American intransigence. If Mr. Reagan's pledge of going to Geneva to make "fresh start" means anything at all, he will keep his mind open and not allow this latest leak to close it.

OUTSTANDING ACHIEVEMENT FOR BERNARD SHANLEY

Mr. BRADLEY. Mr. President, I was pleased to be informed by Fordham University that they had recently awarded the Dean's Medal of Recognition to the Honorable Bernard M. Shanley, a leading attorney in New Jersey.

Mr. Shanley, who graduated from Fordham Law School many years ago, has had a distinguished career in public service and as a leading private legal practitioner. In 1942, when Mr. Shanley was serving in the U.S. Army in Italy and North Africa, he began a life-long friendship with then Gen. Dwight D. Eisenhower. Upon his return from the service, Mr. Shanley was active in the efforts to elect his associate as President of the United States. Subsequently, he served as Deputy Chief of the White House staff, Acting Counsel to the President, and finally as Secretary to the President. Following his important public service, he founded the firm of Shanley & Fisher which is one of the leading law firms in New Jersey.

It is extremely appropriate that Fordham Law School has recognized Mr. Shanley for his many, many years of outstanding public service. Others have also taken note of his distinguished career. He holds an honorary degree from Seton Hall University. He was named Outstanding Citizen of New Jersey in 1954, and was made a Knight of St. Gregory the Great in 1979 by Pope John Paul II.

In addition, Mr. Shanley has served on countless boards of civic, religious, and philanthropic organizations. He continues to represent excellence in our State. I am pleased to bring to the attention of my colleagues Mr. Shanley's latest achievement.

COLUMBIA UNIVERSITY—AMERICAN LEGION VIETNAM VETERANS STUDY

Mr. CRANSTON. Mr. President, on July 23, 1985, the American Legion released the first report of results from its "Vietnam Veterans Study," conducted in cooperation with researchers from Columbia University's School of Public Health. The American Legion, the largest veterans' service organization in the United States, has a longstanding involvement in efforts to understand the special needs and concerns of veterans, including the many Vietnam veterans who are members of the organization.

The Columbia University—American Legion Vietnam Veterans Study, begun in early 1983, was conducted on a randomly-selected population of approximately 7,000 Vietnam-era Legionnaires. Among the preliminary results, as outlined in the first report, is the finding that the exposure to intense combat conditions of the Vietnam veterans studied negatively affected their annual family income and marital status. Moreover, the report notes that "measures of general happiness and satisfaction and reports of general health are significantly worse" for those "who served under the heavy combat conditions."

In order to gain an outside, scientific perspective on this study, I asked the Office of Technology Assessment to review the Columbia University—American Legion study and to provide its views on the study. OTA has recently completed that review.

Mr. President, so that my colleagues and others with an interest in issues relating to Vietnam veterans may be informed of ongoing efforts such as this study to understand the experiences of Vietnam veterans, I ask unanimous consent that the OTA's review of the Columbia University—American Legion study on Vietnam veterans be printed in the RECORD at this point.

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

REVIEW OF THE COLUMBIA UNIVERSITY-AMERICAN LEGION—VIETNAM VETERANS STUDY REPORT NO. 1 AND STUDY QUESTIONNAIRE

INTRODUCTION

The American Legion and researchers from Columbia University School of Public Health joined forces to plan and carry out this study to find out about the health and welfare of American Legion members who served during the Vietnam era. OTA finds this a basically well-designed, reasonable study that appears to have been well executed. Report No. 1 is the first of a series that the investigators expect to issue, each one concentrating on particular aspects of the data. This report presents demographic, economic, and social characteristics of the participants, discusses responses to subjective questions about general health and well-being, and discusses the participants' attitudes toward the Veterans Administration.

This review describes the study design, summarizes the main conclusions presented in report No. 1, and then presents a critique of the report. The review ends with a brief discussion of certain aspects of the questionnaire.

OTA obtained the questionnaire and additional information about the study from John Sommer, the American Legion Project Officer for this study, and a member of OTA's Agent Orange Advisory Panel. We will be providing Mr. Sommer with a copy of this review and with additional detailed comments on the report.

STUDY DESIGN

A sample of about 7,000 Vietnam veterans (defined as veterans who served during the Vietnam era, either in Southeast Asia or elsewhere) comprise the study population. All are male American Legion members who belong to posts in six states: Colorado, Ohio, Maryland, Pennsylvania, Indiana, and Minnesota. The 7,000 participants were recruited in the following way. A file of 85,000 records of men who had been members for less than 20 years was assembled from the American Legion membership files in the six states. A letter was sent to each man on the list explaining the study and asking that he fill out a postcard with information about where and when he has served in the military. About 50,000 responded. Attempts were made to contact the remaining 35,000, and some of these were contacted by American Legion volunteers who had been trained for the project.

Of those who responded by postcard or were contacted by a volunteer, 12,588 were Vietnam veterans. Each of the Vietnam veterans was sent a study questionnaire and about 7,000 completed and returned it. The analysis is based on these respondents. Report No. 1 does not include information about the total number of men on the original list who were actually contacted, or discuss response rates in general. That information will be included in a future report.

The information about "exposures" (in this case the experiences of men while serving in the military) and "outcomes" (in this case social factors, educational attainment and income, and mental and physical well-being) depend, to a great extent, on memories of events from the time of military service, many years ago, and events that have taken place since then. This type of study is called a "retrospective cohort study," in which two cohorts that differ with respect to a specific "exposure" (in this case, those who served in Southeast Asia and those who served elsewhere) are compared. Some of the analyses in this study compare outcome measures between "in-country" (service in Southeast Asia) and "in-service" (service outside Southeast Asia) veterans. Other analyses compare outcome measures among veterans with different levels of combat experience.

RESULTS REPORTED BY THE STUDY RESEARCHERS

Report No. 1. (1) presents basic demographic information about the study participants; (2) reports on education and income of participants according to their degree of combat experience; (3) reports on the participants' appraisal of their health and happiness according to combat experience; and (4) reports on attitudes toward and perceptions of the Veterans Administration.

More than 98 percent of the participants are white, with a median family income of between $25,000-$30,000. More than 90 percent have completed high school and well over 50 percent have some additional education. The "in-country" and "inservice" groups do not differ significantly in their distribution according to these characteristics. The two groups are also similar in their reasons for joining the American Legion. Very few (about 1 percent men joined principally because they has a personal problem that they thought the Legion could help with. The majority joined for social reasons.

The remainder of the analyses compare social and economic characteristics of men exposed to different levels of combat. The report finds "very little difference in educational attainment" among groups with different combat exposure ratings.

INCOME

Several analyses deal with income. The data support some expected trends: average income increases with increasing age group of respondents; average income increases with increasing stratum of educational attainment. For each educational attainment level, and for each age group, there were no appreciable differences between income levels of "in-country" and "in-service" veterans. The most striking finding reported is "a consistent and statistically different . . . mean income level range between those men who served in Southeast Asia who reported combat experiences in the 4 and 5 range (on a scale from 1 to 5, where 5 represents the most intense combat) and all other men, both with and without service in Southeast Asia." There was no overall difference in income level between the group that served in Southeast Asia and those who served elsewhere.

An additional analysis was done to determine whether educational attainment and combat level were independently associated with income levels, and to find out whether those two variables also have an interactive effect on income levels. The result was a finding that both education and combat were independently associated with income.

MARITAL STATUS

Roughly equal proportions of "in-country" and "in-service" veterans are currently married. The researchers note, however, an increasing trend of divorce with increasing combat levels. The latter analysis was based only on men born between 1944 and 1949.

HAPPINESS AND HEALTH

The investigators report on an index of happiness and life satisfaction according to combat levels. The scores are based on answers to two general questions, one about how happy the respondent is, and the other about how satisfying his life is. Particularly for the birth cohorts 1944-1949, the investigators note a trend toward lower happiness and life satisfaction scores with higher combat levels. The general health measure is based on one question about the veterans' perception of their health status. As a group, the men in birth cohorts 1944-1949 who had the highest combat levels rate their health generally poorer than those with little or no combat experience.

ATTITUDES AND PERCEPTIONS OF THE VA

The study reports on responses to questions about the participants' attitudes toward the VA and their knowledge of specific features of VA benefits. A separate set of questions, answered by men who had used VA health services, concerns specific experiences with the VA system. The researchers interpret the answers to these questions as showing a generally poor attitude toward the VA among the entire study population, and a somewhat more positive attitude, but with a "considerable proportion" of negative responses, among the men with direct experience in the VA system. Based on a series of questions about different aspects of the program, the study reports general dissatisfaction with the VA's Agent Orange Examination Program. The researchers also grouped the VA questions into four related areas and tabulated the responses together. From that analysis they concluded that the "in-country" veterans rate themselves better informed about VA services than the "in-service" veterans, but have a more negative attitude toward the VA. More than half the respondents who had used VA services were positive about their experiences.

OTA CRITIQUE

In general, the interpretations of results given by the investigators are accurate, but in several cases they appear to overstate what the data show. Several of these cases are mentioned below under Specific Comments. There are also two general subjects that are of concern. The first is possible non-response bias. It appears that about 50-60 percent of those who were sent questionnaires returned them. If those who responded differ in important ways from those who did not respond, and particularly if the differences vary among the subgroups within the study, the results could be unrepresentative of the total population of American Legion Vietnam era veterans. The response issue will be discussed in a future report from the study, but it may have some bearing on the results presented in report #1.

The second issue, selection bias, is one that is very difficult to address in a study, but should at least be mentioned. There is no direct information about the factors that might come into play in "selecting" some men into combat and others in military situations involving little or no combat. If there were factors present before military service that predisposed men toward combat or non-combat, these factors might also help to explain differences that exist between these men today. There is some mention of this in report #1, but it deserves more prominent discussion, which might be done in subsequent reports.

STATISTICAL POWER OF THE STUDY AND SIGNIFICANCE OF RESULTS

Because the exact numbers of respondents in various categories are not given and because the variety of different statistical analyses are being used by the researchers, it is not possible to give a simple estimation of the power of this study. Assuming, however, that about 40 percent of the approximately 7,000 participants served in Southeast Asia, we can make some estimates. The study has a good chance (about 80 percent of detecting a doubling in an outcome that occurs in the comparison group at a prevalence of about 1 percent (i.e., a prevalence of about 2 percent). For events that are more common, the power to detect increases should be even better. The power to detect increased occurrences of rarer events (e.g. those that occur at a baseline rate of fewer than 1 per 1,000) falls off quickly, but larger increases (e.g. 5-fold) are still likely to be detected in this study. These power estimates apply only to analyses that compare the total "in-country" cohort with the total "in-service" cohort. Most of the analyses examine trends, comparing outcomes at different combat levels and/or in different birth cohorts. The probabilities of being able to detect an effect if it exists differ according to the numbers of individuals in the various

categories. If there are many cells with small numbers of individuals, it will be harder to show an effect.

It is not possible to summarize the power of these analyses without examining all the data and looking at each analysis individually. Overall, however, the study is probably big enough to detect moderate differences in many of the outcomes in the study. It cannot be expected to pick up small or even moderate differences in events or characteristics that generally occur rarely. The study is probably powerful enough to fulfill the aims of the study planners, as stated in the report.

It would be most helpful if the investigators consistently reported significance levels (commonly reported as p values). P values are reported for a number of the analyses discussed, but not for all. For instance, the investigators report differences in marital status, happiness and life satisfaction, and overall health by combat levels, but do not report whether the differences are statistically significant.

SPECIFIC COMMENTS

1. P. 6, para. 2: "The 1946-49 age cohort . . . is . . . the group that experienced the highest combat levels . . ."

According to Table 5, on p. 7, the highest combat level occurred in two birth cohorts: before 1930 and 1948-49. The combat level for the 1946-47 birth cohort was somewhat lower. In addition, there is no indication of whether the differences observed were statistically significant.

2. P. 9, para. 4: "Our analysis shows a clear and consistent adverse social effect of exposure to traumatic situations (combat) among members of the study population . . . Further, we find that educational attainment . . . cannot account for this effect."

The first statement is stronger than the data support. The second is misleading. On page 14, the discussion of the effects of both education and combat levels show that while combat appears to exert an independent effect on income, educational attainment does account for a large part of the income differences.

3. P. 13, para. 1: "In each case, combat 4 and combat 5 veterans earned less than their peers in the same age group."

This statement is actually true for only one birth cohort (1946-1947) in Table 13. In each other birth cohort, at least one other combat level group had a lower income level than combat 4 or combat 5. Looking at the 1944-1945 cohort, for instance, while combat 5 has the lowest income level, combat 4 is tied for the highest income level.

4. P. 21, para. 2: "The attitudes and perceptions of the group as a whole are very negative toward the Veterans Administration. Virtually no one considered the benefits of the VA as an incentive for joining the service."

The fact that a man's incentive for joining the service was independent of the VA gives no information whatsoever about his opinion of the VA, but is here interpreted as a negative response. Related to this, there is no information about how many men volunteered for service and how many were drafted. Surely those who were drafted wouldn't have considered the VA as an incentive for joining.

5. P. 21, para. 2: "Fewer than 15 percent of the group endorse the ideas that they were knowledgeable about procedures for applying for compensation and pension or were even aware of the workings of the Vietnam Veterans Outreach Program."

It tabulating the percentage of responses, the investigators interpreted all answers of "slightly true," one of the choices given the veterans, as being "not true." In fact about 35 percent responded either "slightly true," "moderately true," or "very true" to the question about procedures for applying for compensation, and 33 percent gave one of those responses to the question about the Outreach Program. Assuming that most of the participants are relatively young and healthy, why should they know about filing for compensation and pension? How many people know about filing for workers' compensation and pensions when they are in their 30's and 40's?

6. P. 22, para 1: "Forty-four percent endorsed and 56 percent rejected the statement that the VA is a well organized and smoothly running operation."

Here again, the 30 percent of participants who answered "slightly true" to the question about the VA are included among those who the researchers say "rejected the statement."

While these comments may appear to be picayune or quibbling, they reflect a subtle but consistent interpretation of the results that appears to favor finding effects of combat and highlighting negative attitudes toward the VA. Our concern is not so much for how this interpretive bent affects the results in this report, but about how it might affect future reports about such subjects as PTSD. We in no way question the integrity or motives of the researchers involved with this project, and we do not believe that they have any intention to misinform or mislead with their data or their interpretations.

THE QUESTIONNAIRE

To review the study report adequately, it was necessary to examine the questionnaire as well. Some general comments about the questionnaire design and some specific items on it are included in this review, even though they have little impact on Report No. 1. They may be more important later on as reports are issued on different subjects.

The questions themselves are generally clear and understandable and the questionnaire is well laid out. The main concern we have has to do with the order of the questions and the way some of the questions are worded. It is well known that the way in which questions are asked can influence the answers that are given, in subtle and perhaps unmeasurable ways., These influences are known as the "demand characteristics" of the questionnaire.

In the questionnaire for this study, the questions that might evoke negative feelings—e.g., about combat situations, about exposures to chemicals in the military, about flashbacks and anxieties—are asked first. Then the questions about happiness, satisfaction, and health are asked. In general, people might be more inclined to look upon their lives less favorably by the end of the questionnaire than they might have if those questions had been asked first. Also, certain hypotheses are set up in the mind of the participant as the questionnaire progresses. In this case, it is logical to assume that the researchers are interested in finding out whether wartime experiences have adverse effects on people in later years. People might have a tendency to answer questions in a way they think conforms to the hypotheses that are being tested.

The wording of some of the individual questions also suggest hypotheses. For example, question I.12 (p. 3 of questionnaire) contains a list of questions that presumably will be used to assess PTSD. The questions are introduced with this statement: "Serving in the military often puts us in situations that stay in our memories for a long time." The first question asks: ". . . how often have you: Had vivid recollections of your military service, especially bad scenes?" The introduction to the question sets up a situation in which the respondent would be encouraged to report recollections. If a person reported that he never or rarely has recollections, his response would be contrary to the statement made in the introduction. A similar effect might occur in the rest of the questions under No. 12.

Another example is question VII.8 (p.11). Question 8.a. asks: "When all things are considered, to what degree were your military experiences stressful?" Next, question 8.b asks: "Taking all things together, how happy are you these days?," and 8.c asks: "In general, how satisfying is your life?" The ordering and grouping of these questions forces the respondent to evaluate happiness and satisfaction today in light of the level of stress he experienced in the military as though there is necessarily a connection.

There is no way of measuring exactly what effect the questionnaire design and wording has had on the responses, but we assume that the investigators will be taking these potential influences into account in their evaluation.

APPLICABILITY OF THE STUDY RESULTS TO THE ENTIRE VIETNAM-ERA POPULATION

It was not the intention of the study designers to reach conclusions about the general vietnam-era veteran population, and that issue is not addressed in the report. It is apparent, however, that American Legion members are not entirely representative of all veterans. Based on information from the 1980 census, it appears that about 80 percent of all Vietnam-era veterans are white. In the American Legion sample, more than 98 percent were white. The American Legion members are representative of a significant segment of the Vietnam-era veteran population, however, and the results of this study can provide useful clues to effects that might be seen in the entire veteran population.

THE GENEVA SUMMIT: REGIONAL CONFLICTS, NOVEMBER 19, 1985

Mr. DOLE. Mr. President, The Geneva summit began today, with two sessions—including an hour-long private meeting between the President and Gorbachev—devoted to opening exchanges and arms control issues.

Tomorrow the summit talks will focus, among other topics, on regional conflicts, and it is that subject I would like to discuss briefly today.

THE NATURE OF REGIONAL CONFLICTS

Regional conflicts infect every part of the globe, from our own backyard in Central America to Africa, the Middle East, and South and Southeast Asia. They demand our attention, and a prominent place on the agenda in Geneva, for two reasons. First, they bring suffering and privation to millions, and in most cases in regions already struggling under the burden of underdeveloped economies and wide-

spread poverty. Second, these conflicts spill, or threaten to spill, across national borders, disrupting regional stability and raising the risk of superpower confrontation.

No one of these conflicts is exactly like any other, either in all its causes or its characteristics. And most of them to some degree reflect indigenous interests and rivalries which relate only indirectly to the competition between the superpowers. If both we and the Soviets somehow went away, some of these conflicts, at least, might well persist.

THE NEW IMPERIALISM

But, in acknowledging that, let us be equally clear about another fact: In virtually every one of these conflicts, the Soviets have gotten in up to their necks. Soviet political propaganda is filled with charges of Western imperialism and foreign intervention. In fact, by any reasonable standard, it is the Soviets who are guilty of what can rightly be called a new imperialism, an imperialism replete with ugly overtones of jingoism, racism, and exploitation.

And, as with earlier forms of imperialism, the Russians are involved solely and cynically for one purpose—to advance the interests of their own state. The Russians couldn't care less about real national liberation. Indeed, most of the time these days, Soviet intervention is on the side of despotic, repressive regimes, which—as the President said at the United Nations last month—"are at war with their own people"; regimes which are battling against indigenous, democratic forces which really seek to liberate their countries and people.

What the Russians do care about, of course, is extending their hegemony, where that is feasible, and expanding their influence, where outright control is impossible. That has been one of the most persistent characteristics of the Soviet state since its founding. It is reflected in Stalin's post-World War II enslavement of Eastern Europe; in widespread Soviet interventions in Asia and Africa during the 1950's; in Khrushchev's successful conversion of Cuba to a Soviet client state during the 1960's; in Brezhnev's support for North Vietnamese aggression and embrace of international terrorists like Libya's Qadhafi in the 1970's. And it is reflected in Soviet incitement of reginal conflicts today, under the regime of Mikhail Gorbachev.

It is worth reviewing briefly Soviet involvement in some of the most dangerous of these contemporary regional conflicts.

AFGHANISTAN

The Soviet Union invaded Afghanistan in December 1979; was party to the assassination of the Afghan leader then in charge—a Marxist, no less, who once was considered a Soviet ally; and installed its own client regime to run the country. It is a case, pure and simple, of the military conquest of one country by another.

The Soviet occupation of Afghanistan continues in full force today. There are 118,000 Russian troops now stationed in the country. They provide a security shield for the Karmal regime—the one the Russians installed—without which that regime would quickly fall. The Russian troops also carry the brunt of the war against a strong coalition of resistance forces—the Mujahidin. And the war the Russians wage against the Mujahidin is as vicious and deadly as any in history, utilizing the most modern weapons, including, by some accounts, chemical weapons.

The Soviet occupation of Afghanistan also represents a growing threat to Afghanistan's non-Communist neighbors and to regional stability. When Pakistan's President Zia met Gorbachev shortly after the latter's assumption of power, Gorbachev warned of Soviet retaliation for continued Pakistani acquiescence in the movement of supplies through Pakistan for the Mujahidin. A recent increase in Soviet operations near the Pakistan border suggest Gorbachev is prepared to follow through on his threat.

There is no dispute about the fact what the Soviets did, and are doing, in Afghanistan is wrong and totally unjustified. Even the United Nations—which, as we know all too well, is extremely reluctant ever to criticize the Russians—has overwhelmingly passed seven different resolutions—the most recent less than a week ago, by a vote of 122-19—demanding that the Soviets withdraw their forces. So far, not surprisingly, the Soviets have turned a deaf ear to these demands.

NICARAGUA

The Russians' effort to convert Nicaragua into another Soviet client state, though less direct and blatant than in Afghanistan, has been hardly less determined. Over the past 4 years, the Soviets and their allies have provided the Sandinista regime nearly a half billion dollars in military aid. Large-scale, direct Soviet shipments of military equipment to Managua began in 1984 and have included modern tanks, sophisticated attack helicopters, and surface-to-air missiles. The most recent shipments of such equipment, including new attack helicopters, are en route even as I speak today.

This military assistance, and the massive military machine it has created in Nicaragua, are far out of proportion to that country's legitimate defense needs. What the Russians want the Sandinistas to do—and there are about 8,000 Soviet and Cuban advisers there, to make sure they do it—is bully their neighbors—our allies and friends, such as El Salvador, Costa Rica, and Honduras—and support Marxist insurgencies which seek to spread the Sandinista germ throughout the region.

The Sandinistas have also learned a great deal from their Communist mentors about how to run a totalitarian state. We are all sadly aware of the record of the Sandinista regime in denying basic freedoms, including free speech and assembly and the right to fair elections, and in suppressing the Catholic Church, the Jewish community, and such minority groups as the Meskito Indians. Just this week there was another press report of eight arrests in Nicaragua for what the Sandinistas consider a terrible crime—organizing a meeting for Cardinal Obando y Bravo, the head of the country's Catholic Church.

It is these actions of the Sandinistas—and especially their unwillingness to provide their own people the freedoms to which they have a right—that has spurred the Contra movement. It is these actions which have led us to support the Contras and led the people of Nicaragua to support them, too, in growing numbers.

ANGOLA

The Soviets, again aided by their Cuban brethern, are also neck deep in Angola. Indeed, their presence there is the most blatant imperialist intervention in Africa in the postcolonial period.

Some 1,200 Soviet advisers, along with 35,000 Cuban troops, provide the protective shield around the regime—the so-called MPLA—which came to power illegally, after abrogating an agreement to hold free and fair elections. It is a regime which has denied its people their most fundamental rights and which has driven the Angolan economy—except that small segment run under contract by Western firms—into the ground. And it is a regime that, absent the Soviet and Cuban presence, would fall quickly to the strong, democratic insurgency called Unita, under the direction of the charismatic Jonas Savimbi.

And one final and particularly unsavory aspect of the Soviet/Cuban presence needs to be noted. There is a great deal of concern—and very legitimate concern—about the suppression of blacks by whites in South Africa. Let us show the same kind of concern about the suppression of blacks in Angola, at the hands of largely white Soviet and Cuban personnel and the traitors to black freedom they back in Luanda.

CAMBODIA

Finally, let me say a word about Cambodia. No nation in history has suffered more grievously from Communist rule. Few, if any, exist today under a tighter yoke of foreign domination.

The Vietnamese, directly and strongly backed by the Soviets, rule Cambo-

dia today as a foreign occupying power. More than 140,000 Vietnamese troops, utilizing a frightening arraying of Soviet weapons, including chemical weapons, are carrying out a vicious war against a growing insurgency, at least many of whose supporters—under the banners of Son Sann and Norodom Sihanouk—seek the restoration of a free, independent Cambodia.

For the Soviets, much more is at stake than just control of Cambodia. For them, Cambodia is a potential path to greater leverage over the free states of Southeast Asia. It is a battleground for influence in their struggle with their former Communist partner, China. And it is part of a broader Soviet effort to increase their presence, and their miitary strength, in an area where we have vital security and economic interests.

SOVIET CHALLENGE—AMERICAN RESPONSE

In Afghanistan and Nicaragua, in Angola and Kampuchea—in these places and elsewhere throughout the globe—the Soviets are mounting a major challenge to our security and our interests. What shoud we do in response?

We need a long-term, four-part strategy, which keeps us on the offensive, in both concrete and political terms.

SUPPORT FOR ALLIES AND FRIENDS

First, we need to stand with our allies and friends threatened by Soviet expansionism, from El Salvador on our doorstep to Thailand on the other side of the globe. When we help these allies and friends—through strong political support, through security and economic assistance, and through a vigorous investment and trade relationship—we bring greater stability to their regions and, thereby, greater security to our important interests there.

ASSISTANCE TO DEMOCRATIC RESISTANCE FORCES

Second, we must continue, and perhaps expand, our programs of support for truly indigenous, truly democratic resistance forces struggling against Soviet-backed totalitarian regimes. We already provide support to the Contras, the Afghan Mujahidin, and the democratic elements of the Kampuchean resistance. It is time to consider whether assistance to other democratic resistance groups, such as Unita in Angola, would also be in our interest and foster prospects for long-term stability and freedom.

DIPLOMATIC PRESSURE ON THE RUSSIANS

Third, we have to keep regional issues near the top of our agenda in dealing with the Soviets. The Soviets have to be told, and we have to act in ways that lead them to believe, that their illegal, dangerous foreign adventures will impact strongly and negatively on our overall relations. I know that the President is determined to deliver that message in Geneva, even as he explores other issues with Gorbachev.

PROCESS FOR RESOLVING REGIONAL ISSUES

Finally, we must pursue the President's initiative, announced during his UN speech last month, to look for new ways to resolve regional conflicts. The President proposed a three-step process—negotiations among the indigenous parties to the conflict; supporting talks between us and the Soviets; and the provision of assistance to facilitate any settlement reached.

So far, the Soviets have not responded to the President's initiative in any concrete way. Hopefully, in Geneva, Gorbachev will, so that we can get a better idea of whether the Soviets have any real interest in peaceful solutions to some or all of the regional conflicts which afflict the world today.

HOPES FOR THE GENEVA SUMMIT

Mr. CRANSTON. Mr. President, the summit conference between President Reagan and Soviet General Secretary Gorbachev could prove to be a watershed in United States-Soviet relations. I am hopeful that meaningful gains might be made in this brief conference. If sufficient will exists on both sides, there is no reason why we cannot achieve significant gains in the areas of arms control, scientific and cultural exchanges, government to government communications, human rights, and trade relations. In addition, we could achieve progress toward agreements establishing a sound basis for further improvement in relations between our two countries.

The President has said the Geneva meetings are more than just getting acquainted sessions. I welcome the Geneva summit as an opportunity for the two leaders to get to know one another, but I agree with President Reagan that every inhabitant of this planet has a right to hope for more than that from this meeting between leaders of the two most heavily armed nations on Earth.

Specifically, I would hope the Geneva meeting could make progress in four key areas:

First, the discussions could provide a framework for an arms reduction agreement. This framework would include a timetable for implementing deep cuts in both our nuclear arsenals. Such an agreement would provide the crucial impetus to break the deadlock at the ongoing negotiations in Geneva. The obstacles to a meaningful arms reduction treaty can be removed only when clear direction is provided to negotiators by the President and the General Secretary.

Second, the summit could move toward a mutual nuclear testing moratorium and an agreement to resume negotiations for an enduring, verifiable Comprehensive Test Ban Treaty. Recently the leaders of six key nonaligned nations called for a halt to all nuclear testing for 1 year with third-party assistance on verification. I hope that the President and the General Secretary will give this offer careful and serious consideration. It is my personal belief that a mutual testing moratorium is essential: we must first stop the escalating arms race if we are ever to achieve mutual reductions in nuclear weapons. The argument that just one more round of nuclear force modernization will make us more secure has been proven tragically false by history. Most of the new weapons systems deployed recently by the United States and the Soviet Union—MIRV's, SLCM's, ALCM's—have provoked unverifiable, destabilizing counterresponses, bringing us both closer to the potential for a nuclear catastrophe. The efforts of negotiators to agree on reductions have forever been outpaced by new weapons deployments. A mutual nuclear testing halt is the best way—if not the only way—to end this insanity. President Reagan and General Secretary Gorbachev hold the opportunity to achieve such a halt in their hands at Geneva.

A third goal for the summit should be a prompt agreement on the establishment of routine communications between the American and Soviet leadership. Such an agreement could include: First, the establishment of a Nuclear Crisis Control Center to reduce the risk of a nuclear war arising out of accident or misunderstanding; second, the provision for regular, annual summit meetings; and, third, the establishment of a regular dialog between high-level foreign affairs and defense officials from both nations. The greatest dangers to our national security lie in the recurrent tensions between the United States and the Soviet Union. We need to initiate a process for discussing these tensions as they arise, and we must seek to reduce the suspicion and mistrust which has dominated the United States-Soviet relationship.

Finally, I am hopeful that an understanding can be reached at Geneva on the issues of Soviet human rights abuses and the emigration rights of Soviet Jews and other minorities. Progress on this issue is deeply awaited by so many people who are suffering. The United States could move to ease trade restrictions if they were substantial improvements in Soviet compliance with the Helsinki accord provisions on human rights and emigration.

In addition to these goals, we may also assume that two other major subjects will be discussed in some detail at Geneva: These issues are the strategic defense initiative [SDI] and the regional conflicts which continue to plague the United States-Soviet rela-

tionship and sour the prospects for agreement on arms reductions and other areas of mutual interest.

While I believe it would be unrealistic to expect substantial agreements on regional issues to come out of the summit, it is vital that the United States indicate its intention to press for a resolution of these conflicts, especially the brutal Soviet military occupation of Afghanistan.

It is also clear that SDI will be a discussion item at Geneva. I support prudent levels of research on these various technologies; indeed a proposal to ban research would be unverifiable. We know the Soviets are engaged in extensive research of their own in the field. But I am concerned that overselling of SDI proposals could lead to extensive testing of new defensive weapons systems that would not add to our security. I am therefore hopeful that a United States-Soviet dialog on this issue can produce an understanding which upholds the ABM Treaty and which ensures that SDI does not prove to be a stumbling block to mutual nuclear arms reductions.

President Reagan and General Secretary Gorbachev are in a unique position to make real progess on curbing the arms race, reducing strategic nuclear arsenals, and lessening tensions between the United States and the Soviet Union. I fervently hope that the Geneva summit will result in a better, common understanding and significant agreements that will enhance the security of the American people.

LETTER TO GORBACHEV REQUESTING RELEASE OF ANATOLY SHCHARANSKY

Mr. KENNEDY. Mr. President, as Ronald Reagan and Mikhail Gorbachev convene in Geneva, I would like to call the attention of my colleagues to a letter addressed to Mr. Gorbachev. The letter asks for the immediate release of Mr. Anatoly Shcharansky and is endorsed by 99 Senators.

Mr. Shcharansky, a prisoner of conscience, was convicted in 1978 and sentenced to 13 years in a labor camp. His release would indicate a renewed effort by the Soviet Union to put an end to all human rights violations.

The communication of the U.S. Senate's committment to human rights could not be more timely. I ask unanimous consent that the text of this letter, the names of the 99 Senators who signed it, and the text of Senator KERRY's statement at the Soviet Embassy on November 14, 1985 may be printed in the RECORD.

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

U.S. SENATE,
Washington, DC, November 12, 1985.

MIKHAIL GORBACHEV,
General Secretary, Union of Soviet Socialist Republics.

MR. SECRETARY GENERAL: As you prepare for the summit in Geneva with President Reagan, your attention must not be diverted from a personal tragedy that continues to cast a dark shadow on Soviet-American relations—the continued unjustifiable imprisonment of Anatoly Shcharansky.

The release of Mr. Shcharansky would be seen here as a positive signal for improved Soviet-American relations. Please understand that the American people feel very strongly about this case, and that all of us in the United States Senate view his continued imprisonment as a serious obstacle to the full normalization of relations between our two countries.

Sincerely yours,

Edward M. Kennedy, Alphonse M. D'Amato, Pete Wilson, Don Nickles, Mark O. Hatfield, John Melcher, Mark Andrews, Frank H. Murkowski, Frank R. Lautenberg, Howell Heflin, Bill Bradley, Jeff Bingaman, Slade Gorton, Dan Quayle, Gary Hart, David Pryor, Russell Long, Lawton Chiles, Malcolm Wallop, Jack Danforth, Paul Sarbanes, Bob Packwood, Max Baucus, Rudy Boschwitz, Paul Trible, Ted Stevens, Jim Sasser, David L. Boren, Mitch McConnell, Quentin N. Burdick, Bill Proxmire, Bill Roth, John Chafee, Phil Gramm, ——, Patrick Leahy, Daniel P. Moynihan, Albert Gore, Jr., John F. Kerry, George Mitchell, John Glenn, Dick Lugar, Donald Riegle, Lowell P. Weicker, Jr., Edward Zorinsky, Spark M. Matsunaga, Larry Pressler, Carl Levin, Joe Biden, Claiborne Pell, Ernest F. Hollings, Dave Durenberger, —— ——, Paul Simon, Lloyd Bentsen, Jay Rockefeller, Tom Harkin, Alan Cranston, Arlen Specter, J. Bennett Johnston, Robert T. Stafford, Gordon J. Humphrey, James Abdnor, Sam Nunn, John C. Stennis, John Warner, Robert C. Byrd, John P. East, Bill Armstrong, Orrin Hatch, Christopher J. Dodd, Mack Mattingly, Bob Kasten, Warren B. Rudman, J. James Exon, Wendell Ford, Tom Eagleton, Chuck Grassley, Alan J. Dixon, Jim McClure, Jake Garn, Chic Hecht, Dale Bumpers, Nancy Landon Kassebaum, Paul Laxalt, John Heinz, Pete Domenici, Jeremiah Denton, Daniel J. Evans, Strom Thurmond, Charles McC. Mathias, Steven Symms, Bill Cohen, Dennis DeConcini, Jesse Helms, Paula Hawkins, Bob Dole, Thad Cochran, Alan Simpson.

STATEMENT ON ANATOLY SHCHARANSKY

I have come here to accompany Avital to the Soviet Embassy as a demonstration of the solidarity of the American people with the cause of Anatoly Shcharansky.

Avital is delivering a letter signed by ninety-nine Senators to Soviet Secretary General Mikhail Gorbachev urging that Anatoly be released and allowed to leave the Soviet Union.

The Soviet Union has striven for decades to achieve international recognition as an equal among the nations of the world. Yet, the treatment by Soviet authorities of their citizens does not send a message of strength to the world, but one of weakness.

As long as the persecution of Anatoly Shcharansky and thousands of others of their countrymen continue, then the acceptance of the Soviet Union as an equal among the world community of nations will never be truly realized.

The plight of Anatoly Shcharansky and the Sakharovs symbolize the tragic Soviet persecution of Russian Jews, of dissidents, of refuseniks. The cases are of fundamental importance because human rights is at the core of what the United States is, and should be, all about.

Our concern for the fundamental rights of the individual is one of the most important differences between the United States and the Soviet Union—it is one of the most important differences between our nation and that of any repressive system in the world.

Our solidarity with Avital demonstrates that this is not an internal matter of the Soviet Union. It was the Soviet Union which pressed for the Helsinki Agreement. Having done so, and pledged itself with the signatures of its own leadership to abide by all the elements of the Final Act, the Soviet Union forfeited any right to claim that the treatment of its own citizens was an internal matter. It is imperative that we hold them accountable.

TWENTY-FIFTH ANNIVERSARY OF THE PEACE CORPS

Mr. CRANSTON. Mr. President, this year marks the 25th anniversary of the Peace Corps. Since this program's inception a quarter of a century ago, 120,000 Americans have served as Peace Corps volunteers in more than 90 countries around the world, assisting men and women to better the often harsh conditions of their lives. Today, Peace Corps volunteers are sharing their good will, energy, and talents with people in over 60 countries to achieve the three purposes of this program—to help other countries meet their needs for trained manpower, to help the people of those countries gain a better understanding of the American people, and to help Americans gain a better understanding of other peoples.

Earlier this year, legislation I authored to strengthen and expand the Peace Corps was incorporated into a measure adopted by the Senate and signed into law, Public Law 99-83. More recently, I was pleased to join 27 of my colleagues in cosponsoring a resolution, Senate Joint Resolution 152, introduced by Senator DODD, a former Peace Corps volunteer himself, commemorating the 25th anniversary of the Peace Corps. It was with equal pleasure that I recently also joined with 13 of my colleagues in cosponsoring legislation, S. 1756, introduced by Senator SIMON to honor the first Director of the Peace Corps, Sargent Shriver, and its subsequent Directors, including current Director Loret Ruppe, and to authorize the President to present Sargent Shriver with a commemorative medal on behalf of the U.S. Congress.

On October 14, 1960, at the University of Michigan in Ann Arbor, as a young candidate for the Presidency of the United States, John F. Kennedy, first announced his proposal to launch the Peace Corps. Twenty-five years later at this same site, Sargent Shriver and Loret Ruppe—two individuals distinguished by their dedication to and efforts on behalf of the program and who have served as Directors of the Peace Corps longer than any others over its 25 years—celebrated the Peace Corps and the volunteers who have given life and meaning to the program. Joining them on this occasion was Vice President Bush, who recently traveled to Africa and saw the debilitating conditions men and women are struggling against in parts of that continent and that Peace Corps volunteers are working to help alleviate.

The Peace Corps continues to fulfill the three purposes for which it was established 25 years ago. I am proud to honor these achievements and to join in celebrating the 25th anniversary of the Peace Corps.

Mr. President, I ask unanimous consent that the texts of the speeches of Sargent Shriver and Loret Ruppe and excerpts of the speech delivered by Vice President Bush be printed in the RECORD followed by a recent editorial in the Washington Post concerning the critical role of our beloved former colleague, Hubert Humphrey, in creating the Peace Corps.

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

ADDRESS BY THE HONORABLE SARGENT SHRIVER, 25TH ANNIVERSARY OF THE PEACE CORPS

Dear Friends: Let us all rejoice!

Today we are gathered to commemorate a unique occasion in American history . . . that occasion when for the first time an American President proposed to put the full strength of our Government behind a voluntary movement of free men and women dedicated to the pursuit of peace. Many nations in human history have undertaken many tasks; many have boasted about their economic power and military victories. But none has ever put its prestige and money into so sustained an effort to seek peace through education, work, and service to others, performed by its own citizens volunteering for that service. The success of the Peace Corps is proof that moral vision coupled with perseverance and courage can overcome great obstacles.

The road to success has not always been easy. The initial success of the Peace Corps in tapping the idealism of Americans—and sharing it with others—was overshadowed by the twin disasters of Viet-Nam and Watergate. Lying and vast deceptions, practiced upon our own people by persons occupying the highest positions of trust and political power, did almost crush the Peace Corps early promise. But let us rejoice again! The Peace Corps has emerged from bureaucratic obscurity where it was buried under Richard Nixon.

Now the Peace Corps has a new mandate (passed by Congress and signed into law by President Reagan) to increase its volunteers to a minimum of 10,000. Partisan political considerations have been outlawed as factors to be weighed in the appointment of Peace Corps officials. And the current Peace Corps leadership, notably in the person of Loret Ruppe, is imaginative, dedicated, resourceful, and wise. The present state of the Peace Corps is good. Its chances for future growth and progress are better than they have been for many years.

There are certain other extraordinary realities in Peace Corps history worthy of special note today.

The Peace Corps administrative, financial, and personnel record, over 25 years, may well be the most remarkable of any Government agency in this generation.

No one has ever defected from the Peace Corps! Nor has any member of the Peace Corps ever been accused of, or prosecuted for, treason. Other agencies and departments of Government—even those which pride themselves on their patriotism, hard-headed machismo, and security procedures, cannot match the Peace Corps record.

No one has ever been accused of fraud or mismanagement of funds in Peace Corps history.

No one has ever been reassigned, or "fired" from leadership positons in the Peace Corps, because of deceit, lack of loyalty, personal corruption, malfeasance or nonfeasance.

On the positive side, hundreds of Peace Corps officials and Volunteers have gone onward and upward to some of the highest positions of trust and responsibility in this country. And the Peace Corps has become the largest, single source of personnel for the United States Foreign Service, for AID, for Catholic Relief Services, for "CARE," and for dozens of other voluntary agencies, at home and overseas.

So, let me repeat once again: We are lucky to have been members of the Peace Porps. We are all lucky to be here. . . . the very place where John F. Kennedy first spoke the words that led to the creation of the Peace Corps.

We are all lucky to be alive and healthy, educated and free. We are lucky to have opportunities undreamed of by nearly all the men and women who fought for and created this nation. We are lucky to have health, wealth, education and power. And even though such gifts have often corrupted nations, even empires, we do not have to follow their examples.

Why? Because we know better. We know from history what has happened to greedy and self-indulgent nations. We cannot plead ignorance. If we do no more than follow the siren song of selfishness we would deserve to end up in the dustbin of history—just another fatuous and foolish group like those who lived in Sodom & Gomorrah or in Nineveh and Tyre. So we must not become fat, rich, smug and self-centered.

Fortunately, we have the words and example of John F. Kennedy calling us in a different direction, appealing to us with a different vision. Listen to what he said on this campus in October 1960:

". . . How many of you, who are going to be medical doctors, are willing to spend your days in Ghana [How many of you who are going to be] technicians or engineers are willing to do so?

"How many of you are willing to work in the Foreign Service and spend your lives travelling around the world?

"On your willingness to do that, not merely to spend one or two years in the service, but on your willingness to spend part of your life in the service of this country will depend the answer on whether a free society can survive. . . ."

Kennedy called upon us to give our lives to service, and the Peace Corps became the instrument of his policy. ". . . Unless you comprehend the nature of what is being asked of you", he said, "Unless you understand the nature of what is being asked of you" (I repeat it), Kennedy said, "we cannot succeed!" The Peace Corps was our answer to his words and his challenge spoken here on this campus in 1960.

The Peace Corps' nature was specifically designed to answer Kennedy's challenge. Its nature was peaceful. Its nature was to call upon all Americans to serve . . . overseas for at least two years, and to serve at home for the rest of their lives. Service at home, according to the Peace Corps Act, involved teaching and telling our fellow Americans about the realities of the Third World with its poverty, disease, and lack of education, but also to tell us about its hopes for the future, its ambitions, its plea for help and understanding from us.

All of this is what lies behind. But what of the prospects for the Peace Corps beyond this day of celebration? It's easy and customary on an anniversary like this to reminisce, exchange old stories, and recall past triumphs. But what about the next fifteen years? Where will the Peace Corps be in the year 2000?

The time has come, I believe, for the Peace Corps to expand . . . . overseas, and at home. The Peace Corps abroad should grow as Congress has authorized it to grow. Ten thousand Peace Corps Volunteers abroad could be achieved by 1988; but to reach that goal, the Peace Corps budget will have to be doubled and then increased again. I use this occasion to call upon the leadership of both parties to accept that challenge and act now.

Double the Peace Corps when everything in Government except the military is being cut? Isn't that a ludicrous proposal? I say "No." The cause of peace, seeking peace, is more important than any other challenge facing our country, including the military challenge. We have showered money on the Pentagon to strengthen our capacity to wage war. We have exponentially increased our power to kill. We must now increase our capacities—moral, intellectual, and political—to wage peace. First, therefore, we should increase the size of the Peace Corps overseas. Congress has authorized the expansion! The American people support the Peace Corps. Let us move forward aggressively. Let us fulfill the potential of this unique experiment in peace.

Only the faint-hearted would say "No."

Second. We should mobilize the Returned Peace Corps Volunteers here at home. Consider these facts:

We have more than 100,000 former PCVs here in America. That is ten times the number of volunteers we've ever had in any one country abroad. The PCVs worked miracles away from home. They can transform attitudes and outlooks here, too.

The Peace Corps' original, authorizing legislation, still unchanged, states that the Peace Corps and its volunteers have three objectives mandated by law. First, to supply the need overseas for trained manpower. Second, to learn more about the people, the culture, and history of foreign peoples and to teach them about the American people and our institutions. Third, to return home and educate, teach, enlighten Americans about the political, historical, cultural needs and hopes of foreign peoples and nations.

The Peace Corps, has done as much is it humanly could, with the resources it has had, to realize the first two objectives or purposes set forth by the Congress. But it has done precious little, almost nothing, to help or encourage returned PCVs to fulfill the third purpose of the Peace Corps legislation. The time has come to put the Peace Corps behind the pursuit of peace within the U.S.A. as well as to expand its efforts outside our own borders.

How can this be done?

Well, obviously, no one will have all the right ideas on how to carry out so challenging a mission. But there's no time to start which will be better than the present. Twenty-five years of success abroad gives reason to believe that the next twenty-five years can produce results at home as well.

Overseas, the Peace Corps has learned that it's impossible for force change! Education, example, encouragement all can help to get results. But force produces nothing but counterforce. So, the first concept we have to get rid of is the idea that we can achieve "Peace Through Strength." That's a popular slogan, but it's wrong. The reverse is often true. At times, strength is best achieved through peace. Peaceful example, peaceful guidance, peaceful education, and peaceful encouragement produce results. To achieve progress it is necessary first to open hearts and minds, an objective which is not achieved by hitting, or threatening to hammer, people into submission—which seems to be the guiding principle of the government of South Africa.

So let us choose a new slogan, symbolizing a new direction—"Strength Through Peace."

Second, we should utilize colleges and universities to inspire, motivate, and update our Returned P.C.V.s for peaceful service in our own land. Twenty-five years ago we called on colleges and universities to train Volunteers for service abroad. Rutgers, Michigan, Notre Dame, Arizona State, Georgetown, Howard and Harvard are just a few of the institutions where Peace Corps training began. Now we should use them to begin a new tradition of service at home.

Before 1970 only one school, Manchester College in Indiana, offered a program in Peace Studies in the whole of America! Today 35 colleages and universities offer degrees in Peace Studies, and many more offer courses if not degrees programs.

This is an extraordinary and providential development. Just when training and education for peace is essential for survival, our institutions of higher education are ready.

What do they teach?

They teach Mahtma Ghandi, Martin Luther King, Jr., Francis of Assisi, Albert Einstein, Tolstoi, Thoreau, Mother Teresa of Calcutta, Desmond Tutu, Jane Addams, Albert Schweitzer. . . .

They teach conflict resolution; arbitration; mediation; nonviolent change; research on aggression; arms control; and international conflict resolution.

They conduct conflict management workshops for corporations like Bristol-Myers, for University personnel, for labor unions, for lawyers, and for medical doctors.

I talked with five University Presidents last week and every one of them said that his or her institution is ready to inaugurate special, intensive training programs in Peacemaking next summer for returned P.C.V.'s. Several foundations also expressed interest. We should explore in depth their offers to help.

[At this point Shriver introduced an extemporaneous discussion of the legal program called "Endispute" which was started by a former Peace Corps Volunteer, Jonathan Marks. He emphasized how "Endispute" achieves conflict resolution without recourse to the traditional legal system with its long delays and high costs.]

Next, we should support the proposals of the Coalition of Peace Corps organizations. They recommend a National Peace Corps Conference for next June; they recommend a Peace Corps Foundation to finance special projects overseas and at home; they recommend a new magazine—a "Third World Magazine"—devoted to the Peace Corps and similar activities overseas; they suggest Annual Awards for Distinguished Service by PCVs and staff members to the cause of peace.

[Shriver extemporaneously added at this point a brief description of the work of the Ashoka Foundation, which, using private contributions from United States citizens, attempts to discover and finance small-scale business overseas, especially in Africa and Asia. He cited the Ashoka Foundation as exemplary of the kind of special project overseas which the Peace Corps Foundation might assist.]

Beyond this, we should support the idea of a universal opportunity for national service for all young people in our country. I do not mean, solely or primarily, military service. The military couldn't use all our young people anyhow. I recommend, as I have many times before, that we call upon all young persons, and that we pay them a minimum sum, to serve their fellow citizens here at home. This service should be as normal as graduation from high school. It should be an accepted part of growing up in America . . . a common expectation of what's expected from everyone.

This is no longer a new idea. It has been studied in depth and approved by thousands of experts. Let us now move forward with it. The VISTA Volunteer program works; the National Center for Volunteer Action succeeds under George Romney's leadership; and the private sector needs volunteer help as never before.

A spirit is moving in this land—and it's not just "Cap" Weinberger's spirit. He and "Star Wars" may be dominating the headlines, but there also exists a large and growing number of Americans who, like Returned Peace Corps Volunteers, know more about people and the world than was ever dreamed of in Mr. Weinberger's belicose philosophy.

The daily newspapers and TV are full of stories of violence:

In Our Homes: Husbands and wives in unmanageable conflict; children being battered and sexually abused; adolescent runaways; elderly persons being starved.

Violence On the Streets: Murder, rape, assaults and battery, robbery . . . . Never has the average citizen felt less secure, physically, than today.

Violence Against Our Own Bodies: Jane Fonda and Arnold Schwarzenegger may be leading the movement for health and physical fitness. But, excellent though their efforts are, even they cannot compete successfully against drugs, alcohol, and murder on the highways.

Violence Abroad: At least three trans-national wars are going on now as I talk about peace. And no one can say that within the USA we have succeeded in our struggles against drugs, against alcoholism, against racism, against militarism.

Instead of "Love your enemies" as Jesus of Nazareth taught, we are indoctrinated into "fear of our enemies". Franklin Roosevelt said "We have nothing to fear but fear itself". He was talking about problems here at home. But his words could apply equally to our "enemies" abroad. We shall overcome Communism not with bombs but with the power of the spirit, the spirit which energized Americans at the beginning of this nation. Then we talked, preached and acted upon "The Universal Brotherhood Of Mankind". We had practically no military power, but we appealed to the God-given rights of life, liberty, and the pursuit of happiness. We were popular then. Now we preach megatonnage and Star Wars, economic warfare, and boycotts. And every year we acquire more enemies.

[At this point, Shriver extemporaneously discussed the U.S. action in withdrawing from the jurisdiction of the World Court which was the page one story in the New York Times and the Washington Post.]

Well, well, you say:—"Shriver has wandered far afield from the subject of the Peace Corps." But have I really done so?

When we started the Peace Corps, there was a big debate about the name we should give to this new venture. Many suggestions were made. "Peace Corps" was not the most popular title. Among the most experienced advisers, that title was scoffed at. They wanted a solid bureaucratic title—like The Agency for Overseas Voluntary Service. [Laughter.]

Conservatives opposed the word "Peace". [Laughter.] They maintained it sounded soft, wishy-washy, vague and weak. The Communists, they said, had corrupted the word 'Peace" by applying it to every political initiative and even to every war they got involved in. Ours was also the generation of World War II and the Korean War. In our lifetimes we had never lost a war, never failed to overcome an economic depression, and never experienced Nixon, Kissinger, Viet-Nam and Watergate. "Peace" was a questionable word for many of us.

The left-wing disliked the word "Corps". [Laughter.] They said it sounded too militaristic. The famous "German Afriker Corps", victorious almost everywhere under General Rommel, was fresh in their minds. "Corps" sounded like a scourge.

Finally, I decided we'd use both words [laughter], put them together, and get the best out of both of them—Peace because that was truly our business—and Corps because it showed that we were not individualists but a group.

Today I recommend that we remember our beginning. We are dedicated to the pursuit of peace—which means we oppose the idea that war is inevitable. We believe that with God's help we can get rid of war. We are a corps, a band of brothers and sisters, united in the conviction that if we work hard enough we truly can avoid war—and achieve peace. And we all think that everyone in the Peace Corps, and everyone who has ever worked in the Peace Corps, is a special person, who, given a chance will overcome any problem! In believing this about each other, in believing this about all Peace Corps people, we are giving reality to the words of Martin Luther King. He said:

Everybody can be 'great' because everybody can serve.

You don't have to have a college degree to serve.

You don't have to make your subject and your verb agree to serve.

You don't have to know about Plato and Aristotle to serve.

You don't have to know Einstein's theory of relativity to serve.

You don't have to know the second theory of thermodynamics and physics to serve.

You only need a heart full of grace and soul regenerated by love.

So in 1985 we look back across a quarter of a century of grace and soul—and we know how fortunate we are. In the Peace Corps, we have known the summer heat of the Sahara, the biting cold of the Alte Plano, the endless rain of the Monsoons in Asia, and the even greater obstacles caused by bureaucratic inertia.

And what a precious gift it has all been! For we have also seen the smile on the face of a child who has just learned to read; the energy of people in a dusty village who have just learned that they can lift the dead hand of hopelessness; the wondrous sense of powerless people taking destiny into their own hands for the first time. We have been pioneers of the Peace Corps world—and in that new world, we have seen the worst that happens to fellow human beings in daily acts of indifference and even evil; but we also have seen what is, what can be, the best in ourselves and in others. We have seen into our own souls, even as we have felt our eyes misting and our hearts touched when it was time to say good-bye. But, for Veterans of the Peace Corps enlisted in the cause of peace, whatever we do when the first tour is over, there is never a final "good-bye". We are Peace Corps Volunteers forever, and we will never be the same again.

In that spirit, let us resolve to continue and complete our real tours of duty—which are not for two years—but for all the years of our lives—until the peace we dreamed of when we signed up for the Corps, is finally won.

FAMINE AND DROUGHT: THERE ARE NO EASY SOLUTIONS ON THE ROAD TO PEACE

(By Loret Miller Ruppe, Director, Peace Corps)

Good evening ladies and gentlemen.

That was quite a journey through history we took this afternoon, standing on the steps of the Student Union, reflecting on 25 years of the Peace Corps. To almost hear again the buzz of that crowd in the early morning hours of October, 1960 . . . to almost feel the excitement and open eagerness of the students and townspeople massed to hear a young Presidential candidate . . . and this same spirit reflected again in the crowd of October, 1985 . . . when an idea whose time had come was seized upon by a new generation. A challenge was thrown forth . . . in a time ripe for action, to a generation ripe for action . . . a challenge that was accepted!

"How many of you are willing to spend ten years in Africa or Latin America or Asia working for the U.S. and working for freedom? How many of you who are going to be doctors are willing to spend your days in Ghana; technicians or engineers, how many of you are willing to work in the foreign service and spend your lives traveling around the world?" John Kennedy asked. "On your willingness to contribute part of your life to this country will depend the answer whether we as a free society can compete. I think Americans are willing to contribute, but the effort must be far greater than we have made in the past."

We come to the University of Michigan—surrounded here by a new generation—to rededicate ourselves to meeting that challenge. For the challenge to each person to help and to work with their fellow man is as old as the world, and yet confronts each one of us in turn. Each generation must meet that challenge in its own way. To give of oneself is based on the oldest ties of common humanity. John Kennedy asked Americans in the 1960s to act on their principles—their best instincts. His progressive thinking, and American creativity, coupled with the spirit of giving, gave new life to the concept of vounteering in 1960, by creating the Peace Corps—and what was as old as time took on new and exciting dimensions!

Sargent Shriver, our first Director, has spoken of those dimensions: "Never before in the course of history has a nation sent out thousands of its young people in freedom to work overseas in peacetime . . . ."

But even as those thousands went forth, they faced another age-old challenge of every generation—the challenge of creating peace—to which there is no easy solution. Despite the progress of humankind through history, we see a world community still grappling with terrible obstacles to peace—illiteracy, disease, proverty, drought and famine. In some areas of the world, we have made steady advances; in others, we are still searching for the knowledge, skills and resources to solve the basic problem of hunger. Inadequate food production levels in Africa constrain all other development possibilities throughout the continent. It is here we must all first concentrate our efforts. Let us single out the greatest obstacle to peace—hunger!

The Peace Corps was created to join seekers of the solution to the problem of hunger around the world. Since the very first Volunteers stepped off their plane in Ghana in 1961, Peace Corps Volunteers and it has evolved and adapted and applied, new techniques and appropriate technologies to the problem. In 25 years, over 120,000 Americans have served in the Peace Corps in more than 90 nations in Africa, our own hemisphere, the Near East, Asia and the Pacific. Right now, 6,000 Volunteers are serving in 60 nations worldwide.

We are here in Ann Arbor not only to pay tribute to our past, but more importantly, to use this symposium and the symposiums planned across the U.S. as forums to seriously evaluate what we have learned about the conditions causing hunger in Africa and around the world. Dr. Norman Borlaug, winner of the Nobel Peace Prize for his work on the "green revolution," has stated: "The nuts and bolts are lying around, but nobody puts them together. They've got quite a lot of unassembled data for Africa on varities or hybrids that have been tested in many places, on the use of diseases, and use of moisture. The most difficult battle against famine has more to do with psychology and politics than with horticulture." We must use this opportunity to bring forth from our collective experience and creativity new strategies that will bring us closer to the day when all of the world's people may eat—when Africa retakes its rightful place as the continent of vast promise—having evolved, coordinated and lead a "green revolution" of its own.

Most of you here tonight (so many far more expert than I) know well the interrelated conditions particularly in Africa which cause drought and famine: lack of rainfall, uncontrolled population growth, inadequate infrastructure, price controls, the vagaries of international economics, declining forests, deteriorating soil, increasing livestock herds; all of which contribute to political instability. Poor ecological conditions, colonialism and slave trade have also taken their toll on the potential prosperity of Africa. Peace Corps Volunteers were sent to Africa, and around the world, two-and-a-half decades ago—not to change that world, but to see what they could do to improve their small part of it.

Peace Corps knows there are no easy solutions, but it has always believed that the solutions must lie in long-term, grassroots programs. In choosing the long-term approach, Peace Corps was able to lay a strong and lasting foundation for a successful future. Our first Volunteers on the continent were primarily concentrated in education programs—teaching English, math, and science to children who might never have had the opportunity to go to school. Africans serving today in many government ministries and positions of influence have been motivated by Peace Corps education Volunteers. I have met two African Chiefs of State who both taught and were taught by Peace Corps Volunteers.

Other early Volunteers patiently introduced agriculture, water/sanitation, forestry, rural public health and infrastructure projects to farmers and villagers across the continent.

Although many of our projects were developed through trial and error, many of the people served began to see that Peace Corps Volunteers could offer practical skills and appropriate technologies that would lead to a better way of life for themselves and their children. Not all our programs were successful, but throughout 25 years, working in 32 African nations, sending more than 50,000 Volunteers, affecting countless villages, much has been accomplished!

The first groups of Volunteers returned to the United States, filled with knowledge and experience that, in the early 1960s, was a rarity—first hand, grassroots experience. Peace Corps put returned Volunteers back to work as advisors, trainers, programmers, and staff managers. Peace Corps' projects became more tightly, effectively programmed. As we learned more about the needs of the African food producers, we learned to target the right kind of projects towards those who could make the difference—the small farmers.

In many cases, Volunteers have been successful. Using grassroots techniques adapted to the particular constraints of rainfall, soil conditions, water availability, and seed quality, Volunteers working with villagers are able to evoke reversals on a small scale. The frightening, all-too-rapid sweep of desertification can sometimes be halted.

Here is where we have seen success.

The people of a small village in Burkina Faso came to their Peace Corps Volunteer and asked him to help them stop the desert from engulfing their land. Sensing they expected some kind of massive technological assistance, the Volunteer replied that he couldn't bring in tractors and other earth-moving equipment, but if they truly wanted to stop the desert, he would show them modest techniques appropriate to their knowledge and resources. Together they built a series of low rows of rocks along the floodplain and planted trees and vegetation. I visited that village last year, just a short time after they had begun. I saw that the rains had swept across the once barren field but that this time the topsoil had been trapped by the rocks and trees and vegetation were taking hold.

Another Volunteer in Niger worked with villagers to build windbreaks and plant trees and grasses to stabilize a 200-foot, two-mile

long sand dune, and turned it into a productive range land, all in the course of the Volunteer's two-year assignment there.

More generally, Volunteers are working with farmers across Africa to harness whatever local water resources exist through irrigation, introducing crop rotation, and fertilization techniques to improve agricultural yields. Other Volunteers work with wells built to sink as far down as necessary when the water tables drop during the dry season. Still others encourage the building of fishponds to augment available protein sources and create income.

Many of you are aware of the staggering contribution women in Africa make towards the food production of that continent. They do up to 80 percent of the agricultural work in subsaharan Africa, in addition to preparing the meals, collecting firewood and water, and bearing and caring for many children. Women have been found as innovative as men in adapting new technologies, and yet only receive a fraction of services available to "the food producers." Why is this so?

We have found that many African women are simply too busy or are excluded from community meetings where new ideas are discussed. Few agricultural extension agents are men, who will rarely consult with female farm managers without a male member of the family present. Because women rarely control the money, they are not targeted for innovations requiring captial. Women often are given education in home economics or handicraft projects rather than agriculture; while such instruction may be helpful and effective, it falls far short of the mark.

Therefore, the concept of "Women In Development" assumes life-sustaining importance. Peace Corps institutionalized its intent to focus on WID with a legislative amendment to the Peace Corps Act in 1979. Training and programming have been revised and realigned to fully integrate WID principles following on what was learned at the Nairobi Conference.

More than 75 current Peace Corps projects are WID-specific: from PCVs helping women obtain loans and credit for agriculture in the Philippines, to PCVs training women in the maintenance of fishponds and fish marketing in Guatemala, to PCVs working with women in rice production, weeding, harvesting, processing, and storage in Sierra Leone.

A prominent Ghanain educator has said: "If you educate a man, you educate an individual. But if your educate a woman, you educate a nation." In 25 years Peace Corps has played a notable role in African development through education, still building the solid foundation of basic learning through elementary, secondary and university classrooms as they did in the '60s, but in the '80's the emphasis is on training the trainers—teaching the teachers—a multiplier effect.

And in my education, my training, as Director of the Peace Corps, after almost five years on the job—having visited 44 countries where Volunteers serve, a most critical component of seeking the solution to African hunger is making a dedicated and solid commitment to coordination, cooperation, and long-range planning. If Peace Corps has discovered nothing else in the past 25 years, it is that permanent change is almost always the result of cooperation, rather than any singular effort.

Coordination with the host country nations has always been a prerequisite for our program. Volunteers have always been sent overseas specifically at the request of host governments. Once in country, Volunteers often work with private voluntary organizations—one early example that comes to mind is the Heifer Project, which provided livestock to villages through Volunteers who established animal husbandry projects. There are many other such examples with Care, Catholic Relief Services, Africare, Crossroads Africa, Experiment in International Living, Save the Children, Partners of the Americas. Today, 1985 finds us reaching out to maximize our limited resources, with over 250 ongoing projects with private voluntary organizations worldwide.

Substantial coordination, particularly with other U.S. government entities, has also intensified in just the past five years. Peace Corps and USAID have strived to develop programs overseas which blend and benefit from the unique resources of each organization.

One successful product of this partnership is the Small Projects Assistance Program established in 1983. USAID provides up to $40,000 per country per year for Peace Corps community-level projects dealing in food production, income generation, renewable energy, or small business development. To date, many vital grassroots projects have been funded and proved successful—with grant amounts small enough to discourage village reliance on U.S. monetary assistance.

Small Projects Assistance funds have allowed villagers in Senegal to build garden fences to keep cows from eating their produce, and to buy millet granding machines that cut women's food preparation time from six to two hours per day. A village in Gambia that supplies meat to villages in the surrounding countryside used SPA funds to build a sanitary slaughterhouse, rather than exposing butchered meat to insects and dirt in the open fields, as was previously done. And just $50 provided a village in Togo with materials to build grain storage huts and granary jars to store millet bought cheaply during harvest season to tide village families through the dry season. No one went hungry, and other nearby villages became interested in duplicating the plan.

When Vice President Bush travelled to Africa this Spring, the reporters travelling with him asked to see results of American assistance. For Peace Corps examples in Mali, I could proudly give descriptions of 21 village-based projects completed in one year for a total overall cost of $40,000—now that is development targetted at the real level that needs to be reached.

The United States is a nation of goal setters seeking measured achievement, and I think we all have asked ourselves at one time or another: "can the trend in Africa be reversed"? Widespread hunger has been averted in many Asian nations that once faced the formidable problem now facing Africa. In the past twenty years, India, Korea, and Bangladesh have all become increasingly food self-sufficient. The Peace Corps played a role in the greening of India through a massive, long-term chicken raising program involving hundreds of Volunteers working in several specific regions coordinating their efforts with every available resource. A returned Peace Corps Volunteer now working in African development has said that if anyone told him when he got on the plane to leave India in 1970 after spending two years as a Volunteer in that poultry project that fifteen years later India would be feeding itself, he wouldn't have believed it.

But it happened—the "Green Revolution" has worked in Asia. And while some aspects of that marvelous reversal can be transferred to the environment of America, the basic climactic and ecological differences of the subsaharan region call for special and challenging modifications in the approach.

After 25 years of hands-on long-term experience, Peace Corps is in a position to develop that modified approach to increasing food production and bringing prosperity back to the African continent—something like the "Green Revolution," but tailored to the unique conditions in Africa. And like the problem itself, our solution must be long-term in nature to even hope for success.

Peace Corps is launching a new program that is targeted to the food producers, and is long-term, grassroots, low-risk and geographically concentrated. The Africa Food Systems Initiative, a showcase of innovative programming, will place five to ten technically skilled PCVs as a team in specific regions of Mali and Zaire to begin with this year, with plans to expand to up to ten nations by 1990. Assessments have already been done in Niger, Lesotho, and Botswana. And these teams will be perpetuated—adding and subtracting skills as the needs of the region change—for ten to thirty years. This previously untried intensity of commitment, we believe, will have a dramatic impact in the long run towards reversing the conditions of food shortages in specific areas.

AFSI (African Food Systems Initiative) projects, furthermore, will be developed in close cooperation with other U.S. and foreign donors, including USAID and USDA, and under the direction of host country ministries. In recognition of the multiplicity of causes of drought and hunger, AFSI projects will address the entire Food System—from start to finish. Volunteers will work in soil enrichment and preparation, irrigation and water supply, seed multiplication, planting, fertilizing, weeding, harvesting, processing, storage, and marketing; plus reforestation, agro-forestry, improved woodstoves, wells, health and nutrition, small animal husbandry, and development of cooperatives. Peace Corps' practice of transferring skills to host country counterparts encourages small farmers to pass on what they have learned to other farmers in the area—increasing the impact of each Volunteer.

The second important component of seeking the solution to drought and famine, I believe, is maximizing research and development resources. AID has identified the "traditional small holder" as the "engine of development," and is seeking ways to extend applied research findings and improved technologies to the individual farmer. Ali Hassan, an economist with the Arab Authority for Agricultural Investment and Development, calls these traditional farmers "the chassis of the Sudenese economy," and, in an article in the Washington Post printed yesterday, says that "it took the famine to force the realization that this traditional farming . . . was where more funds and assistance should be concentrated." There are new seeds, tree varieties, technological breakthroughs, and vaccines developed every year in the U.S. and overseas. A great deal of these resources are developed by USAID and other major U.S. entities, and then carried into the field by the Peace Corps Volunteers.

The World Bank has concluded that: "That major problem [in improving agricul-

tural production] is to develop a more effective use of existing research capacity . . . . Research results have not been adequately disseminated . . . . Researchers are isolated from farmers and extension workers, so nobody can see the direct relevance." Peace Corps is working to bridge the gap between researchers and the villages—to bring relevance to that technological link so vital to progress.

In the field of health—an important coordinant to agricultural production—for how can one produce more when disease abounds—methods of combatting communicable childhood diseases are being developed by AID and used by Volunteers in their villages. Volunteers are trained in oral rehydration therapy developed by USAID and UNICEF, and as a result, infant mortality is being reduced. Vaccines for malaria and schistosomiasis are being developed. These diseases, which sap the energies of countless people around the globe, must be conquered. I look forward to the time when Volunteers will be immunizing against these dreaded diseases in the rural health clinics of the developing world.

In agriculture, drought-resistant sorghum and other crop varieties developed in laboratories are being introduced to small farmers around the world by Peace Corps Volunteers, as are fast-growing fuelwood tree varieties.

More important than the specific techniques and technologies themselves are the skills to develop, adapt and apply the continuum of technologies that will be the reality of the next decades, since even our "new" technology of today will soon be outdated. This is where people-to-people links and transferring skills through example can make such a vital difference.

One area of technical expertise perhaps not as universally tapped are the research departments and faculty of U.S. colleges and universities. Every university in Africa should have a partner university for agricultural research and development. While the research departments are geared more toward agricultural discoveries useful to U.S. growers, many of their findings are valuable and can be utilized in some way overseas; and traveling faculty or those on sabbatical to work overseas temporarily are valued advisors as well. The academic world of America, of Europe, of Asia, must be brought into the problem-solving if we are to win the war against hunger. All the volunteer agencies of the world must join together in this common commitment to end hunger. And the research facilities of the private sectors of all the world must join them. The private sector has a deep responsibility to meet this challenge—both U.S. and worldwide—they must join in the search for solutions to hunger through research and development efforts. Peace Corps has appealed to U.S. agro-industry for their contributions. They could loan experts, fund and fill training centers, set up computer centers for African nations to do their long-range planning. But again, more needs to be done.

At Peace Corps, an Office of Information Collection and Exchange was created in 1975 so that strategies and technologies developed by the Volunteers, their co-workers and counterparts could be made available to other Volunteers and other development organizations who might find them useful. This hands-on information base is part of Peace Corps' larger contribution to development.

A third important component in the search for solutions to drought and famine, I feel, is the need to bring all the people of industrialized countries, especially my fellow Americans, closer to understanding the crisis and conditions facing the nations of the developing world. Americans are involved through our governments' development assistance programs, and have shown their very great generosity through private giving to famine relief as well. But so much more education needs to be done to truly develop the partnerships for peace demanded by the interdependent world of the 1980's.

Returned Volunteers are our most personal link to the Third World. They personalize their experiences so we begin to see that the concerns of an African family are not so different from our own concerns. Returned Volunteers urge us, directly or by example, to become involved in the struggle for peace and prosperity, by volunteering our time or money or in some way making a contribution to the future of the developing nations.

Returned Peace Corps Volunteers and staff are an incredible resource—they have the language, cross-cultural skills, and practical knowledge. RPCVs and former Peace Corps staff members are important and valued as members of the international development community, and include: the Administrator of AID, RPCVs in nearly all AID missions around the world, prominent IMF and World Bank personnel, the head of the African Development Foundation, and the director of Africare, and ten percent of each year's incoming foreign service officer candidates. In the U.S. Congress, one Senator, four Congressmen, and over 250 staff are former Peace Corps Volunteers. After 25 years, Peace Corps can show that "virtue is its own reward," benefitting both the development community and the Volunteers themselves. Peace Corps has been one of the wisest investments our country has made—an integral component in America's partnership with the developing world.

The 25th anniversary year has provided an optimum spring-board for another vehicle to educate Americans about the Third World; through Peace Corps' series of symposiums focusing on America's partnership with the developing world. How proud we are to be here at the University of Michigan for the first one! Sponsored by Peace Corps, World Affairs Councils, RPCV organizations, and universities, the symposiums will feature returned Volunteers, host country nationals, local business and community leaders, and the average citizen who wants to learn more about the opportunity to become involved. We can bring the problems of drought and famine to America's doorstep, where our partnership with Africa, our own hemisphere and Asia can be redefined and strengthened in the search for peace.

During this anniversary year, Peace Corps will continue to seek the Americans with scarce skills as forestry, fisheries, agriculture, health and water/sanitation that are so desperately needed overseas. We welcome creative strategies for bringing the message of involvement and responsibility to the colleges and universities offering graduate programs in the skills needed.

Peace Corps could double the number of American volunteers in agricultural extension and related work in Africa over the next five year if adequate resources were available. Americans are willing to serve—20,000 alone responded to an appeal for Volunteers in January—and Peace Corps has the 25 years of experience and training capability to make their service effective, and the governments of these countries want our help.

A 1984 Presidential Task Force draft report on international private enterprise stated the need for action in blunt terms: "The plight of the developing world poses a threat to our own security. A contented United States cannot live unscathed in a world of hunger and famine. Nor can the U.S. live unharmed in a world of seething unrest and unstable governments that hunger and famine creates."

But really the United States faced its responsibility to become involved when it created the Peace Corps 25 years ago. Its founding father, President John Kennedy, told the country in his inaugural address: "To those peoples in the huts and villages of half the globe struggling to break the bonds of mass misery, we pledge our best efforts to help them help themselves, for whatever period is required—not because the communists may be doing it, not because we seek their votes, but because it is right. If a free society cannot help the many who are poor, it cannot save the few who are rich." And the late Hubert Humphrey said: ". . . we must choose to do the better thing."

But for lasting change on the African continent and the eradication of drought and famine, we look beyond our own expertise, culture and national pride and see the future of Africa in the hands of Africans. Successful strategies and reforms must be initiated and supported by the American governments—just as the involvement of Asian governments paved the way for the success of the "Green Revolution." Africans can and will direct the solutions to their own problems. Their courage and persistence in the face of such severe circumstances demands our respect as well as our help.

Long-term planning *is* originating with the African governments, in the form of national "five-year plans," and the Lagos Plan of Action adopted in 1980 by African Chiefs of State at a meeting of the Organization of African Unity. Building upon this are the plans made by the O.A.U. at Addis Ababa this year, which endorse strongly, objectives for the African states to achieve a more self-reliant, more economically integrated Africa by the year 2000.

A more self-reliant Africa by the year 2000? It can and must be done. Tonight, I challenge those who seek the end of hunger to help find the solutions to drought and famine. History has traversed another great circle, and the generation of the 1980's worldwide is waiting and eager to meet the challenge to give, to volunteer, to help others help themselves.

In April of this year, President Reagan saluted 44 Peace Corps trainees bound for food production assignments in Africa, saying: ". . . as we here today, America is giving more than money. . . . By bringing your training and skills to bear on the underlying problems of agricultural and economic development, you can help your host nations make the difficult but vital journey from dependence on short-term aid to self-sufficiency."

I challenge Americans to validate President Reagan's observation—to give more than money—to help find the solutions by considering Peace Corps service, and becoming involved ever more in a host of other efforts! I challenge the international development community to actively seek collaborative opportunities, and to carefully fit in to long range planning of Africa itself.

I challenge the U.S. private sector to become an ever more active partner, and I

challenge the government and private sector of every nation to coordinate efforts—to strengthen partnerships with the developing countries of the world.

Perhaps most of all, I challenge each one of us to continue seeking the solutions, to keep on giving until Africa is no longer a hostage of drought and famine. The solutions are not easy, but they must have our best efforts. And the seeds of peace and prosperity we plant together will yield a rich harvest not only for Africa, but for America and the rest of the world—a fitting anniversary present for Peace Corps and its cause—world peace. As John F. Kennedy said, ". . . but the effort must be far greater than we have made in the past." Thank you.

EXCERPTS FROM REMARKS BY VICE PRESIDENT GEORGE BUSH, PEACE CORPS 25TH ANNIVERSARY CELEBRATION

One of the kicks in my job is getting to take part in events like this one . . . the celebration of the Peace Corps' 25th anniversary. Part of it is that it gives you a little bit of historical perspective. Sometimes, as Vice President, you think you've said something important, and then the press doesn't notice.

But I got some perspective on being ignored when I saw, recently, The New York Times, report from 1960 of John Kennedy's speech, delivered from this spot, in which he first proposed the Peace Corps. This is what the Times said of remarks that included one of the most creative ideas of that campaign: "Nothing was new."

And, I suppose, nothing was new, except that within a year the first of what by now has become more than 120,000 American volunteers would be on their way overseas . . . a show of goodwill and caring of people for people unlike any country had ever undertaken before.

The first Peace Corps volunteers all went to one country—Ghana in Africa. They've since worked in 93.

They've helped eliminate malaria in Thailand, smallpox in Ethiopia, tuberculosis in Bolivia and Malawi. They've taught more than 5 million children. And they've won the hearts of the world.

It's hard not to love them. Earlier this year I spent part of an afternoon with the volunteers in Mali. I was traveling through sub-Saharan Africa, seeing what more the United States could do to help famine victims.

Those volunteers have a tough job . . . tougher now, because, as a result of the African drought, the hardships of many of the people they work with have become so much more severe. But all the volunteers had a real spirit, an energy that you don't see too many places. I sure saw it there.

After meeting them, I could understand why former Peace Corps workers are so much in demand. More than 1,000 are serving in the State Department and the Agency for International Development. A number of international banks and businesses specifically look for and prefer to hire Peace Corps veterans. In one major bank, 8 out of 12 senior managers in the African division came from the Peace Corps.

And there are four Peace Corps alumni now in Congress . . . two Republicans, two Democrats. One is with us today. He was a volunteer in the very early years—the early '60's. Paul Henry.

One of the great things about the Peace Corps is the way in which young and old serve together. At the moment, the oldest volunteer is Odin Long, who's 82. He signed up when he retired from Illinois Bell. You can guess how long ago that was. He's been a volunteer ever since. And he's not ready to hang up his hat. He just took another two-year commitment and will be working in Guatemala.

So the Peace Corps is 25, but I believe its most exciting days are yet to come. And everyone who knows the Peace Corps can feel it. It's not like the six-year-old who started a diary with an entry that said, "It's a little late for this. Everything's already happened."

Well, everything hasn't already happened. Not by a long shot. This past year Loret Ruppe announced that the Peace Corps would begin a special focus on hunger in Africa. This, I believe, is very important and exciting.

I learned when I was in Africa that one of the reasons for the current famine—in some respects more important than drought—is that per capita food production in Africa has been steadily dropping for most of two decades. Let me repeat that . . . for more than two decades.

For the next ten years the Peace Corps will be working with African farmers on the nitty-gritty of turning that around. Soil erosion, water control, better seeds, as well as better ways to store crops, to get them to market and to sell them—the Peace Corps will tackle all of these.

And let me just add a personal note. When I was in Africa, I visited famine relief camps. At one, I held in my arms a child who was two years old and weighed seven pounds. Her mother had already died of starvation . . . her grandmother was dying. She's part of why I feel very, very strongly about the Peace Corps' African Food Systems Initiative.

So this is what we celebrate today.

Not just the Peace Corps' 25th anniversary. Not just the energy and dedication of Peace Corps volunteers over the years. Not just what the volunteers have given people around the world . . . and given America, too.

We celebrate all that, of course, but a new beginning, as well. For the Peace Corps it's 25 down and lots more to go.

THE 1985 FARM BILL

Mr. LEAHY. Mr. President, the bill that the Senate Committee on Agriculture has reported—S. 1741—can do much to improve the financial conditions facing farmers and others who live in rural communities. If properly administered, the bill can boost farm income, while staying within the budget for agricultural programs.

The programs and authorities provided under the bill will not provide all of what I believe could be done to insure the improvement and financial soundness of our agricultrual economy. But the bill is the best available approach to solving some of the difficult economic problems confronting farmers and the Nation. Financially hard-pressed farmers would benefit from stronger support prices, but, at this date, it is more important to farmers that the provisions of the farm bill are enacted, thereby providing some stability for farm income and allowing farmers to plan for next year's crops.

AGRICULTURE AND THE ECONOMY

American farmers are the most efficient producers in our economy. Today, each farmer feeds over 80 people and American consumers, on average, spend less than 15 cents of each dollar of disposable income on food. Food is a bargain in this country for the average American. In my view, many of the problems that confront consumers are not directly related to the level of farm price supports—such problems are related to unfair income distribution and a lack of jobs.

I am certain that, during the course of the debate on S. 1714, we will hear arguments for reducing the support prices for commodities such as milk. The central focus of the arguments for reducing support prices seems to be that consumers will benefit. The facts belie that point. The correlation between farm prices and food prices is almost nonexistent. For example, the support price of milk has been reduced by more than $1.50 per hundredweight over the past 2 years, but retail prices for milk and dairy products have increased.

Many family farmers are confronting a devastating financial crisis. The causes and effects of this crisis have been well documented and, as we consider the 1985 farm bill, we must focus on developing equitable and workable solutions.

This important farm legislation will influence the entire rural economy for many years to come and could be the determining factor in efforts to preserve our family farm system of agriculture. With the current poor outlook for farm profitability in the near future, farm lenders are facing insolvency and farmers will be increasingly hard put to find adequate credit on reasonable terms unless sound legislation is soon enacted.

To compel American farmers to market their production without the benefit of a proven effective safety net could have dire consequences for our national economy.

Farming and farm policy are national security matters. The United States is the most powerful nation on Earth—indeed, the most powerful nation in the history of the world. But other nations possess weapons that can inflict terrible damage on the United States. What other nations do not possess is our agricultural abundance. The United States is the only major military power in the world that can feed itself. We are the only major military power in the world that does not have to import food, that can never be starved by a rival country, and that cannot have its foreign policy, or its domestic policy, or its economic policy shaped by outside forces. That is our unique strength.

1985 FARM BILL OBJECTIVES

In my view, the 1985 farm bill should be designed to achieve a series of objectives. The provisions of S. 1714 substantially meet these objectives despite the budget limitations that are imposed on the committee because of the need to reduce the deficit.

First, the trend toward lower farm income must be reversed. The committee bill can stabilize farm income in several ways. For example, the price support for milk is maintained at the current level of $11.60 per hundredweight until at least January 1, 1987. Stability for this period of time can allow dairy farmers to adjust their production plans to account for the recent reductions in the support price.

Second, consumers must be assured of a safe and reliable supply of food. I think most consumers understand that food is a tremendous bargain in this country. The committee bill will not directly increase consumer food costs. The price support levels for commodities under the bill will be either reduced or maintained at current levels. Reductions are authorized to help U.S. farm products become more competitive in export markets.

Third, a farm bill must provide for authorities to deal with overproduction. S. 1714 provides for programs that will reduce and control farm commodity production, thereby limiting Government costs while at the same time helping to improve commodity prices.

Fourth, a farm bill must improve conservation programs. It is in the national interest to conserve our scarce land water resources. We cannot afford to deplete natural resources that future generations will rely on for agricultural production. To protect this heritage, soil and water conservation programs must be appropriately strengthened and adequately funded. S. 1714 accomplishes many of conservation objectives.

Fifth, a farm bill must assist the administration in efforts to develop new markets. S. 1714 bill accomplishes this objective through the establishment of programs to make our farm products more competitive in world markets. The bill also provides for new research and development on alternative uses for farm products—such as corn fructose and alcohol fuels.

Despite the importance of the 1985 farm bill, we must recognize that many of the economic forces adversely affecting agriculture today will not be influenced by farm legislation or the Secretary of Agriculture.

DEVELOPING THE BILL

S. 1714 is the product of many days of hearings and legislative drafting sessions that occupied the attention of nearly every member of the Agriculture Committee.

As a Vermonter, I was especially pleased that Senator COCHRAN, the distinguished chairman of the Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices, came to Vermont for a special hearing on March 18, 1985. I believe that hearing assisted and focused the committee's efforts to establish sound and workable dairy policy.

I was also privileged to be able to chair a part of the full committee's hearing on dairy issues. One of the facts that emerged from that hearing was the common concerns that dairy producers hold. Dairy producers are united in their desire for fair and equitable treatment from Washington. They are aware of the past criticism of the milk prices support program and do not seek a high level of price support that encourages overproduction or larger deficits.

DAIRY

The dairy provisions are patterned after the bill that I introduced earlier this year. While my bill would have maintained the minimum milk price support at current levels until, at the earliest, October 1, 1987, the provisions of S. 1714 maintain the support price until January 1, 1987. The change was proposed by the chairman of the Agriculture Committee, Senator HELMS, to allow for an adjustment in the support price at an earlier time if Government purchases remain large.

Briefly, the dairy program provisions of the bill would—

(1) Require, effective October 1, 1985, through September 30, 1989, that the price of milk be supported through the purchase of milk and milk products at a level equivalent to $11.60 per hundredweight for milk containing 3.67 milkfat, except that—

(a) On January 1, 1987, if the Secretary of Agriculture estimates that for the succeeding 12-month period beginning on such date net price support purchases of milk or milk products would exceed 5 billion pounds milk equivalent, the Secretary would be required to reduce the price support level by 50 cents per hundredweight; and

(b) On January 1, 1988, and January 1, 1989, if the Secretary estimates that for the succeeding 12-month period net price support purchases of milk or milk products would—

(I) Exceed 10 billion pounds or more milk equivalent, the Secretary would be required to reduce the price support level by $1 per hundredweight, or in the Secretary's discretion, by an amount determined by a cost of production index established by the Secretary;

(II) Exceed 5 billion but be less than 10 billion pounds milk equivalent, the Secretary would be required to reduce the price support level by 50 cents per hundredweight or, in the Secretary's discretion, by an amount using such index; and

(III) Be less than 2 billion pounds milk equivalent, the Secretary would be authorized to increase the price support level by at least 50 cents per hundredweight or, in the Secretary's discretion, by an amount using such index;

(2) Extend various provisions of current law, including:

(a) Provisions of the Federal milk marketing law relating to authority for seasonal base-excess plans, seasonal takeout-payback plans—commonly known as Louisville plans—mandatory hearings on amendments to milk marketing orders, and the use of milk production capacity as part of the pricing standard used by the Secretary in setting milk prices under a marketing order—through December 31, 1989;

(b) The requirement that the CCC make dairy products available, without charge, to veterans' hospitals and the military—through September 30, 1989;

(c) Authority for indemnity payments to dairy farmers who sustain losses as a result of pesticides, nuclear radiation or fallout, or from other chemicals or toxic substances—through September 30, 1989.

In addition, the bill makes clear that the legal status of producer-handlers would not be changed under the provisions of the amendment. The bill also provides for a study, to be conducted by the Secretary of Agriculture, of the differentials used to adjust the minimum price for class I milk under Federal milk marketing orders. The Secretary is directed to pay close attention to the differentials used for the delivery locations of such milk to handlers. The report must be submitted within 1 year of enactment of the bill, with any recommendations for necessary legislation, to the Senate and House Committees on Agriculture.

OTHER COMMODITY PROGRAMS

The commodity titles authorized under the bill will maintain and improve farm income while helping to make U.S. farm products more price competitive in world markets.

WHEAT

The wheat provision of S. 1714 is patterned after a provision from Senator ZORINSKY's bill (S. 1051) that directed the Secretary to conduct a referendum of wheat producers to determine whether marketing quotas should be in effect for the upcoming crop years.

Under the bill, the Secretary must conduct a poll, by mail ballot, of wheat producers to determine whether the producers favor the conduct of a marketing quota referendum for the 1987 through 1989 marketing years for wheat. The Secretary is required to conduct the poll not later than April 1, 1986. Any producer who produced wheat on a farm during at least one of the 1981 through 1985 crop years of wheat will be eligible to vote in the referendum.

If more than 50 percent of the producers responding to the poll favor the conduct of a referendum, the Secretary must conduct a referendum, by mail ballot, not later than August 1, 1986.

For any crop of wheat for which marketing quotas are in effect, the level of price support loans will be not less than $3.55 per bushel. Target prices will be not less than the higher of: the national average cost of pro-

duction per bushel, as determined by the Secretary, or, $4.65 per bushel.

For any crop of wheat for which marketing quotas are not in effect, the price support loan rate for the 1986 crop will be set at not less than $3 per bushel. However, the Secretary can permit repayment at the higher of: First, not less than 70 percent of the announced loan rate; or second, the market price of wheat.

For crop years 1987 through 1989, the wheat loan would be not less than an average of historical prices computed through the use of a formula. Under the bill, the loan rate for wheat in these crop years would be not less than 75 percent, nor more than 85 percent of the average price of wheat during the immediately preceding 5 marketing years, excluding the year in which the average price was the highest and the year in which the price was the lowest during that period. Notwithstanding the formula determination, the loan level could not be reduced by more than 5 percent from the level determined for the preceding crop. In the case, then, of the 1987 crop, the loan level would not be less than $2.85 per bushel.

Target prices for the 1986 through 1990 crops of wheat would be set so as to provide additional protection for family sized wheat farms. Under the bill, the target price of wheat for the next 2 crop years would be: $4.55 per bushel for any portion of the crop that does not exceed 20,000 bushels, and $4 per bushel for any portion of the crop that is more than 20,000 bushels.

CORN

The bill provides that the loan rate for corn will be set at $2.40 per bushel for the 1986 crop. Other feed grains would be set at a level that the Secretary determines to be fair and reasonable in relation to the loan rate for corn.

The loan rate for the 1987 through 1989 crops of corn would be set at not less than 75 percent, nor more than 85 percent, of the simple average price received by producers of corn during the immediately preceding 5 marketing years, excluding the year in which the average price was the highest and the year in which the average price was the lowest.

The target price for the 1986 through 1990 crops of corn would remain at the 1985 level of $3.03 per bushel.

COTTON

The loan rate for the 1986 crop of upland cotton will be not less than 55 cents per pound and the target price will be not less than 81 cents per pound.

For the 1987 and subsequent crops of upland cotton, the loan rate cannot be less than the higher of: First, 85 percent of the average price of cotton during 3 years of the preceding 5 years, excluding the year in which the price was the highest and the year in which the price was the lowest; or second, 50 cents per pound.

The target price for the 1987 through 1990 crops will be not less than 81 cents per pound, which is the current target price.

RICE

The loan rate for the 1986 crop of rice will be not less than $7.20 per hundredweight and the loan rate for subsequent crops will be determined by a formularizing historical prices, with the statutory minimum loan rate set at $6.50 per hundredweight.

SOYBEANS

The current program for soybeans is extended for 4 years under S. 1714 and the statutory minimum loan rate is maintained at $5.02 per bushel. However, the Secretary can reduce the price support loan rate if he determines that the average price of soybeans received by producers in any marketing year is not more than 105 percent of the loan rate. He may not reduce the loan rate by more than 10 percent in any year nor below $4.50 per bushel.

CONSERVATION

Mr. President, S. 1714 contains very important provisions that strengthen our soil and water conservation efforts. First, the bill would protect highly erodible land. S. 1714 contains the so-called sodbuster bill that makes ineligible for Federal farm program benefits any person who produces an agricultural commodity on highly erodible land.

Second, the bill protects fragile wetlands. Under S. 1714, a "swampbuster" bill would be enacted that applies many of the same sanctions as are levied against persons who farm highly erodible land against persons who farm unsuitable wetlands.

Third, the bill establishes a conservation acreage reserve. The conservation reserve will be used to reduce soil erosion by designating land currently in production that is prone to erosion for a "reserve" wherein the land is less intensively used. Less intensive uses include pasture, tree growth, or permanent grass. The reserve can be as large as 30 million acres, with 10 million acres required to be placed in this reserve—through contracting with owners and operators of eligible erosion prone land—during crop year 1986. An additionally to 10 million acres will be added to this reserve during crop year 1987 and another 5 million acres must be added before the end of the 1989 crop year.

FOOD AND NUTRITION PROGRAMS

The Food Stamp Program helps low-income households to stretch limited dollars to ensure a nutritious and adequate diet, as it did in 1961 when President John F. Kennedy established pilot projects that led to the current program.

Unfortunately, the incidence of these human tragedies is on the rise. The number of families and individuals living at the poverty level is rapidly increasing. One of every six children under the age of six now lives in a household whose income is at or below the poverty level. Also, there is evidence that malnutrition among the elderly is a serious problem in this country.

This country is blessed with an abundance of food. The Food Stamp Program is a fair and reasonable way to provide needy Americans and their families a part of this abundance.

Throughout the debate on the food stamp reauthorization, I worked to encourage support for provisions that help States to administer the program in a humane and efficient manner, while requiring them to be mindful of accountability and good stewardship of Federal resources.

My goal for the Food Stamp Program has always been to ensure that food stamp dollars are spent properly on food aid for the needy and are not wasted. We must always be vigilant in combating any sign of waste, fraud, or abuse in this program—both to protect taxpayer's dollars and to safeguard the basic integrity and reputation of the program. If we are to be credible in our efforts to maintain the Food Stamp Program, which is the most important nutrition program available to low-income Americans, we must be sure that the program is operated in an efficient manner.

In 1981 and 1982, when the Food Stamp Program was being seriously threatened, I worked with Senator DOLE to fashion responsible, bipartisan Food Stamp Program legislation that would proterct low-income families to the maximum degree possible within the constraints of the budget adopted by the Congress. Frequently, I have disagreed with the priorities in those budgets. Yet, while I would favor reducing the Federal deficit in a somewhat different fashion, when Congress adopts a budget, we must live within it. I believe the budget targets must be met in a way that does not permit hunger and malnutrition to continue to exist in this affluent country.

I am concerned that the administration has proposed converting the Food Stamp Program into a block grant at State option—a provision that would end the Food Stamp Program as we know it today. I oppose the block grant proposal, as well as short-sighted work requirements which take away the States' flexibility in developing and administering work and training program. I oppose increased bureaucratic complexity which would hinder efficient management, and

would raise the potential for increased error rates and sanctions.

RESEARCH, EXTENSION, AND TEACHING

A major part of the bill focuses on supporting and improving food and agricultural research, extension, and teaching.

Federal support of the development of agricultural science and technology is a public investment that has paid huge dividends for this Nation and the world; and the development and dissemination of new agricultural technology—through cooperative extension and teaching programs—are fundamental missions of the Department of Agriculture.

Congress has the responsibility of providing the necessary tools by which the Department and the scientific community can meet the agricultural research, extension, and teaching needs of our Nation.

Congress first addressed the needs of the food and agricultural sciences in a unified manner in title 14 of the 1977 farm bill.

The 1985 bill will not make radical changes in the Federal policies and programs established under the 1977 bill. S. 1714 will continue—through fiscal year 1989—funding authorizations for agricultural research, extension, and teaching programs provided under title 14, and will update and fine tune the operation of a number of these programs.

The testimony of witnesses from the agricultural research, extension, and teaching community at the farm bill hearings was clear that coordination of agricultural research and education activities could be improved.

The great strength of our decentralized system of agricultural research and education has been that diverse needs can be addressed. Yet, that decentralization can be a weakness if coordination of efforts is lacking. I look forward to more vigorous efforts to coordinate research and extension programs.

Also, a better system for communication between the Federal and State research systems, and between the research community and the users of that research, is needed. I believe the users advisory board can play a stronger role in this area.

To better focus the expenditure of funds and insure greater communication and coordination within the food and agricultural sciences, the bill extends the terms of the Joint Council on Food and Agricultural Sciences and the Users Advisory Board. In addition, the responsibilities of these key panels are more carefully defined, to insure the concentration of research and extension efforts in those areas of greatest national needs, and to ensure greater coordination between these two bodies.

The bill will strengthen the role of the States in the research, extension, and teaching programs. It also will give the Secretary of Agriculture additional authorities to improve higher education in the food and agricultural sciences.

I am pleased that the bill includes the provisions of my bill to strengthen the rural development and small farm research and extension programs. I am particularly pleased that S. 1714 includes what has come to be known as the Agricultural Productivity Act as a subtitle.

The purpose of the Agricultural Productivity Act is to facilitate and promote research on farming systems that are environmentally sound. Under the bill, the Secretary of Agriculture will conduct research, and disseminate the results of that research, on farming systems that hold potential for reducing farm production costs and minimizing the potential for environmental damage. Today, as farm production costs continue to increase, this type of research is needed more than ever. To accomplish cost reduction while protecting the environment by promoting conservation and sensible use of traditional farming practices is sound policy.

CONCLUSION

The farm bill adopted by the Senate Agriculture Committee is the culmination of several months of deliberation on the agricultural and food needs of our population. During our consideration of the food and commodity programs, we were made acutely aware of the many demands confronting this Congress. Members of the Agriculture Committee recognized the necessity of reducing the Federal budget deficit. The large deficit which has accumulated over the past 6 years has added to the woes of the farm sector. High interest rates and an inflated dollar make our products more expensive overseas, thereby damaging our export sales abroad. With 50 percent of our agricultural production export dependent, our agricultural economy has become sensitive to those factors which negatively impact our export markets.

While the deficit and its secondary effects are problems which must be addressed, members of the Agriculture Committee realized that the budget deficit could not become their central and only focus. The agricultural problems now confronting this Congress require more than a myopic response from Congress—it requires a certain pragmatism and delicateness of response. We must meet the nutritional needs of our growing population if we are to provide for a strong defense. We must maintain a strong farming industry if our economy is to maintain its past health. Now is not the time to eliminate the support structure which has nurtured our population and stabilized the erratic swing in farm prices.

The farm bill adopted by the Senate Agriculture Committee, while not perfect, does recognize the need to reduce farm program costs and yet maintain a strong support network. The bill, while exceeding the amounts of reduction specified in the Senate budget resolution, does cost less than would a continuation of the current programs.

Finally, I should like my colleagues to know that the farmers and citizens from Vermont with whom I talk every day are not insenstive to the many demands facing this Congress. They support a fair reduction in Government programs. However, they are also sensitive to the weakness of the farm economy and the current stress facing our farm credit system. They are not willing to ignore Government's responsibility for a strong agricultural sector.

SALE OF CONRAIL TO NORFOLK SOUTHERN WOULD DIVERT TRAFFIC FROM MIDWESTERN RAILROADS

Mr. DIXON. Mr. President, S. 638, a bill which would require the transfer of Conrail to the Norfolk Southern Corp., is currently awaiting action by the full Senate. This legislation is highly controversial and in my view represents a bad solution to the Conrail problem.

I should like to direct my colleagues attention to one example of why this legislation is so troublesome to Senators from the Midwest. On September 26, Gov. John Ashcroft of Missouri wrote the Interstate Commerce Commission to endorse the sale of Conrail to Norfolk Southern.

Clearly Governor Ashcroft feels this transaction is in the interest of Missouri, and I respect his right to promote his State's interests. His rationale, however, causes me great concern as I am sure it will cause concern for other Midwest Senators.

Governor Ashcroft states that a purchase of Conrail by Norfolk Southern will result in a "potentially significant increase in overhead or pass through traffic of approximately 25,000 cars presently interchanged with Conrail by the Chicago & Northwestern, which would instead be interchanged at Kansas City via the Norfolk & Western."

Governor Ashcroft's figure of 25,000 cars, while large, appears to significantly understate the real extent of the problem. All previous estimates of diversion have shown a greater impact. For example, the Chicago & Northwestern believes the diversion could exceed 125,000 carloads annually. Even the Norfolk Southern acknowledges 70,000 carloads, a figure accepted by the Interstate Commerce Commission.

While the precise amount of diversion may be in dispute, however, there

is no question that the State of Illinois and the Chicago & Northwestern will be seriously hurt by this transaction. Every State served by the C&NW would be similarly hurt. The growing rail service problems caused by the agricultural crisis in such States as South Dakota, Minnesota, Nebraska, Iowa, and Wisconsin, would be made even more serious.

Mr. President, our colleague, Senator JAMES ABDNOR of South Dakota gave a sobering speech on the floor on Thursday, November 14 about the adverse impact of a Conrail transfer to Norfolk Southern on the Midwest transportation system. Senator ABDNOR has also written Attorney General Edwin Meese and asked that the Justice Department examine the diversions that a Conrail sale could cause midwestern railroads. Let me take the liberty of quoting from Senator ABDNOR's speech:

In the first 9 months of 1985, grain loadings on the Chicago & Northwestern [C&NW] were down 38 percent from last year, and the railroad had a net loss of $5 million for the same period.

I bring this to my colleague's attention, because, at the same time that our Midwestern railroads are reeling from the effects of the farm crisis, Washington is conjuring up a potential knockout blow in the sale of Conrail to Norfolk Southern. There is mounting evidence that this sale spells economic disaster for the railroads of the Midwest. Studies by the Interstate Commerce Commission, the U.S. Railway Association [USRA], and the railroads themselves demonstrate that such a sale will result in diminished competition and significant traffic diversions. The numbers are not insignificant. The USRA for instance estimates that traffic diversions resulting from a Norfolk Southern-Conrail merger will be $54 million for the C&NW, $51 million for the ICG, and somewhere between $23 and $47 million for the SOO/Milwaukee. Very little of this lost traffic would be grain, so the losses will be added to what I have already described.

The Government's decision on the fate of a Northeast railroad should not be one of those uncontrollable events that deals another blow to an already staggering farm economy. It need not be if we in Congress take the time necessary to insure that the Conrail sale will not adversely affect our Midwest transportation system. Mr. President, I hope this legislation will not be brought to the floor of the Senate until we have heard from the Department of Justice on this issue.

I agree completely with Senator ABDNOR, Mr. President. Enactment of S. 638 will cause a transfer of business from the Chicago & Northwestern and other struggling regional carriers to the already rich Norfolk Southern Railroad. What is worse, the Justice Department has not even studied the issues of diversion in relation to this sale. Governor Ashcroft, in his letter to the ICC, has underscored my deep concern. At the very least, as Senator ABDNOR has stated, this matter should not be rushed to judgment on the Senate floor until the serious matter of the impact of diversion on regional carriers has been resolved by the Justice Department and a report has been made back to the Senate.

THE DANGERS OF ANOTHER PIK

Mr. BOSCHWITZ. Mr. President, today I received a copy of a letter from the president of the Fertilizer Institute to Secretary of Agriculture John Block. This group represents agricultural businesses, such as fertilizer and chemical manufacturers, an important segment of our farm economy.

The payment in kind program in 1983 did give many farmers a temporary income boost, but it created conditions which encouraged a great deal of increased production in other countries and led to today's low prices. In retrospect, it appears that PIK worked to the long-term detriment of U.S. farmers.

In contrast, it is clear that PIK did a great deal of damage to much of our agricultural infrastructure. The seed fertilizer and chemical dealers really took a hit—not to mention the truckers and others who handle commodities after they leave the farm. No wonder that Main Street America is concerned about the possible implementation of another large acreage reduction program which would rival PIK.

I've told many of my colleagues that our agricultural technology and infrastructure in the form of grain elevators, transportation systems, and processors gives the United States a real advantage in international markets. I hope we avoid eliminating that advantage—and about 200,000 jobs to boot—by slowing down the entire agricultural economy through large set-asides. Farm income can and must be protected by the use of direct payments to farmers. I know of no way, though, to protect the income of many small rural businessmen without allowing U.S. agriculture to operate at a relatively high volume.

I request that the letter from the Fertilizer Institute be printed in the RECORD.

The letter follows:

THE FERTILIZER INSTITUTE,
Washington, DC, November 13, 1985.

Hon. JOHN R. BLOCK,
Secretary of Agriculture, Washington, DC.

DEAR MR. SECRETARY. The commodity markets are rife with rumors, and I have an uneasy sense that we are revisiting the deliberations of Fall 1982. Conventional wisdom has USDA announcing another PIK program for the 1986 crop year—a theory I find difficult to believe based on the experience of 1983.

But, much as rumors tend to become reality, I am compelled to voice strenuous opposition to the mere discussion of such an option. Coming from an administration which has advocated the marketplace over government intervention, suggestions of a return to PIK are particularly distressing.

The disastrous impact of PIK is well-documented, even by your own Department of Agriculture. Beyond the serious economic calamity thrust upon the agricultural infrastructure, PIK resulted in America's retreat from the international market and unprecedented federal expenditures on farm programs.

To what end?

Prices have weakened, exports have steadily declined, and farmers have returned to full production at historic proportions, as illustrated by this week's report on corn harvests. We continue to pursue policies which treat the symptom of agriculture's problems rather than the disease—failed farm programs.

Many economists agree that high commodity loan rates, for example, have led to many of our current problems. The loan price stimulates domestic and world production, while putting farmers at a disadvantage in the export market. Mounting surpluses depress domestic prices, leading to calls for acreage reductions. Such efforts artificially drive up commodity prices, thus stimulating a return to full production, falling exports, rising surpluses and further government intervention. You have a historic opportunity to break this downward cycle.

PIK is a classic lesson about the perils of government disruption of the marketplace. In 1982-83, when PIK removed 78 million acres from production, foreign nations increased planting by 63 million acreas. What happened to U.S. exports? Predictably, they have steadily fallen from a record $43.8 billion in 1981 to an estimated $28.9 billion for '86.

Spending on farm price programs from 1981 to 1985 stands at about $59 billion—nearly three and a half times the amount spent from 1976 to 1980. At the same time such spending skyrocketed, net cash income for farmers steadily declined from the PIK-manipulated record of $40.1 billion to an estimated $34 billion this year—a level lower than those of pre-PIK years.

USDA analysts have projected the dramatic impact of continued acreage controls. Reductions which create higher domestic prices, they say, would "effectively eliminate U.S. commercial sales for wheat"; exports of corn "would drop by 40 percent"; and the European Community would benefit "since higher world prices would enable them to export more wheat and coarse grains with minimum subsidy needed."

These same economists estimate a loss of 200,000 American jobs by the end of this decade under a program of reduced crop acreage.

PIK or PIK-like programs are clearly self-defeating efforts that only compound the problem for the future. We cannot continue to forestall the inevitable. Repeating past mistakes is bad policy—moral, fiscal, economic, trade, domestic and foreign policy. In addition, questions remain regarding the legality of USDA's 1983 decision to exempt PIK commodities from producer payment limitations set by the farm bill.

If our national consensus is to preserve and protect farmers, then we must acknowledge that goal through direct income payments—not support disguised as "loan rates" and "acreage reductions." We've tinkered with the marketplace far too long, and the price for that misguided strategy is coming home to roost.

Are we signaling another retreat, to the glee of our foreign competitiors?

Are we ensuring farm income even for those who have no business farming?

Are we promising a continual government role as patron of those who are unwilling to make decisions based on the marketplace?

If the answer is "yes," American agriculture's fate is sealed. It will continue on its current path toward economic ruin.

Your decision comes down to two essential choices:

(1) Do I save all farmers temporarily at the expense of long-term damage to agriculture, or

(2) Do I allow agriculture to work its way through a difficult period that will one day yield prosperity for those who remain?

Admittedly, the choice is difficult—but only if our decisions reflect shortsightedness. Our legacy for future generations of agriculturalists is that we make the right decision—not the easy one.

I urge you to consider that legacy as you seek possible solutions to agriculture's problems, and to avoid a return to the failed policies embodied in a PIK program.

Sincerely,

GARY D. MYERS.

THE AGRICULTURAL PATENT REFORM ACT

Mr. MATHIAS. Mr. President, as we debate the many controversial issues involved in the farm bill, I would like briefly to call the Senate's attention to a bill now under consideration in the Subcommittee on Patents, Copyrights and Trademarks, that would be an important boost to the Nation's farmers in their present adversities. I'm referring to the Agricultural Patent Reform Act, S. 1093, which would restore up to 5 years of patent life on new pesticides needed to protect crops as well as veterinary medicines essential to the well-being of farmers' livestock.

Under current environmental and heath laws, products in these two categories—agricultural chemicals and veterinary drugs—must clear extensive Federal regulatory tests after they have been patented but prior to being marketed. No one disputes the need for these thorough tests—administered through the Environmental Protection Agency and Food and Drug Administration—but the unintended sideeffect is the loss of a significant period of patent protection—an average of 5 to 7 years.

Our patent laws are supposed to give 17 years of patent protection to all useful new inventions that are registered at the Patent Office and publicly disclosed. The purpose of this grant of exclusive rights for a limited time is to promote science and useful arts, as provided in article I, section 8 of our Constitution. The problem is that these two classes of inventions, agrichemicals and animal drugs, are not getting equal treatment with other kinds of inventions, like mousetraps and floor waxes, that are not subject to mandatory premarket safety and environmental tests. As a result, as testimony before the subcommittee on September 10 indicated, there is less incentive than there should be for innovation in these industries, and less revenue available for investment in research and development of new products.

For example, Mr. Henry Holloway, president of the Maryland Farm Bureau, testified before the subcommittee that since the passage of the 1972 Amendments to the Food, Insecticide, and Rodenticide Act—resulting in more stringent premarket environmental tests for agrichemicals—farmers have lost more than 50 percent by volume of the agrichemicals they use. Farmers understand the importance of full patent protection for encouraging the development of agricultural chemical products to replace those that flunk FIFRA's stiffer tests, and to increase further agricultural productivity. That's why the American Farm Bureau Federation, the National Farmers Organization, the National Farmers Union, and numerous State farm bureaus as well as agricultural commodity associations are united in support of S. 1093. The bill has 23 cosponsors in the Senate, including the majority and minority leaders and the chairman and ranking minority member of the Committee on the Judiciary.

The Agrichemical Patent Reform Act is a way to help America's farmers. It is a measure they have asked for that requires no expenditure of Federal revenues. It merely puts agricultural chemicals and animal drugs on a part with all other types of inventions, which is a simple matter of equity. As a result of passage of this legislation, the agrichemical and animal drug industries will receive the necessary added incentives to undertake the costly and laborious research and development essential for the new products farmers need. I urge all my colleagues to give serious thought to cosponsoring this modest but important agricultural measure, and to support S. 1093 when it is reported from the Judiciary Committee.

Mr. THURMOND. Mr. President, I wholeheartedly concur with my distingusished colleague from Maryland. As chairman of the Committee on the Judiciary and a cosponsor of S. 1093, I want to emphasize the need for prompt passage of this bill.

Agricultural chemicals—the pesticides and herbicides used to combat the insects, weeds, and diseases that threaten our crops—lose an average of 5 to 7 years of their patent life while the product clears the tests required by the EPA. No one questions the need for safety and environmental effects tests. However, the aim of S. 1093 is to restore up to 5 years of the patent life lost by these premarketing tests. The primary justification underlying this bill is simple fairness. As Senator MATHIAS has indicated, as a matter of equity, agrichemicals and veterinary drugs should be put on par with other patented products.

In addition to consideration of equity, this bill will serve the interest of promoting progress in science. Farmers understand the importance of new breakthroughs that will increase their productivity and they support this bill.

I look forward to receiving this bill from the Subcommittee on Patents, Copyrights and Trademarks and will continue to work for prompt passage.

OPPOSITION TO HIGH-LEVEL NUCLEAR WASTE RESPOSITORY IN MAINE

Mr. MITCHELL. Mr. President, I am strongly opposed to the construction of a high-level nuclear waste repository in Maine. I will do all I can to prevent it.

There are two reasons for my decision:

First, the geology of Maine is not suitable for a high-level nuclear waste repository.

Second, only one repository is necessary. Maine is under consideration for a second repository. No second repository should be constructed, in Maine or anywhere else.

Under current law, the U.S. Department of Energy [DOE] is required to select a site for and to construct and operate one high-level nuclear waste repository. It is only required to consider several sites for a possible second repository.

But DOE is not required to construct a second repository. Indeed, even if it wanted to, it does not have authority to construct a second repository. An act of Congress, at some future time, will be necessary to create such authority.

Because I believe that the construction of more than one repository would be unnecessary and unwise, I will vigorously resist the passage of any such act.

Because of the complexity of this issue and its importance to the people of Maine, I am making this detailed statement. The statement is divided into three sections:

First. An analysis of the current law, including a history of its adoption.

Second. A report on the status of DOE's compliance, present and anticipated, with the current law.

Third. An analysis of the geology of Maine which makes clear its unsuitability as a repository.

Over 40 years ago, in the early morning darkness of a remote desert in New Mexico, the first atomic bomb was exploded. That was the culmination of a massive wartime effort, known as the Manhattan project, to unleash the power of the atom. Most people regard that as the dawn of the atomic age. It

changed history, forever and irreversibly.

But the existence of atomic power's byproduct—highly toxic radioactive waste—had begun in 1942, when the first experimental weapons were produced. With the startup of the first commercial nuclear plant in 1957, both the quantity of waste and the speed with which it accumulated accelerated rapidly.

For four decades, the United States has produced nuclear wastes as a byproduct of the generation of electricity and the maintenance of a defense capability. But neither our energy policy nor our military strategy took account of the need to properly and safely dispose of these wastes.

Gradually, the problem became more apparent, and Congress sought to deal with it. Legislation to address the problem of high-level nuclear waste became the subject of several years of debate, hearings, negotiations and intense lobbying by interest groups and various administrations. After several unsuccessful attempts, Congress finally acted in 1982 when it enacted the Nuclear Waste Policy Act. That act established a detailed framework within which the Federal Government is to select, construct and operate a high-level nuclear waste repository that will safely hold radioactive waste for 10,000 years.

The act also provides for the consideration of a site for a second repository; for establishment of a test and evaluation facility; and for investigations into, first, the need for a monitored retrievable storage facility and, second, the advisability of commingling defense and civilian waste.

The major source of funding for this program is a one-tenth of 1 cent per kilowatt-hour fee on electricity generated by commercial nuclear reactors. The act requires an annual review of the fee amount and allows for adjustment to assure that the fee covers all program costs.

The act required the DOE to prepared and publish guidelines for the selection of the repository and other facilities. DOE did so on December 6, 1984, 18 months behind the schedule set forth in the act.

The guidelines set forth the factors to be considered in the selection of an appropriate site for a repository. They include geology, hydrology, the location of valuable natural resources, proximity to transportation, proximity to water supplies, effect upon the rights of use of water, proximity to population—any site adjacent to an area with 1,000 people per mile is automatically excluded—and the proximity to waste generators—most of the nuclear plants generating the waste are in the Eastern United States.

FIRST REPOSITORY PROGRAM

The act establishes a process for selecting the first site.

NOMINATION

After reviewing sites throughout the country that may have suitable geologic formation and hydrogeologic conditions, DOE proposed preliminary environmental assessments for nine sites. Since it is anticipated that the first site will be located in a salt or volcanic ash formation, all of these sites are in the southern and western regions of the country. The nine preliminary environmental assessments were made public by DOE on December 20, 1984. Final environmental assessments are now being completed and will be released in February 1986.

Based on those final assessments, and after consultation with the Governors of the States involved, DOE will nominate five "potentially acceptable sites." This will also occur in February 1986.

Of the nine sites identified so far, the top five, according to DOE's informal ranking, are in reverse order: Fifth, Mississippi; fourth, Utah; the top three—which were not specifically ranked beyond that description—Texas, Nevada, and Washington.

CHARACTERIZATION

The next step will be for the DOE to narrow the list from five to three and to recommend those three sites to the President for what the act describes as characterization. The act required the DOE to take this step by January 1, 1985. It now expects to do so in February 1986, over 1 year behind schedule.

Characterization is an expensive, time-consuming, detailed analysis of each site. It is expected to cost between $500 million and $1 billion for each site. It will take 5 years, from 1986 to 1990. As part of the process, DOE will gather data on hydrology and seismic activity. At each site it will sink one or two 10- to 20-foot diameter shafts in order to better estimate the stability of the site. Additionally, DOE intends to make detailed engineering drawings to assess the value of the site and environmental impact of a repository on each site.

Before actual characterization can begin, DOE is required under the act to prepare a site characterization plan, which is to include a description of the site and of site characterization activities, the extent of the planned excavation, onsite radiological and nonradiological testing, plans to control adverse impacts, the criteria for determining suitability, and plans for decommissioning and decontaminating the site.

During characterization, DOE must report not less than every 6 months to the Nuclear Regulatory Commission [NRC] and to the Governor and legislature of affected States. If DOE terminates characterization, Congress and the Governors and legislatures of all affected States must be notified and all radioactive material must be removed.

SITE SELECTION

After site characterization is complete DOE must make the final choice and notify the President and the Governor and legislature of the affected States of that choice.

DOE's final site selection must be explained in a public, comprehensive statement. It must include a description of the proposed repository and waste packaging, and a discussion of the safety of the site and a final environmental impact statement, taking into account comments from the Department of Interior, the Council on Environmental Quality, the Environmental Protection Agency and the NRC.

The President may accept or reject the site selected by DOE. If he rejects it, DOE must go back and select another site. If he accepts it, he must submit the recommended site to Congress by March 31, 1987, with a possible 1-year extension. DOE now estimates that the President will make this recommendation in 1991, some 3 to 4 years behind schedule. Within 60 days of the President's submittal, the Governor or State legislature of the affected State may veto the selection. The State veto can be overridden only if both Houses of Congress vote to do so within 90 days of the State veto.

4. CONSTRUCTION

Within 90 days of the President's submission to Congress, DOE is required to submit a construction authorization application to NRC, which must make a final decision on the application within 3 years. DOE currently anticipates that NRC licensing will be complete by 1994, that construction will occur between 1994 and 1998, and the first site will begin operation in 1998.

SECOND REPOSITORY PROGRAM

The act requires DOE to search for a site for a second repository. Several reasons have been advanced for having two repositories. First, a system with two repositories is alleged to be more reliable than a system with only one. Second, the sites for which the most study has been done are in the West. Most of the nuclear powerplants are in the East. Transportation costs and risks would theoretically be reduced if a second site could be found closer to most of the waste.

The act requires DOE to consider "the advantage of regional distribution in the siting of repositories." As I described earlier, the first repository will be in the West. Most of the Nation's high-level nuclear waste is in the East. DOE's plan is to put the oldest waste in a repository first. Since the oldest waste is located in the East, it will be moved West to be put in the first repository. By the time a second repository was built, most of the waste will have already been sent West. Ar-

guments for a second, eastern, repository therefore are not sound.

In addition, it is argued that it may be easier to gain public acceptance of the first site if there is sure to be another. Construction of the second repository is not permitted under existing law and would require another specific act of Congress.

DOE is considering crystalline rock—granite—formations for a possible second repository. There are now under review by DOE 236 granite formations, located in 17 States. The States are Maine, Vermont, New Hampshire, Massachusetts, Connecticut, Rhode Island, New York, New Jersey, Pennsylvania, Maryland, Virginia, North Carolina, South Carolina, Georgia, Michigan, Wisconsin, and Minnesota.

Of the 236 formations, 32 are located in Maine. Of the 16 counties in Maine, only Sagadahoc County does not contain a formation. A formation is a body of rock that extends at least 1,000 feet below the surface and is a minimum of 39 square miles in area.

DOE will narrow those 236 formations down to 15 or 20 areas in mid-December. An area is a smaller segment of a formation.

The Governors of those States in which possible areas are located will be notified at that time. The public will be able to submit comments on the site selection for 90 days thereafter. DOE will review the comments for 90 more days, or longer, depending on the number and detail included in the comments.

After the comment and review period is over, DOE will begin to make assessments of each site. That is expected to take until 1991. DOE will then nominate five areas, and recommend three for site characterization. Characterization of those potential sites for a possible repository is expected to take 5 years. At that point, now estimated to be in 1996, the process will stop until Congress acts to authorize construction of a second site, because DOE has no such authority under current law.

As can be seen, the process involving a possible second repository differs from the first in two major respects:

First. Under current law a first respository must be built, but a second repository cannot be built.

Second. The selection process for a second repository is about 6 years behind the first.

There is widespread public concern in Maine about the possibility that a national high-level-waste repository could be located in Maine. After careful review of the available information, I believe Maine is not suitable as a site for such a repository. The general geology, geography, and hydrogeology of the State are such that the people of Maine cannot be assured that any repository constructed in the State would sufficiently protect the public and the environment from radioactive contamination.

The rock type that makes up a great deal of the State's bedrock, intrusive crystalline rock, is what made DOE include Maine on the list for study as a repository site.

The bedrock in Maine ranges in age from greater than 1,500 million years old to approximately 130 million years old. The most active period in Maine's geologic history occurred between approximately 600 million years ago and 320 million years ago. The last major mountain building in Maine occurred about 410 million years ago.

Although 400 million years is a long time, it is short in geologic terms. Thus, crystalline rocks in the Northeast and Southeast regions of the United States are younger and less stable than the crystalline rock formations in the North-central region which have been stable for at least the last 1,000 million years.

Maine's geohydrologic setting is characterized by a fractured crystalline bedrock, lacking any significant confined aquifer, overlain by thin and discontinuous surface deposits. The geohydrologic setting of a region is a concept employed by the U.S. Geological Survey to characterize the complex geologic factors that affect ground water conditions in the region.

Maine has a relatively thin surface coverage over its bedrock because it has been glaciated a number of times in the past 100,000 years. The glaciers scraped the bedrock, and in their wake left a relatively thin layer of surface deposits—till, clay, sand, and gravel. As a result, the depth to bedrock in Maine is not great, generally less than 50 feet, according to the Maine Geological Survey.

The presence of only a thin layer of surficial material is a positive feature in terms of construction of a repository, and possibly in characterization of a potential repository site. But the limited thickness of surface also means that there is a large reliance on bedrock wells for ground water in Maine. This includes both domestic wells and municipal and industrial supplies.

My major concern as to the suitability of Maine to host a high-level-waste repository is the difficulty in confidently predicting the behavior of ground water over long periods of time.

The bedrock in Maine generally produces low ground waterflow rates. In other words, ground water tends to travel at a slow speed. But the bedrock permeability is produced by fracturing and faulting. So while the average or bulk ground waterflow rate may be slow, the flow through an individual fracture or fracture system may be quite rapid.

As a consequence, it is necessary to characterize a potential site down to the level of a fracture system, or even to an individual fracture, in order to predict repository performance. The fact that it is difficult to determine the size, density, and distribution of fractures, or to predict ground water flow paths and flow rates through those fractures severely limits our ability to estimate what will happen in the future.

Ground water is accepted to be the principle means for the movement of radionuclides to the accessible environment. An inability to confidently predict the behavior of ground water over long periods of times is, therefore, a very significant problem.

The problem of adverse environmental impact from a high level radioactive waste repository due to ground water is greatly amplified by the reliance on bedrock ground water resources by all segments of Maine's population.

The Northeastern United States is not as seismically active as the west coast, but there have been earthquakes that produced significant damage. The Eastern United States is not situated on an active plate margin, so the causes of that seismic activity are not well understood.

There is no clear correlation of seismic activity with mapped faults. Since the causes of this seismic activity are unknown, it is very difficult to predict future levels of seismic activity.

As I noted earlier, Maine has been glaciated a number of times in the past 100,000 years, most recently approximately 12,000-13,000 years ago. As a result, there is a distinct possibility of renewed glaciation over the next 10,000-20,000 years. The weight of ice present during a major continental glaciation is sufficient to depress the crust hundreds of yards. This could have a significant effect on the ground water paths and flow rates in ways that cannot be predicted.

Finally, a number of transportation related factors are unfavorable to the location of a high-level-waste repository in Maine. These include the long distances from the generators to any potential repository location in Maine, compared to the Southeastern and Northcentral regions of the country.

And Maine's severe climate will increase the risk of an accident during transit, and possibly produce costly delays in transit that will adversely affect repository operations.

Maine's limited interstate system and a lack of rail capacity in many parts of the State are additional concerns. At the present time all major highway and rail routes funnel through the heavily populated areas of York and Cumberland counties.

Limited access to those areas where crystalline rocks are present will mean

a reliance on the relatively poor secondary road system, or costly construction or upgrade of rail and road systems.

For these reasons, it is clear that Maine is not suitable as a location for a possible second repository.

Whatever the conditions in Maine, a second repository is not needed. Not in Maine, or in any other State.

Current law limits the maximum amount of waste that can be stored in the first repository to 70,000 metric tons. There is no technical or scientific basis for this limit. Its purpose was to assure the State selected for the first repository that it would not be the only State having a high-level-waste repository. And it was based on estimates of the total amount of high-level waste that are proving to be exaggerated.

Without this limit there would be no need for a second repository. DOE's latest estimate is that 126,000 metric tons of high-level radioactive waste—both commercial and defense—will need to be disposed of in a high-level-waste repository. This estimate is lower than the previous estimates of about 140,000 metric tons.

It is likely that the actual amount of high-level waste will be even lower for several reasons. First, it is probable that no new commercial nuclear powerplants will be ordered in this century. In fact, some of the plants under construction have been canceled and others may follow suit.

Second, both nuclear and nonnuclear utilities are extending the useful life of their powerplants in order to avoid having to make capital investment in a new facility.

Third, some utilities are choosing to use the fuel rods which make up a major portion of the high-level waste for a longer time, thus producing less spent fuel.

Finally, some of the sites currently under consideration by DOE for the first repository may safely accommodate all the high-level waste expected to be stored.

So there is no compelling technical reason for having two repositories. In contrast, there are compelling fiscal reasons for constructing only one. While waste estimates have been declining, the program's cost estimates have been increasing at a rate of $400 million per month.

As of January 1985, total program costs, including total costs for two repositories, one monitored retrievable storage facility, and transportation, are estimated at about $26.7 billion. In July 1983, DOE estimated these costs to be $19.6 billion. Thus the estimated cost of the program has increased by one-third in 2 years. Each of these estimates is in constant dollars, not taking into account inflation. If inflation and other contingencies are factored in, the total program will cost up to $150 billion, according to the Director of the DOE high-level-waste program.

If a second repository is not technically necessary, there is no benefit to constructing one.

Will the residents of the State hosting the first repository be made more secure by the knowledge that some other State in another part of the country is exposed to similar risk? Does it make sense to increase the public's risk of exposure to nuclear waste? Should we spend tens of billions of taxpayers' dollars when it is not necessary to do so? The answers are clearly no.

There is no need for a second repository. I will vigorously oppose any effort in Congress to authorize its construction.

And in any case, its geology, hydrogeology, and geography combine to make Maine unsuitable for any such repository.

ORDER OF PROCEDURE

Mr. SIMPSON. Mr. President, unless there is further remarks to be made by our colleagues, 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. BOSCHWITZ. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded.

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

Mr. SIMPSON. Mr. President, reserving the right to object, the majority leader has indicated——

The PRESIDING OFFICER. A quorum call is underway.

Mr. SIMPSON. And there was a unanimous-consent request that the quorum call be rescinded.

The PRESIDING OFFICER. That was granted.

Mr. SIMPSON. But I had sought recognition, and I said, "Reserving the right to object."

The PRESIDING OFFICER. There is no debate on a motion to rescind a quorum call.

Objection having been heard, the quorum call will proceed.

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that the order for a quorum call be dispensed with.

The PRESIDING OFFICER. Is there objection?

Mr. SIMPSON. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

DAIRY AMENDMENTS TO FARM BILL

Mr. DOLE. Mr. President, there is some confusion. I regret it, and apologize if there was a lack of clarity on the part of the majority leader and the manager of the bill last evening.

But when we moved to set aside the motion to recommit the Stevens amendment we indicated that there would be a dairy amendment offered. It was not our intent—I just checked with the managers—to preclude all the dairy amendments, and that someone would be offering but one amendment. I guess that was the intent.

So I ask the Chair. Have we precluded additional dairy amendments from being offered?

The PRESIDING OFFICER. It would be necessary to enter another agreement to set aside the previous Dole motion and the Stevens amendment in order to add other than one dairy amendment. The agreement pertains solely to "a" dairy amendment.

Mr. DOLE. So if there is no objection, I would ask unanimous consent that the amendment be set aside so that dairy amendments could be offered. There could be one or more. There could be three or four.

The PRESIDING OFFICER. Is there objection? Hearing none——

Mr. BOSCHWITZ. Mr. President, reserving the right to object, it is my understanding that dairy amendments in the plural is not limited to three and four. And I noted that the majority leader said that he wanted to lay the amendments aside, and I presume that he wanted to lay aside the unanimous-consent agreement of last night.

Mr. DOLE. That is correct.

Mr. BOSCHWITZ. Am I correct?

Mr. DOLE. I would lay aside the motion to recommit the Stevens amendment so there would be a series of dairy amendments.

Mr. BOSCHWITZ. And there would be a series of dairy amendments.

The PRESIDING OFFICER. Is there objection?

Mr. LEAHY. Reserving the right to object—and I shall not—I want to make a clarification. This means that the previous unanimous-consent agreement entered by the distinguished Senator from Kansas remains really the same. Everything else falls back into place except that instead of being limited just to the one dairy amendment it is open for dairy amendments in the plural—not soybeans, corn, wheat, or anything else.

The PRESIDING OFFICER. The Senator is correct.

Mr. LEAHY. I have no objection.

Mr. BYRD. Mr. President, reserving the right to object——

The PRESIDING OFFICER. The minority leader.

Mr. BYRD. I would like to know a little bit more about what the request is.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Reserving the right to object, Mr. President.

The PRESIDING OFFICER. The Senator from West Virginia reserves the right to object.

Mr. HELMS. Mr. President, will the distinguished Senator from West Virginia allow me to reserve the right to object while he is reserving the right to object?

Mr. BYRD. Certainly.

Mr. HELMS. I thank the Senator.

Mr. President, really we are talking about nothing here because, in my judgment, and I was the one who propounded the unanimous-consent request yesterday, any dairy amendment is amendable, is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. And when the substitute, let us say, is disposed of, the dairy amendment is still pending and still amendable.

The PRESIDING OFFICER. Not if it is a complete substitute for the dairy amendment.

Mr. HELMS. As a matter of fact, it is amendable twice anyhow.

The PRESIDING OFFICER. The Senator is correct.

Mr. BOSCHWITZ. If the Senator will yield for a question, am I not correct to state that the unanimous-consent agreement last night referred to a single amendment, an amendment, and it is not clear from the unanimous-consent agreement of last night that that amendment would be amendable because the amendment to be amended would require the second amendment and the unanimous-consent agreement last night talked about a single amendment.

Mr. HELMS. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, in the unanimous consent, and there were two of them, two UC's propounded by the distinguished majority leader and the Senator from North Carolina, I think it is fair to say that we were referring to the dairy amendment to be offered by Mr. MOYNIHAN, Mrs. HAWKINS, and Mr. CHAFEE. We did not say that.

As I understand it, the distinguished Senator from West Virginia is going to have to check before he proceeds with the matter?

Mr. BYRD. Yes, that is correct.

Mr. HELMS. How long will the Senator require?

Mr. BYRD. I do not believe it will take very long. I was sitting in my office and the unanimous-consent request was propounded right out of the sky. No one talked to me about it. I have a responsibility to protect my colleagues.

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

Mr. BYRD. Does the majority leader have the floor?

Mr. HELMS. I asked who had the floor and the Chair said the Senator from North Carolina.

Mr. BYRD. But the Senator from North Carolina was only reserving the right to object.

The PRESIDING OFFICER. The majority leader has the floor.

Mr. DOLE. Mr. President, while we are waiting for the minority leader to check on his side, there is not much else we can do. I do not fault the minority leader for doing that.

After a bipartisan meeting last night, I think we intend to try to get the farm bill moving and not to shut off the rights of anyone. That was not the intent of this Senator, the Senator from Nebraska, or the Senator from North Carolina. I have been advised by the manager of the bill that this legislation must be finished this week. It is now 10:30 a.m. on Tuesday. For a number of reasons we did not have a vote on this bill yesterday. We will have a late night tonight and tomorrow night. Probably on Thursday night. We will return at 9 o'clock for a joint session of the Congress to allow the President to report on the summit. That will take most of that evening.

I think it is fair to say, based on my conversations with the managers, that we can expect a Friday session if the bill is not completed. If it is completed we can expect a Friday session to cover other matters which must be considered before the Congress adjourns either on the 20th, 21st or 22d.

There are 90 amendments. I doubt that 90 amendments will be offered but the managers would like to proceed. We certainly had no intention of foreclosing any Senator on either side from offering dairy amendments. Let us get a dairy amendment up. We know there will be a rollcall vote. Maybe we can have a rollcall vote before noon and we can alert all Senators that we mean business. Then we were advised that we could not vote before noon, that nobody wanted to vote before 2 o'clock. So it gives us a pretty short day.

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. DOLE. 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. DOLE. I think it is fair to say that there are no remaining objections to the amended request that there might be a series of dairy amendments. There would not be anything but dairy amendments.

The PRESIDING OFFICER. Is there objection to the unanimous consent request? The Chair hears none and it is so ordered.

CONCLUSION OF MORNING BUSINESS

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

AGRICULTURE, FOOD, TRADE, AND CONSERVATION ACT OF 1985

The PRESIDING OFFICER. The clerk will report the unfinished business.

The assistant legislative clerk read as follows:

A bill (S. 1714) to expand export markets for United States agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, continue food assistance to low-income households, and for other purposes.

The Senate resumed consideration of the bill.

AMENDMENT NO. 1059

(Purpose: To modify the milk price support program)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Florida [Mrs. HAWKINS], for herself, Mr. MOYNIHAN, Mr. CHAFEE, and Mr. MATTINGLY, proposes an amendment numbered 1059.

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

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

The amendment is as follows:

On page 67, between lines 10 and 11, insert the following:

"(A) on January 2, 1986, if the Secretary estimates that for the 12-month period beginning on such date net price support purchases of milk or the products of milk would be in excess of 10 billion pounds milk equivalent, the Secretary is authorized to reduce the price support rate in effect on such date by 50 cents per hundredweight;

Mrs. HAWKINS. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 1060

Mrs. HAWKINS. Mr. President, I send to the desk a second-degree amendent and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Florida [Mrs. HAWKINS] proposes an amendment numbered 1060 to amendment numbered 1059.

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

The PRESIDING OFFICER. Is there objection?

Mr. LEAHY. Mr. President, reserving the right to object, how lengthy an amendment is it?

The PRESIDING OFFICER. One page.

Mr. LEAHY. Why not read the amendment. We do not have a copy of it.

The PRESIDING OFFICER. Objection is heard. The clerk will continue reading.

The assistant legislative clerk read as follows:

On page 1 of the amendment, line 3, strike out all after the word "on" and insert in lieu thereof the following: "January 1, 1986, if the Secretary estimates that for the 12-month period beginning on such date net price support purchases of milk or the products of milk would be in excess of 10 billion pounds milk equivalent, the Secretary is authorized to reduce the price support rate in effect on such date by 50 cents per hundredweight;

Mrs. HAWKINS. Mr. President, the amendment that I am offering today with my esteemed colleagues, the Senator from New York, the Senator from Rhode Island, and the Senator from Georgia is an amendment that would perfect the approach of the Committee on Agricilture to solving the problem of surplus dairy production.

It provides for simply a 50-cent reduction in the Federal dairy price support on January 1, 1986, if the Secretary of Agriculture projects that the CCC purchases of processed dairy products will exceed 10 billion pounds.

This amendment makes whole a Federal dairy policy that is long overdue. It is an amendment that will make sense out of the Federal Dairy Program that has for too long made no sense. This amendment is protaxpayer. This amendment is proconsumer. This amendment is prodairy farmer.

It is protaxpayer because it begins long overdue reductions in the cost of the Federal Dairy Price Support Program. It is proconsumer because it offers an opportunity for reductions in the price of milk. Housewives would love to see milk prices come down. It offers reduction in the price of butter, a staple that most families need. Also, it offers a reduction in the price of cheese. These are vital, nutritious foods that every family needs. It is profarmer because it is fair and looks to the future.

Under this amendment, dairy farmers will be able to prepare for a future of profitability. That future is close at hand. It is a future where emerging technologies will ensure greater productivity at lower cost of production than ever imagined.

Before we look to the future, however, let us take a moment to look at the past. We are in this Chamber for the sixth time since 1980 to once again try to fix the Dairy Price Support Program. This is a program which for the first 31 years of its existence cost the Federal Government a grand total of $5 billion. This same program has cost the taxpayers over $9 billion in the last 5 years.

There is an old adage I often hear in my State of Florida applied to many circumstances in life. That adage goes, "If it ain't broke, don't fix it."

Mr. President, I like that adage. It makes a great deal of sense. But it does not apply to the Federal Dairy Program because the Federal Dairy Program is so broken that we seem to work overtime trying to fix it some more. But fix it is the one thing we have not been able to do. Oh, we have tried. First, we tried by eliminating the semiannual upward price adjustments that gave birth to the constant, ever-growing mountain of milk products which we have in storage today. That did not work.

Next, we tried by freezing the dairy price support.

Mr. BOSCHWITZ. Mr. President, will the Senator yield?

Is the semiannual price adjustment still in effect?

Mrs. HAWKINS. If the Senator will wait until the conclusion of my statement, this is an opening statement that will give the chronology of this fabulous program.

Next we tried by freezing the dairy price support. But by then the price was already too high. And the mountain continued to grow. No, freezing the price support did not work, either.

Then we tried to cut the price, but that lost by only one vote in the Senate. Instead, we ended up with a strange, new concept in dairy policy. The dairy assessment. Dairy farmers did not call it an assessment. They called it what it was. Dairy farmers called it a milk tax. And do you know what? The milk mountain continued to grow.

We live in an age of complex technology. Men and women have traveled to the Moon. Our spacecraft are launched into the heavens and then land like an old-fashioned airplane. Scientists can manipulate genetic structures to yield new breeds of plant life, vaccines, and medicines. Our technological prowess has given us the ability to fix many things. We have great confidence in complex answers to problems. So, naturally, we tried again—this time with a complex formula—to fix the Federal Dairy Program.

We made a small cut in the price support. We combined that with one of the most revered of Federal farm policy tools. We tried to pay dairy farmers to not produce. But we did not stop there. We taxed all of the dairy farmers to raise enough revenue to pay a few not to milk their cows. Of course that did not work either. Oh, it sort of worked. Dairy production fell a little. But consumer prices zoomed upward in many parts of the country.

The goal of Federal dairy policy is to provide a stable and affordable supply of milk. I repeat: A stable and affordable supply of milk. Naturally, many people did not believe that taxing all dairy farmers to pay a few not to do what dairy farmers do best and causing prices to increase was a very good repair job. When the program ended, the milk mountain erupted at a rate no one could have anticipated.

So here we are today: still trying to find a way to close the fissure in Federal policy that has created a milk mountain of majestic proportions.

Fortunately, the Agriculture Committee has developed a dairy policy that should begin to erode the milk mountain. We can begin to cut the mountain down to size through a series of moderate price support reductions. Unfortunately, the committee plan does not go into effect for an entire year. The amendment I am offering today provides for corrective action beginning on January 1, 1986.

Today, Federal Government warehouses are bulging—and I ask all my colleagues to write down those numbers—with 148 million pounds of butter, 651 million pounds of cheese, and 994 million pounds of nonfat dry milk. The USDA estimates that the Government will purchase over 13 billion pounds of surplus dairy products this year. This will cost the taxpayers over $2 billion. Under the committee proposal, the Federal Government is expected to purchase over 17 billion pounds of dairy products in 1986.

What has gone wrong with Federal dairy policy? Unlike so many issues that come before the Senate, the answer to that question is simple. The Federal support price for dairy products is too high. It has been too high for years. Recently, we have had consistent reductions in the support price, but it is still too high. Why? Because the dairy farmers' cost of production is falling faster than the support price. The resulting margin makes it profitable to keep overproducing. After all, dairy farmers are among our most efficient farm producers. I want to congratulate them. Technology promises that they will become more productive in the very near future. Technology also promises that their cost of production will continue to fall. For these

reasons, a flexible, long-term Federal dairy policy linking price supports to production levels does make sense for farmers, does make sense for consumers, and does make sense for taxpayers, who are paying for the storage.

This amendment is fair to taxpayers because it reduces the cost of the Dairy Price Support Program. The Congressional Budget Office projects that this amendment will save $600 million more than the Agriculture Committee plan. Many of the Senators in this Chamber recently voted for the Gramm-Rudman-Hollings-Boren amendment to reduce the deficit. The key feature of that legislation is an automatic cut in defense and social programs if Congress does not meet deficit reduction targets through selective spending reductions. This amendment provides us with an opportunity to consider the effects of Gramm-Rudman-Hollings-Boren.

During the early budget battles of this year, this Senator, with the overwhelming support of the Senate, restored approximately $300 million to support the School Lunch Program. After we adopt Gramm-Rudman-Hollings-Boren, that program may become vulnerable again. Or, we can cut the Dairy Price Support Program by less than 25 percent, make more than enough room in the budget for the School Lunch Program, and still save the taxpayers and reduce the deficit.

This amendment is fair to consumers because it provides an opportunity for price reductions on the grocery store shelves. Contrary to the statements of many, as the Federal dairy price support has fallen, so have consumer prices. Clearly, prices received by consumers have not fallen as much as Federal support price reductions. But dairy farmers prices have not fallen as much as support price reductions, either. Allow me to cite an example. Since 1981, the retail price index for all dairy products, when adjusted for inflation, indicates that retail dairy prices declined by 9.8 percent. Over the same time period, the Federal support price has been lowered by 11.5 percent.

Finally, this amendment is fair to the dairy farmer. It is fair because individual farmers can plan for the future. As productivity increases and cost of production falls, the dairy farmer's profit margin remains. But if the price falls low enough to reduce the supply of dairy products below reasonable levels, then an automatic mechanism can increase the Federal support price.

But what lies ahead for the dairy farmer? Let me enter into the RECORD a number of items from the Agricultural Committee's report with regard to the technical advances that are being made in the dairy industry. These include the improvements in herd health, herd management, improvements in nutrition, advances in genetic techniques, the new bovine growth hormone, and embryo transfer. The use of bovine growth hormone is expected to increase cow productivity up to 40 percent—a staggering number. But that is not all. The latest issue of Dairyman's Digest offers an article on a computerized robot milker.

With these sweeping changes ahead, we have a responsibility to adopt a Federal policy that faces the future—not one that looks to the past—and we need to begin now, not a year from now, to address the excesses of the past. Otherwise, the taxpayers, the consumers, and the farmers will continue to pay too high a price for the Federal Dairy Program.

Mr. President, I have taken a great deal of the Senate's time, and many of my colleagues have remarks on this amendment that should be heard, and at this time I yield to the Senator from New York.

Mr. BOSCHWITZ. Mr. President, can the Senator from Florida yield to the Senator from New York?

The PRESIDING OFFICER (Mr. MCCONNELL). The Senator from Florida can yield only for a question.

Mr. BOSCHWITZ. Does the Senator from Florida yield to the Senator from New York for a question?

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida has the floor.

Mrs. HAWKINS. I yield the floor, Mr. President.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, thank you.

Mr. President, may I say at the opening I would hope we can have an open and straightforward debate.

If the Senator from Minnesota wishes to ask questions, ask questions. We have nothing to hide and no one to outmaneuver here. We have a perfectly straightforward proposition to cut the cost of the Dairy Price Support Program and to lower the cost of milk. We are going to have a straightforward vote on it. No one need be apprehensive about parliamentary maneuvering. The issue could not be more straightforward. I hope that it will be dealt with that way.

I hope the Senator from Minnesota was listening but I believe he was not.

Mr. President, in October 1983, I came to the floor and offered an amendment that would omit from the farm bill then before us the diversion plan, as it was called. It seemed to me a caricature of the kind of Government program which from the other side of the aisle and from this side of the aisle we have heard denounced for a half century, certain to fail in its objectives, and yet somehow part of a mystique of price manipulation in agriculture that has become a kind of subculture of this Congress over the last half century.

The distinguished majority leader said as a member of the Committee on Agriculture, Nutrition, and Forestry, that "a very balanced agreement" had been reached. A year or so later, when the report was in, the effects were in, the majority leader was candid enough, and we respect him not the least for that candor, to say "My God, even the cows are laughing."

My amendment of October 6, 1983, was tabled by a vote of 56 to 37. But who were right, the 56 or the 37?

I would like to recall that event as we go to this vote.

Two years ago I pleaded with this body not to do something foolish and wasteful, but some of the persons who have most distinguished themselves by denouncing waste, fraud, abuse, and deficits insisted on doing something foolish and wasteful. And wasteful and foolish it was. And as the majority leader said later on—with the kind of candor that wins him our affection—even the cows were laughing at the program.

Let me give you a very precise experience, a very personal, precise experience.

I live on a dairy farm. For a quarter of a century our home has been a farm in Prosser Hollow near Pindars Corners in Delaware County, New York. We are surrounded by dairy farmers and we are not all that far from Cornell. Cornell University is a land grant college, as one might know, and the college of agriculture there has been enormously influential in dairy matters the world around. We keep abreast of these things.

I have two neighbors, Mr. President, One is a large producer of milk, and one is a marginal producer of milk, which is to say he produces just enough milk to keep a farm going, he has just enough cows to warrant their milk being picked up.

What happened when the diversion program went into effect? If you recall, there was an assessment of 50 cents for every 100 pounds of milk marketed commercially, and there was a payment to those who lessened production by 5 to 30 percent over a base period.

The situation of my friend, the small farmer—the family farmer of whom we hear so much in these hallowed Halls—was that were he to reduce his production, it would have fallen below the level at which it is economic for a milk tank truck to come by and pick up his product. So he had no choice but to start paying this tax and continued to produce as best he could.

My neighbor who is a large producer saw the Federal Government willing to pay him not to produce and immediately took advantage of this offer to cull his herd and to fix up some part

of the rather extensive property he has. A property on which he milks a large and valuable herd—computer fed, computer milked, computer priced, and in every respect a very advanced business. And he prepared to increase production as soon as this program was over.

The result very simply was that the smaller farmer in Prosser Hollow paid the big farmer in Prosser Hollow, a caricature, if you will, of everything our programs are not supposed to do but increasingly do do.

I will dwell just another moment on this because it is so important. Two years ago we had an opportunity to make a sane decision and save money and respect family-sized farms and we did not do so.

And the same people who said we should not do it then are going to oppose us today. Let me just give you an example, Mr. President, of the wisdom of that decision 2 years ago.

In the State of Arizona, which you do not associate as a dairy State, although technology is making dairying there possible, for those persons who received payments under the diversion program the average payment per dairyman was $226,978.

We voted 2 years ago to give farmers in Arizona who entered the diversion program $250,000 a year not to produce milk.

We voted to give farmers in Nevada $215,262 a year not to produce milk; in California, $125,044; in New Mexico, $110,919.

Note the degree to which the Southwest States received large payments; States where dairying obviously is not a way of life. It is not a progression as it is in my part of the State, for 200 years of dairy farming. These are commercial operations and the operators saw a profitmaking opportunity provided them and they used it.

Mr. President, that is the decision we made 2 years ago. Are we going to make the same kind of decision today and then tomorrow have the same people arguing about it saying let us cut the deficit, let us get rid of the waste, the fraud and the abuse?

The numbers here are very simple and should speak to something that is almost a pathologic behavior. In the last few years the cost of dairy price supports have risen more than tenfold. Amidst talk about deficits, talk about waste, talk about spending, this Congress, this Senate has increased the cost of dairy price supports by ten times.

The level was $247 million in fiscal year 1979, it was $2.6 billion in 1983, and it now proposes at the same level.

I grant that the Committee on Agriculture, Nutrition, and Forestry did not repeat the madness of the diversion program and the social cruelty. Come on now.

Dairy farmers work 90-hour weeks, 100-hour weeks. On the margin they work more. They get little. The idea of taxing the poorest of them, the smallest of them, to give moneys to the largest of them so the larger can expand their herds. I am reminded of that famous remark I think Ezra Taft Benson made that behind every cow there are better heifers coming along."

The technological change in dairy is quite extraordinary. It is probably superior in some ways to the production of feed grains. You look at what a cow produced a half-century ago and what it produces today. There is no sense in raising and maintaining an artificial price. It only increases production. It only increases production on the part of people who produce milk in order to sell it to the Government. You can make a good living if you have enough capital just producing milk to sell as surplus to the Government, which will hold it as butter or cheese or powdered milk.

There cannot be any sense in this. Economists at Cornell have established very clearly that lowering price supports will lower consumer prices. Only 3 percent of our population live on farms; fewer on dairy farms. The market will work for them.

It is only a kind of constituent greed that argues we ought to spend more money on the most fortunate of farmers to the disadvantage of the small dairymen, and to the disadvantage of the consumer of milk and milk products.

I ask unanimous consent that the table produced in the Farm Journal from USDA sources on "Who Got the Big Diversion Payment Bucks in 1984" be printed in the RECORD.

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

WHO GOT THE BIG DIVERSION PAYMENT BUCKS IN 1984

[State rank by average payment per dairyman]

	Average payment per dairyman [1]	Total 1984 payments (millions)	State rank in amount received
1. Arizona	$226,978	$10.9	28
2. Florida	216,590	40.3	5
3. Nevada	215,262	1.7	44
4. California	125,044	87.9	2
5. New Mexico	110,919	4.4	36
6. Washington	64,971	16.3	21
7. Texas	49,723	46.6	4
8. Georgia	49,660	19.3	18
9. South Carolina	45,968	4.2	37
10. Colorado	45,045	10.6	30
31. New York	24,749	38.5	8
35. Pennsylvania	20,936	26.2	12
43. Wisconsin	15,435	112.5	1
47. Minnesota	13,665	81.3	3
United States	22,814	955.3	

[1] Amount each State received divided by the number of participating dairymen.

Source: USDA.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent to print in the RECORD a statement from Cornell, a paper called "Will a Decrease in the Support Price of Milk Result in Lower Retail Prices for Dairy Products?"

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

WILL A DECREASE IN THE SUPPORT PRICE OF MILK RESULT IN LOWER RETAIL PRICES FOR DAIRY PRODUCTS?

(By Henry Kinnucan and Olan D. Forker)

As a result of the Dairy Production Stabilization Act of 1983, the support price of milk dropped 50¢ per hundredweight on December 1, 1983. Additional reductions of 50¢ per hundredweight may occur on April 1, 1985 and again on July 1, 1985 if dairy surpluses in the ensuring 12 months are expected to exceed 6 and 5 billion pounds, respectively. The extent to which commerical disappearance of dairy products is enhanced by lower farm prices depends in large part on the degree to which reductions in the farm price of milk are passed along to consumers. A common conjecture is that because of a concentrated market structure beyond the farm gate, farm price increases are passed along fully and efficiently to the consumer, but decreases in farm prices are used by middlemen to "work in" increases in other input costs so that the consumer rarely benefits from such price reductions.

Recent research completed at Cornell shows that in the case of major dairy products this conjecture is only partly correct.[1] To study the relationship between retail and farm prices, monthly average U.S. retail prices of fluid milk, cheese, butter and ice cream were collected for the period 1971–81. Data for the same period were gathered on the U.S. average monthly Class I price and the Chicago Regional Federal Order Class II price.[2] Because inflation in food marketing costs also affect the level of retail prices, data relating to labor, packaging, and transportation costs specific to the food industry were obtained from the U.S.D.A. Regression analysis was performed on these data to isolate the net effect of changes in the farm price on the retail prices of the studied dairy products. A methodology was employed which permitted the investigation of whether decreases in the farm price of milk were passed along to the consumer in the same manner as were increases in the farm price. Because the farm price of milk actually declined in nearly one-third of the months included in the study, the statistical results bearing on the so-called "asymmetry" question are expected to be of good quality.

RESULTS

Retail dairy product pr)ces adjust both Wpward and downward to changes in the farm price of milk, but the downward adjustments are both slower a.d ,ess complete than are the upward adjustments. Specifically, if the cost of marketing services remains unchanged, a $1 decline in the Class I price (a 6.9% change assuming a Class I price of $14.50) shows up at the retail level as a 2.5% decline in the price of fluid milk. By contrast, a $1 increase in the Class I price is shown to result in a 3.5% increase in fluid milk prices, ceteris paribus. For fluid milk this means that the retail response to the increase in the farm price of milk, is

[1] Kinnucan, Henry, "Asymmetry in the Retail Pricing of Major Dairy Products with Implications for Farm-Level Demand," mimeo (October 1983).

[2] This price served as a proxy for the U.S. average cost of milk used in the manufacture of ice cream, butter, and cheese.

about 40% greater than is the retail response to a farm price decease.

The unequal retail response to increases vis-a-vis decreases in farm level prices is also observed to varying degrees in the other dairy products studied (Table 1. For example, a $1 increase in the Class II price (a 7.6% change from a $13.10 base) is associated with a 5.4% rise in retail butter prices, ceteris paribus, while a $1 decline in the Class II price is associated with a 3.2% decline in the butter price.

According to the results, retail dairy prices respond within 5 months to changes in the farm price of milk. Moreover, the adjustment period is the same length for both deceases and increases in the farm price. With fluid milk for example, a lag period of three months is evident regardless of whether the Class I price rises or falls. However, it should be noted that although the lag lengths corresponding to rising and falling farm prices are similar, the lag patterns in each case may be quite different. For example, 28% of the total effect of a rise in the lower Class II price is immediately registered in retail cheese prices, but only 11% of the total effect is immediately registered with a decline. This pattern, which is present to varying degrees in the other dairy products studied, suggests that retail dairy prices adjust more slowly to falling farm prices than to rising farm prices.

IMPACT ON COMMERCIAL SALES

The above results can be used to obtain a measure of the increased commercial utilization of milk that might be expected as a result of reductions of the farm price. Combining the retail demand elasticities for dairy products estimated by George and King [3] with the elasticities of farm retail price transmission estimated in the Cornell study, derived farm level demand elasticities for milk are computed (Table 2). These elasticities, which differ according to whether the farm price of milk is rising or falling, indicate the percentage change in quantity demanded at the retail level in response to a one percent change in the farm price of milk.

The 50¢ per hundredweight reduction in the price support level that occurred on December 1, 1983 represents a 3.8% decline in the farm price of milk ($13.10/cwt. to $12.60/cwt.). Based on the elasticities in Table 2, sales increases associated with a farm price decline of this magnitude are fluid milk up .44%; cheese up .88%; butter up 1.0%; and ice cream up .13%. The additional sales caused by the lower retail prices would increase milk-equivalent commercial utilization an estimated .65% or 800 million pounds. An assumption of this estimate is that marketing costs do not change and past marketing cost changes are not recouped in this period. These calculations indicate that lowering the support price of milk will result in increased sales and an increase in the quantity demanded at the farm level, but the impact is modest.

SUMMARY

The results presented here contradict the notion that decreases in the farm price of milk have no effect on retail dairy product prices. As long as marketing costs remain constant, reduction in the support price of milk can be expected to translate into lower retail prices for dairy products. With lower prices, comercial sales will increase; but the actual impact of a 50-cent reduction in the farm price on the large dairy surplus is likely to be modest.

TABLE 1.—RETAIL PRICE RESPONSE FOR INCREASES VS. DECREASES IN THE FARM PRICE OF MILK; UNITED STATES, ESTIMATES BASED ON 1971–81 MONTHLY DATA

Dairy product	Change in retail price associated with a $1/cwt [1]		Time required for the retail price to adjust completely to the change in farm level price (months)
	Increase in the farm price of milk (percent)	Decrease in the farm price of milk (percent)	
Fluid milk	3.5	2.5	3
Butter	5.4	3.2	3
Cheese	4.4	3.8	5
Ice cream	1.7	.5	5

[1] A base price of $13.10/cwt is assumed.

TABLE 2.—ASYMMETRIC DERIVED DEMAND ELASTICITIES FOR DAIRY PRODUCTS; UNITED STATES

Product	Farm level demand elasticities when farm prices are—	
	Rising	Falling
Fluid milk	−0.160	−0.114
Cheese	−.267	−.231
Butter	−.460	−.272
Ice cream	−.116	−.034
Class I milk	−.160	−.114
Class II milk [1]	−.305	−.211
All farm milk [2]	−.246	−.172

[1] Computed as a weighted average of the individual elasticities for the three manufactured dairy products using the following weights (cheese 0.495, butter 0.333, and ice cream 0.172). This weighting system implicitly assigns the aggregate elasticity of these three products as a proxy for the elasticity of all other manufactured products.

[2] Weighted average of Class I and Class II elasticities with weights based on category utilization of farm milk in 1980 (0.403% fluid, 0.597% manufacturing).

Mr. MOYNIHAN. Mr. President, quite simply, our amendment empowers—but does not require—the Secretary of Agriculture to reduce the dairy price support level from $11.60 per hundredweight to $11.10 on January 1, 1986 if he estimates Government purchases of manufactured dairy products for that calendar year will exceed 10 billion pounds—milk equivalent.

Let me commend the Members of the Senate Committee on Agriculture for their many hours of diligent work on the dairy provisions of S. 1714. I know they resisted powerful temptation to resurrect the paid diversion program, tempting not because it was a tremendous success: production declined a mere 3 percent. But it nearly paid for itself. Of course, we had to impose a milk tax on all dairy farmers so that payments could be made to the 20 percent who participated in the program. Programs that seemingly pay for themselves must appear attractive when grappling with a bill some $20 billion over budget.

The committee did not adopt a new diversion program. Rather, the committee adopted a sensible proposal that links price support levels to Government purchases. If purchases go up, the support price is reduced. If purchases decline, the support price is raised. And the committee's provisions grant the Secretary discretionary power to use a dairy-specific cost of production formula to determine appropriate price support levels, if he so desires. This is sensible policy.

The dairy provisions of S. 1714 represent a purposeful step toward solving the problems of persistent overproduction, slack consumer demand, and rapidly increasing Government purchases and costs. But there is one very significant problem with the committee's dairy provisions: S. 1714 freezes the support price through 1986; the first cut is not authorized until January 1, 1987.

We need to reduce the support price gradually, but promptly. We are awash in milk. Last week, November 12, 1985, the Department of Agriculture [USDA] revised its milk forecast for fiscal year 1986, assuming a support price of $11.60 per hundredweight. Milk output, which increased 2 percent in the fiscal year just ended, could increase by as much as 6 percent. USDA predicts that annual production will reach 148 billion pounds. Government purchases by the Commodity Credit Corporation will exceed 16 billion pounds, at a cost to taxpayers of some $2.4 billion.

The amendment Senator HAWKINS, Senator CHAFEE, and I are offering permits the Secretary to take action in 1986, thus lessening the likelihood that he will have to make severe cuts in 1988 and 1989. S. 1714 authorizes support price reductions of $1.00 per hundredweight in each of those years if purchases are estimated to exceed 10 billion pounds.

Mr. President, this is the fifth time in just over 4 years that Congress has been forced to wrestle with dairy price supports. Dairy farmers do not benefit from such frequent intervention. Nor do consumers. Perhaps if this amendment is adopted, Congress will not be forced to deal with this rather arcane subject quite so often. Let us hope so.

We certainly have had to deal with it over the past 4 years, however. Net CCC dairy price support outlays have risen—like the deficit—more than tenfold, from $247 million in fiscal year 1979 to some $2.6 billion in fiscal year 1983. The program has cost $3.7 billion in the last 2 years alone.

The Federal Government has become the reluctant owner of an enormous surplus of dairy goods, for which there simply is no commercial market. As of September 13, 1985, the CCC owned 153 million pounds of butter, 662 million pounds of cheese, and 993 million pounds of nonfat dry milk. The Government pays over $110 million annually just to transport and store these commodities—while 21 percent of our children live below the poverty line. That is shameful.

[3] George, P.S. and G.A. King. Consumer Demand for Food Commodities in the United States with Projections for 1980. Giannini Foundation Monograph No. 26, Univ. of California, March, 1971.

Let me point out to my colleagues that 50 years ago, when the present farm programs were first adopted, one-third of this country lived on farms. Now fewer than 3 percent do. We mustn't risk undermining popular support for our farm programs.

But the quickest way to discredit a farm program is to have the Government purchase 1 of every 10 gallons of milk produced in this country while women and infants suffer calcium deficiencies. The quickest way to discredit a farm program is to pay farmers in Arizona $226,978 each not to produce milk, the source of 10 percent of the food energy, 20 percent of the protein, 20 percent of the vitamin B-12, 34 percent of the phosphorus, and 74 percent of the calcium in our diets.

Let's be clear about what is happening: artificially high price supports and the Government purchase program encourage farmers to produce milk, but discourage incentives to market their product commercially. This was true when the support price was $13.10 per hundredweight, and it is true today.

Some argue that farmers will produce more milk if the support price is cut, to maintain their cash flow. This may be true for some producers, but USDA and the Congressional Budget Office [CBO] both estimate production will drop—if our amendment is adopted—by some 2.2-3.3 billion pounds through fiscal year 1990.

Quite simply, farmers will produce as much milk as they can at any price support level. I guarantee production would not decline if the support price were raised again to $13.10. At a minimum, reducing support price levels lowers the prices the Government must pay to purchase surplus dairy products.

More importantly, reducing support prices increases commercial consumption, and that shrinks the dairy surplus. CBO estimates the price cut contained in our amendment would increase commercial consumption by 920 million pounds over 3 years. USDA estimates commercial consumption would be increased by 1.9 billion pounds.

What does a price cut do? It reduces the profitability of running a manufacturing plant simply to sell product to the Government. What happens in places like New York? In some instances, demand causes processors to bid the price up, market forces come into play a bit, and the Price Support Program works as originally intended.

The Nestle Co., has a plant in Fulton, NY. Let me remind my colleagues that New York ranks third in the Nation in milk production, behind Wisconsin and California. New York dairy farms produce over 8 percent of the Nation's fluid milk, but during the diversion program—which the distinguished majority leader said was so bad, even the cows laughed—Nestle was unable to obtain sufficient quantities of fresh whole milk for its candy bars. It had to supplement fluid milk supplies with powdered milk—a change duly noted on candy bar wrappers.

Some claim this amendment is antifarmer; that it will put farmers out of business. First, I would say if this is so, then why adopt the committee provisions? We'll just have bigger cuts 2 years from now if the support price is frozen through 1986.

But it is important to understand that feed costs have dropped sharply over the past year, and will continue to decline even if Congress freezes target prices for 4 years. The September 1985 price of the standard 16-percent dairy feed concentrate was $21 per ton cheaper than the price a year earlier—an 11-percent drop. In terms of feed costs per hundredweight of milk produced, this is 56 cents below last year's level. Likewise, corn and soybean meal prices are 25 percent and 20 percent, respectively, below last year's levels.

Perhaps the best indicator of production costs is the milk-feed ratio, which climbed from 1.5-1.0 in September to 1.54-1.0 last month. Historically, a ratio of 1.3-1.0 has been considered favorable for dairy farmers. Our amendment—at current feed prices—would lower the ratio to 1.46-1.0—according to USDA, which is still very favorable.

More importantly, if we want to help the dairy farmer. Let's sell more milk, expand existing markets, and create new ones. We can do that by dropping retail prices. The National Milk Producers Federation delights in asserting out that the support price has been reduced from $13.10 per hundredweight to $11.60 since December 1983, but retail prices have not declined. Not so. The retail price index for all dairy products, when adjusted for inflation, indicates that retail dairy prices have declined by 9.8 percent since 1981. And what has happened? Commercial consumption has increased—last year by a robust—given historical trends—1.7 percent. Demand for fluid milk is relatively inelastic, but can vary widely for manufactured products in response to retail price changes.

Mr. President, I draw my colleagues' attention to an article that appeared in the spring 1984 Dairy Marketing Notes published by Cornell University. The article is entitled, "Will a decrease in the Support Price of Milk Result in Lower Retail Prices for Dairy Products?" Its authors, Henry Kinnucan and Olan D. Forker, assert that support price cuts are reflected at the retail level—not immediately, and not as fully as support price increases—but they are felt. I quote from the article's summary:

> The results presented here contradict the notion that decreases in the farm price of milk have no effect on retail dairy product prices. As long as marketing costs remain constant, reductions in the support price of milk can be expected to translate into lower retail prices for dairy products. With lower prices, commercial sales will increase.

Mr. President, our choices are simple. We can implement gradual reductions in dairy price supports now, or we can whack away at them a few years from now, or we can go along with the House-passed dairy abomination that forces small family farmers to pay a tax so that a handful of producers in remote corners of the country can receive quarter-million dollar payments for not milking their cows.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, yesterday I alluded to the lengthy time that has been required to bring this farm bill to this point. I reflected upon the months of consideration in the markup sessions. I stated that early on, when it became evident that we were going to have difficulty getting a quorum in the committee—let alone permission to meet.

This amendment eliminates some of the frustration I felt because, and let me be candid, when it comes to good farm legislation, it is mighty rare around here. That is why the farmers in this country are in great difficulty not to mention the consumers. But here is an amendment pending which is good for the farmers, is good for the taxpayers, is good for the consumers, and I think it ought to be approved.

I may retrace some steps that already have been covered by the distinguished Senator from Florida and the distinguished Senator from New York, but I think they need to be repeatedly emphasized.

Let us look at where we are in terms of a dairy program. In its first 31 years of operation, through the year 1980, the total cumulative cost of the dairy program was $5 billion—$5 billion in 31 years. In the 5 years since 1980 the program has cost $9 billion.

As has already been stated by both Senator HAWKINS and Senator MOYNIHAN, that if we do not take appropriate action on the part of this farm bill the situation is going to get worse. Estimates now indicate that unless Congress does take action along the lines of the pending amendment, next year we will have record milk production, record governmental purchases, and record taxpayer costs for the Dairy Price Support Program.

Fortunately, the committee bill contains the kind of approach to the dairy program which we should have taken back in 1981. Specifically, it calls for adjusting the price support level in relation to projecting Government purchases.

Under this approach fairness, predictability, and opportunity will be returned to the dairy industry. It is far-reaching, and it will benefit the family dairy farmer both in the short term and in the long run.

However, since the time we reported out the committee bill from the Senate Committee on Agriculture, Nutrition, and Forestry, it has become even more apparent that milk production is rebounding from the diversion program to an extent that nobody anticipated, making further adjustments to the committee bill absolutely essential.

A few points, and I shall yield the floor. This amendment will avoid the need for another milk tax. Let me point out to my colleagues that the House farm bill contains a milk tax of $1.05 per hundredweight effective January 1, 1986, and if the Senate bill fails to make an adjustment on January 1, 1986, the conferees are likely to be forced to accept the milk tax.

Milk taxes hurt the farmers more than do the price cuts. The full milk tax comes out of the dairyman's pocket, while price cuts usually do not. For example, when the support price fell 50 cents in 1984, prices to farmers fell only 13 cents.

In any case, it is obvious to anybody who can do simple arithmetic. A 50-percent price cut is much preferable to a $1.05 tax. Farmers will still be better off than last year. Since last September, production costs for dairymen have dropped $1.38 per hundredweight, 56 cents in feed cost productions and 88 cents in savings due to improvements and productivity.

The most recent USDA projections indicate that unless Congress takes action, milk production will reach 148 million pounds, creating a surplus of more than 16 billion pounds and forcing the Government to buy more than 1 out of 10 gallons of milk produced in the United States—at a cost of more than $2.5 billion.

And unless we take appropriate action here today, the situation is going to get even worse. The reduction in loan rates for feed grains contained in this farm bill will further encourage production, and new technologies will be entering the industry which promise to increase productivity per cow from 10 to 40 percent.

In light of the current budget deficit, it makes little sense to continue to encourage overproduction—especially when it is costing the taxpayer so much. Since last September, the effective price support level has dropped only 50 cents—that is to say, $12.60 price support minus 50 cent assessments in 1984 versus the $11.66 price support in 1985. Even with this amendment's 50 cent cut, dairy farmers would be 38 cents better off than they were last September.

As the Senator from New York, Mr. MOYNIHAN and Senator HAWKINS have emphasized, action on this amendment in this farm bill will save more than $600 million over 3 years. And without this agreement, the Government will purchase an estimated 16,500,000 pounds of milk next year at a cost of more than $2.5 billion.

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

Mr. HELMS. Yes.

Mr. SYMMS. I thank the Senator for yielding.

The question is this. Is the policy still going to stay in effect—the general policy the way milk marketing works—but this amendment simply lowers the price by 50 cents, is what the Senator is saying?

My question is this: Was there any testimony before the Agriculture Committee about limiting the—total—amount the Government buys and will it have a cap on it, or will some of the big dairy cooperatives keep expanding production? We lower the price, the farmers have to get more cows and more milk to keep their income up, they keep putting all of this in storage, and so forth.

The point I am making in my question is that I have people in my State saying we should, instead of concentrating on the price totally, be keeping a cap on how much milk or dairy product any of these specific sellers to the Government in the CCC Program are allowed to expand.

In other words, should we put a cap on them so that they cannot expand, selling more next year than last year? This amendment will not address that problem. Is that correct?

Mr. HELMS. The Senator is correct.

Mr. SYMMS. Could that be done? I might ask the second question. Could it be done without having to get into some kind of a quota system where they would be buying and selling quotas back and forth?

Mr. HELMS. May I suggest that the Senator and his staff consult with us and our staff?

Mr. SYMMS. I thank the Senator very much for yielding. I wanted to get that question on the record and say that it still appears to me that part of the problem is that there is no limit on how much the Government can buy. There should be some opportunity to say we are not going to buy any more dairy products no matter what the price is. Maybe there would be two prices then.

I thank the distinguished chairman for yielding.

Mr. HELMS. I thank the Senator.

I will yield the floor in just a moment.

Mr. President, no farmer looks forward to us cutting their price support level. But the fact of the matter is that on the average dairy farmers are considerably better off than they were 1 year ago, and will continue to be so following passage of this amendment.

According to USDA, feed costs have dropped since last fall by an average of 56 cents a hundredweight. In addition, production per cow has increased at least 7.6 percent, translating into what USDA estimates to be a savings of 88 cents per hundredweight.

So since this time last year, average costs for the dairy farmer have dropped by as much as $1.38. However, their effective price support level has only dropped 50 cents. So in effect, the dairy farmer's net costs have fallen on the average of 88 cents per hundredweight since last year. It is no wonder we now have record milk production.

And our dairy farmers costs of production are going to continue falling due to reductions in loan rates for feed grains and the new technologies which will be entering the industry.

To maintain the current price support level for another 12 months while farmers costs continue to decline will only encourage the production of more and more milk for which there is neither a need nor a market.

If we pass the Hawkins/Moynihan/Chafee amendment we can both save $622 million and send to the dairy industry the kind of market signal necessary to turn the tide on this surplus problem. It is a sensible and timely amendment, and I encourage my colleagues to join me in support of it.

Mr. LEAHY. Will the Senator yield?

Mr. HELMS. I yield the floor.

Mr. LEAHY. Mr. President, I thank our distinguished chairman.

I do oppose the amendment offered by the Senator from Florida. I do it because I think we have put together a well-crafted farm bill, especially in this area. It is not one, as has been suggested here, that places intensive greed on the part of dairy farmers. In fact, the dairy farmers I know are extremely hardworking, down-to-earth, salt-of-the-earth people.

They are usually far more involved in maintaining their farms, raising their families, and being productive members of the community than in political matters or matters that would enhance their own status. They are people whose primary goal appears to be good farmers, good producers, people who respect the land and with a deep sense of the agrarian history of our country.

They are not, as is sometimes depicted, people who are out there trying to take from our Government. In fact, most of them are people who are in favor of less, not more, Government. Every single dairy farmer I have talked with, in Vermont or anywhere else in the country, is very much in favor of reducing our deficits.

We all understand that milk production must be adjusted to meet projected demand and to avoid further build-

up of surplus stock of dairy products. But the program we adopt to make such adjustment must not damage the long-term ability of our dairy farmers to meet future consumer needs.

The program authorized in the Agriculture Committee and passed by the Agriculture Committee would accomplish this adjustment without placing extreme hardships on dairy producers already facing the severe financial problems from drought, low cattle prices, and burdensome interest charges.

S. 1714 contains a compromise program. The compromise was achieved only after months of discussion of a bipartisan nature.

I see the distinguished Senator from Minnesota, the distinguished Senators from Wisconsin and others on the floor, many of whom involved themselves in the bipartisan discussions to reach that compromise.

One consideration, and the consideratin came up in every single discussion we had, was the budgetary impact of a new milk price support program. I insisted that we look at the numbers.

The dairy plan proposed in S. 1714 will cost some $598 million less than the current milk price support program. Those are the estimates of the Congressional Budget Office.

In fact, I recall well the statement of the representative of the Department of Agriculture at our hearings complimenting us on this amendment for coming in under budget, one of the few things that we are going to see this year that actually came in under budget.

Let me emphasize that one more time: under budget.

The most important consideration in this program is its effect on dairy farmers. Given the uncertainty inevitable in agriculture and the dairy industry respectively, we cannot say with certainty what will be the effect of the recent reduction of the support price to $11.60 per hundredweight.

Therefore, it could be unwise to cut the support price prior to the January 1987 date authorized by the Senate Agriculture Committee. A price cut before then would very likely prove excessive, forcing farmers into bankruptcy and placing increased financial strain on farm lenders.

I note that the Farmers Home Administration as well as the farm credit system are experiencing extreme financial stress.

As the dairy market involves a precarious balance between farmers' needs and governmental cost management, it could prove irresponsible for the Government to drastically cut the price of milk and pull this economic safety net out from underneath farmers. With surpluses at present levels we must make every effort to realign production with market needs. None of us question that. None of us would have it otherwise. But let us not threaten the future economic vitality of the dairy industry. Let us not throw the baby out with the bath water.

For the past 4 years, whole milk prices in the State of Florida, for example, have averaged 12 percent above the national average price of milk. Let me repeat that. Whole milk prices, 12 percent above the national average in the state of Florida. Beyond this high retail price, the southeast region also shows the largest margin between the retail price and the price obtained by the farmer-owned dairy cooperatives. Therefore, the Florida dairy farmer would not face the economic hardship due to support cuts that farmers in other parts of the country would suffer.

Mr. President, the problems confronting dairy farmers, and the solutions provided by S. 1714, were thoroughly considered by the Agriculture Committee during its hearings and its markup sessions. The committee adopted a provision that maintains the support price at current levels, at least until 1987.

A similar provision was contained in a bill introduced by Senator HELMS, S. 616. As chairman of the Agriculture Committee, Senator HELMS proposed that the price of milk be supported at $11.60 per hundredweight through October 1, 1986.

Senator ZORINSKY's bill, S. 1051, also provided for milk prices to be supported at $11.60 per hundredweight through October 1, 1986. Senator MELCHER in his bill, S. 119, agreed that the $11.60 price should be sustained until January 1, 1987, this marking a 90-day extension beyond the similar Helms and Zorinsky bills.

We have a compromise provision. The committee agreed to authorize a freeze at the $11.60 support price until January 1, 1987, at which time the Secretary would cut the price if surpluses were still excessive.

It appears, Mr. President, that Senator HAWKINS' proposal to alter the milk support price at an earlier date, January 1, 1986, really flies in the face of the compromise the committee has wisely agreed upon.

The dairy program included in S. 1714 is a long-term, enduring program, that considers the need for fiscal and social responsibilities. It is a program that neither invites nor requires year-by-year adjustment by Congress. Dairy farmers nationwide have told me of their need for a program that allows realistic planning for more than 1 year at a time.

You cannot change the rules constantly, month by month or even a couple of times during the year. People have to plan their herds, plan to buy, plan their production. You just do not turn production on or off. It is not like a factory where you say, "OK, let us close down for the weekend." Somehow, that word never gets across to the cows.

The program authorized by S. 1714 is a responsible package that will accord to American farmers the consistency needed to set long-term goals.

We talk about the consumer. Let us not forget that farmers are also consumers. The proposed price cuts would bankrupt 25 percent of the Nation's dairy producers—48,000 dairy farmers.

Let us also look at how these farmers as consumers must see this. These prices have been cut and cut and cut. In 1983, when milk price supports were $13.10, a half-gallon of whole milk cost $1.12. After the farm milk supports were cut by $1.50, the average retail price rose to $1.13.

It seems that every time the prices are substantially cut, the cost of dairy products goes up.

Those are not the farmers or the producers who are getting the increases. In fact, the same farmers and producers, when they go to buy ice cream or cheese or milk products or butter, find that even though they are getting far less for their product, they are paying far more at the store. When they go to a grocery store to purchase products as consumers, even though they are getting less for their product, they are paying more.

Those are really the questions that should be asked. Those are the questions that should be asked on all commodities that will come up in the farm bill.

We are the most powerful Nation in the world. We are the Nation most blessed. We are the only major military power in the world that can feed itself. But we feed ourselves at the price of very hardworking farmers, a small percentage of our population, certainly not enough to have political clout, or the political clout of a lot of other parts of our population, but the one that feeds us.

That is as much a part of our national security as anything else, the fact that the United States can never be starved out by any other country, the fact that we have a variety of food in a variety of places in the country. We do not have a regional food plan, we have a nationwide food plan. We do not have single commodities; we have virtually every commodity that people in this country could ever need.

Those are the issues we face here. We want to look for short-term numbers. We can achieve any short-term numbers we want simply by putting all of our farmers out of business. But what does that do to our national security? And what does that say to them?

What does that say also, Mr. President, to consumers who will suddenly find what it is going to cost them if they must start getting their food from abroad or from the cartels, not

from the thousands of family producers of food around this Nation?

Those are the issues we face here today. Do we turn our back on a 200-year history in this country, a history where agriculture has been a primary part of the growth of our country, on the fact that we have always been able to feed ourselves and in anticipation that we always will? This is just one small part of that debate we are involved in.

Mr. President, I yield the floor.

Mr. CHAFEE and Mr. BOSCHWITZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, first, I want to say I listened carefully to the distinguished floor manager of this section of the bill and I think he erred a little bit when he portrayed the dairy farmers as a small group that has no political clout. I believe the largest political action committee that exists in the United States is connected with the dairy industry.

Does my distinguished colleague from New York have any statistics or knowledge on that particular subject?

Mr. MOYNIHAN. Mr. President, may I say to the Senator from Rhode Island that it is my understanding that there are three principal dairy PAC's. Those that are fortunate enough to benefit from them benefit very heavily indeed.

As far as I know, please correct me if I am wrong, there is no single commercial interest that provides more political campaign contributions than the dairy industry PAC's right now. And they do it for a very limited number of people, with great success, as we observed when the Senator from North Carolina remarked that from 1949 to 1979, dairy price-support programs cost taxpayers $5.5 billion. Then from 1980 to 1984, they cost them $9 billion. The money that those milk PAC's produce is well invested.

Mr. CHAFEE. I would say so.

Mr. BOSCHWITZ. Mr. President, would the Senator from Rhode Island yield?

Mr. CHAFEE. We are running a little short of time, Mr. President, and I wonder if the Senator could withhold his question.

Mr. BOSCHWITZ. The Senator from Rhode Island has intimated——

Mr. CHAFEE. I believe I have the floor, Mr. President.

I was responding to the remarks of the Senator from Vermont that somehow the dairy industry was a poverty-stricken ophan whose voice just cannot be heard in political ways.

Mr. LEAHY. Mr. President, if the Senator from Rhode Island is going to quote me, I hope he will quote me accurately, which he is not doing now. I simply note that.

Mr. CHAFEE. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. I would quote from an article that appeared not too long ago in the Atlantic Monthly describing what some of the dairy PAC's did in the 1982 campaign, and that was some time ago. These PAC's gave Congressmen at least $1.8 million more than was given by the homebuilders and used car dealers.

I do not want to make a big thing of this, but I do not want anybody to think that the voice of the dairymen is not heard in the Halls of Congress. It certainly is.

Now, the Senator also talked about the family farm, and I will ask my distinguished colleague from New York a question about the family farm and whether these payments go to dairy farmers on the family farm.

It is clearly my impression that the payments, the so-called diversion payments which took place in 1984 were hardly to the struggling family farmer. That is not who we are dealing with. Does the distinguished Senator from New York have any statistics?

Mr. MOYNIHAN. I do have a statistic on that. In the diversion program we have just gone through, 8 percent of the payees received 37 percent of all payments. In our collective memory there is nothing more lovely than the sight of that barn and those fields and those hills. There is also the fact that today, and more and more this is the case, milk is produced in factories and this legislation is for factory farmers.

Mr. BOSCHWITZ. Will the Senator from Rhode Island yield for a question?

Mr. CHAFEE. I wonder if the Senator will withhold.

Mr. BOSCHWITZ. Who paid and from where did the money come?

Mr. CHAFEE. Mr. President, I told the Senator, my distinguished colleague and friend from Minnesota, that I will yield for questions but just let me make my statement if I might.

Mr. BOSCHWITZ. Where does the money come from, may I ask the Senator?

Mr. CHAFEE. Mr. President, I am pleased to cosponsor the amendment in conjunction with Senators HAWKINS and MOYNIHAN. Mr. President, in approaching this amendment, we have to bear something in mind. That is that our Federal Government is running a deficit of $200 billion a year.

I urge my colleagues to support this proposal which will yield savings of $600 million over the next 3 years. Now, Mr. President, what is happening with these dairy surpluses? They are accumulating at what we can truly say is an alarming rate. That is because of the Government purchases and that is because of the price supports. Last year the Government bought more than 7 percent of what the U.S. dairy farmers produced at a cost to the taxpayers of $1.6 billion. Now, even for us in Washington, $1.6 billion is a fairly sizable amount. Next year, unless this amendment is approved, what the Government will be buying will not be 7 percent of production in the United States of all milk production but it will be 10 percent. We currently hold enough uncommitted dairy products—that is, those that are stored in some 100 different locations around the country. I guess it is 500 different locations around the country—to give every man, woman, and child in the United States a 2-month supply of butter, a 3-month supply of cheese, and nearly a 2-year supply of dried milk. I mean this thing is out of control.

The Senate Agriculture Committee has acted wisely in adopting a straightforward, commonsense approach to our dairy problem. What they have done is recognize that in recent years we have learned that the only long-term remedy to chronic overproduction and persistently high Government costs is a gradual reduction in price-support levels. Recognizing this, the committee has provided for a realistic beginning in the price support of $11.60 per hundredweight with later adjustments to be made.

Now, this is a welcome step in the right direction, and as a result dairy surpluses and Government costs will decrease over the life of the bill. I congratulate the committee and particularly my colleague from Vermont, Senator LEAHY, for what they have done. There is only one hitch. And for some reason, which I cannot totally understand, the Senator has presented it in terms of a compromise and somehow, if the Agriculture Committee reaches a compromise, the rest of us are meant to be bound by it. The hitch is that they do not make the first price support cut until over a year from now, January 1987, despite compelling evidence that an earlier adjustment is needed.

Now, under the committee proposal there would be no change in the price-support level for more than a year during which time the Government would continue to buy up these dairy surpluses at an incredible cost to the taxpayer. As the Senator from New York previously pointed out, the taxpayer is hit twice. What a program. He is hit twice, once because he is charged more taxes in order to support this system and, second, he has to pay more for the product because the price supports keep the costs of milk unreasonably high.

Now, what does all this mean? How much are we adding? What are these price supports doing? It means that the Government is out there purchasing this milk. Farmers are producing this milk knowing they can always sell it, and the Federal Government is

buying milk now, adding to our dairy stockpile, at the rate of 36 million pounds a day—not a week, not a month, 36 million pounds a day.

Now, what our amendment would do—it is a very simple amendment—is add a provision for another price adjustment in January of this year if Government purchases warrant it. In other words, not if the Government purchases are down to 5 million pounds a year but listen to where it kicks in. A 50-percent reduction would be triggered if the projected purchases by the Federal Government in 1986 would be more than 10 billion pounds. I mean we are not playing with any little rinkydink amounts. This would not even go into effect unless the projections show the Government is going to buy more than 10 billion pounds.

To illustrate just how modest our proposal is, let me emphasize to my colleagues that this level of Government purchase, to understate it, is extremely high—more than three times what we require to cover our commitments under the surplus dairy donation programs and twice what is generally regarded as the upper limit on Government dairy inventories. Sure, we give out some of this milk and cheese to poor people, and that is right, but we are buying three times more than we are giving away. It is like the fellow who pulled up to the gas pump with his Cadillac and said, "Fill 'er up." And finally, he heard a plaintive wail from the boy pumping the gas: "Turn off the engine, will you; you're gaining on me." That is what is happening here. We cannot give it away fast enough.

Now, Mr. President, dairy production has surged upward since the diversion program ended in March. There is every indication that that trend will accelerate, as my distinguished colleague from New York pointed out. In response to an excessive support price, dairy farmers are not only increasing their herd sizes but are also taking advantage of technological advances to increase production per cow, just what the Senator from New York said. Thus the stage is set for a virtual explosion of new dairy production.

Now, if we adopt the committee proposal without adding a 1986 price adjustment, we will simply continue along this path for a little short of 18 months.

Now, this, according to the latest Agriculture Department estimates, would result in CCC purchases of more than 16 billion pounds in 1986, which gets us up to 44 million pounds a day.

I want to point out that if we fail to adopt this amendment, CCC purchases could run so high as to trigger a provision in the bill that the Senator from Vermont helped write, and the provisions that would be triggered would be as follows: It would require a dollar cut in the price supports in January 1988, and January 1989. Now, it seems to make far more sense to adopt this gradual approach than the dollar slice in 2 years, in 1988 and 1989.

The amendment we propose will cut Government purchases by 50 percent and Dairy Program costs by, we estimate, two-thirds, and consumers will save about $500 million in the first year—that is a half a billion. Let us put it into billions—and $1.2 billion over the 3 years. This is what the consumers save. When the price of milk goes down, the consumers buy more.

A recent study at Purdue indicated that a 10-percent decrease in the price of milk will increase consumption by 17 percent. That is what we all want. We want Americans drinking milk; it is good for them. This amendment is straightforward and the case I believe for it is compelling. I hope my colleagues will jump at this chance to show we are serious not only about reducing our appalling budget deficit but about setting our agriculture policy on a more reasonable course. The committee, as I mentioned, has charted a course but is not going to embark on it for more than a year and I think we can do better. I urge my colleagues to support the amendment.

Mr. KASTEN. Mr. President, I rise in opposition to the Hawkins amendment.

Mr. CHAFEE. Mr. President, I wonder, before the Senator starts, if I can make an inquiry. Have the yeas and nays been ordered on the second-degree amendment?

Mr. MOYNIHAN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. CHAFEE. I thank the Sentor from Wisconsin.

Mr. KASTEN. Mr. President, I rise in strong opposition to the Hawkins amendment.

The question before us with respect to this amendment is very simple and very basic—it is a question of farm income, and whether we can afford to reduce it now.

Speaking from the perspective of the largest dairy State, I can tell my colleagues that family dairy farmers in Wisconsin are hurting.

Unlike producers of any other program commodity, they have seen the level of price support for milk reduced three times in the last 2 years.

Unlike producers of any other commodity, they have paid heavy assessments to help reduce the cost of the Dairy Program to the Government.

Unlike producers of any other commodity, they have seen the Congress make major changes in dairy policy seven times since the last farm bill was passed in 1981.

And unlike producers of any other commodity, they have to put up with a bizarre system of marketing regulations that guarantees a higher price for milk produced by otherwise uncompetitive dairy farmers in the South and Southeast—farmers who then complain that it is excess capacity in Wisconsin and the upper Midwest that is causing the surplus!

But dairy farmers in Wisconsin do have some things in common with farmers who grow or raise other commodities.

Things like high interest rates. Things like plummeting land values—in Wisconsin these have fallen by 26 percent since 1981, by 19 percent just in the last year. And, yes, things like declining farm income.

Mr. President, adoption of this amendment would mean the end of the line for thousands of dairy farmers in Wisconsin and other major dairy States.

It would put most of the burden for reducing the Nation's milk production, not on the relatively small number of giant dairy operations that have increased their production the most over the last few years, but on the tens of thousands of dairy farm families in the upper Midwest.

And, it represents different and fundamentally unfair treatment for dairy than that which the majority leader and others have proposed for wheat, feed grains, and other major commodities.

I remind my colleagues that the Dole-Lugar amendment package, which has been criticized bitterly for reducing farm income, proposes a 1-year freeze in target prices before beginning to reduce them. The bill reported by the Agriculture Committee treats dairy the same way.

I would like to think that the Senate would prefer to be equitable in applying cuts in farm spending. Yet the Hawkins amendment is a rejection of equity, a declaration that it's acceptable policy to slash dairy farmer's income, but not wheat farmer's or cotton grower's.

Let me say a word about the dairy provision passed by the Agriculture Committee. It is not a deal, it could be improved; and if this amendment is defeated I certainly hope it will be improved in conference. But by freezing the price support level at $11.60 for a year, we give our farmers a break from the uncertainty created by constantly changing government policy. Farmers, like other businessmen, need time to plan, to adjust to new conditions.

Whatever the faults of the committee's dairy title, it at least gives farmers some time.

Mr. President, the dairy industry is in a period of transition. No one is happy with the present situation. Dairy farmers in my part of the coun-

try are pretty self-reliant people who do not like the idea of the Government's spending $2 billion every year on the Dairy Program. And the new productive technology that will soon be available means that, in the not-too-distant future, we will have to think about a wholesale reform of the structure of the program.

But in the meantime, we need something to ease the transition. In Wisconsin, dairy farmers supported the diversion concept, and they still do. It saved the Government money and helped cushion the blow of lower support prices.

Many in Wisconsin support the idea of a whole-herd buyout, to allow some farmers a dignified exit from the industry while giving those who remain a fighting chance.

We need to deregulate the marketing of fluid milk, to give producers in the lowest cost-of-production region the access to markets they deserve, and to bring some healthy competition into this area.

Clearly, if a prime objective of our farm policy is to preserve the family farm, we ought to be thinking about a system of direct payments, targetted to small and midsized producers. I will concede that this idea would put the giant factory dairy operations in Florida and California at a bit of a disadvantage.

But I point out that these opeations have expanded largely through farming the Tax Code over the last few years. The industry in the Southeast has grown behind the shield of Federal milk marketing orders. I think these large operations have been given enough help from Washington—it is time to give the thousands of family farmers in the upper Midwest and Northeast a break for change.

But while we should be able to do better, the committee language is preferable to the Hawkins amendment from the standpoint of giving farmers some time to plan, and treating them the same way we are treating the producers of other commodities. I therefore urge my colleagues to reject the Hawkins amendment.

RECESS UNTIL 2 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until 2 p.m.

Thereupon, at 12 noon, the Senate recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. DURENBERGER].

Mr. PROXMIRE. Mr. President, is the pending amendment the Hawkins amendment?

The PRESIDING OFFICER. The Senator is correct.

THE HAWKINS AMENDMENT: A BAD DEAL FOR DAIRY FARMERS AND THE NATION

Mr. PROXMIRE. Mr. President, I rise in strong opposition to the Hawkins-Moynihan-Chafee amendment.

What is wrong with this amendment? Plenty. Here are just a few of the many reasons why it is a bad deal for dairy farmers and the Nation.

First of all, Mr. President, do consumers benefit from price support cuts? No; they do not, despite the assertions to the contrary by the proponents of this amendment. Here are the facts. Since December 1983, dairy price supports have been cut from $13.10 per hundredweight down to $11.60, the current level. But has there been a corresponding decrease in retail dairy prices? Absolutely not, Mr. President. At the same time that price supports for dairy farmers have been slashed, retail dairy prices for consumers have been increasing!

What did a half-gallon of whole milk cost during 1983, when dairy prices suports were $13.10 per hundredweight? According to the Bureau of Labor Statistics, it was $1.128. And what happened after the price support level fell to $11.60 on July 1, 1985? That is a cut for the dairy farmer of more than 10 percent. Mr. President, the average retail price of a half-gallon of whole milk went up—it was $1.138 in July 1985—while the price the farmer was getting was going down sharply.

And what about butter prices? A pound of butter that cost $2.065 in 1983 increased to $2.125 in July 1985, despite the fact that dairy farmers had suffered a $1.50 per hundredweight drop in the price support level.

What about everybody's favorite food—ice cream? Ice cream prices averaged $2.158 per half-gallon in 1983. But they shot up to $2.293 for a half-gallon in July of this year—again, despite that $1.50 cut in dairy price supports.

What do these figures tell us, Mr. President? The answer is obvious. Consumers are not the beneficiaries of dairy price support cuts. Why? Because those in between dairy farmers and consumers—namely, the processors and retailers—are not in the habit of being that generous. They do not generally pass the savings along to consumers.

So, anyone who votes for the Hawkins amendment in the guise of helping consumers will have missed the mark. Cutting the income of dairy farmers helps processors and retailers, not consumers.

We know what price support cuts will not do for consumers. Now let us look at what they will do to dairy farmers. Including the Hawkins amendment in the 1985 farm bill would be a disaster for dairy farmers. Why? Mr. President, dairy farmers in Wisconsin and throughout the Nation are fighting to hold on to their farms in the face of three price support cuts in only 20 months. By imposing yet another cut on January 1 of next year, we would be pushing literally thousands of dairy farmers over the brink.

What happens when dairy farmers are hit by a price support cut? They do what any rational person would do in similar circumstances—they struggle to survive. How? By producing more milk. Does this increased production keep dairy farmers going? Yes, for a while. But not forever. Eventually, the onslaught of price support cuts will spell the end for many dairy farmers. They will be driven out of business.

If the Senate wants to help bring about the early demise of countless dairy farmers, then it should approve the Hawkins amendment. Make no mistake about it. That is exactly what would happen if this ill-conceived amendment should become a part of the 1985 farm bill.

Mr. President, what about the effect of price support cuts on the budget? Does cutting the price support level for dairy farmers translate into savings for the taxpayers? No; it does not—the taxpayers lose right along with dairy farmers. Why? Because price support cuts mean that dairy farmers have to increase their production in order to stay alive. As dairy farmers see their income shrinking due to price support cuts, they are forced to produce more and more just to keep their heads above water. This is especially true in today's troubled times for agriculture. And escalating milk production is upon us with a vengeance. During the month of September, milk production was 12 billion pounds, 11 percent more than September 1984, and almost 7 percent above the September 1983 level. This represents the third consecutive monthly milk production record, and every indication suggests more of the same. So milk production is going up as price supports go down.

So, Mr. President, dairy farmers have been clobbered by a series of price support cuts since December 1983 totaling $1.50 per hundredweight, but the taxpayers must pick up the tab for increasing Government purchases of dairy products brought about by the need for dairy farmers to produce more in order to survive. Acceptance of the Hawkins amendment would help make this situation worse, and that is another reason why it should be defeated.

Finally, Mr. President, we should reject the Hawkins amendment because its approval would help undermine the price stability of the dairy price support program. Why is that price stability so important? Because it is the key to making available to consumers dairy products whose price has increased at far below the rate of inflation.

Let me give you an example, Mr. President. If prices for dairy products had increased as much as other food items in the Consumer Price Index

[CPI], a half-gallon of milk today would cost 47 cents more than it actually does. And if prices for dairy products had increased as much as all items in the CPI, that same half-gallon of milk would today cost 53 cents more than its current price.

For September 1985 the CPI stood at 324.5 (1967=100), the all-food index was 309.9. In other words, food has gone up less than the cost of living generally, and substantially less, and the dairy products have gone up even less than that. The dairy products index was an even 258. Clearly, dairy product prices are not inflated. They are, instead, a moderating influence, and the reason is not that the processor is getting less. The processor is getting more, and he is in a strong position. The farmer is getting a great deal less—as I said, a 10-percent reduction. He has to eat inflation.

So, clearly, Mr. President, we need to maintain, not disrupt, the price stability of the dairy price support system. We can help do this by rejecting this amendment.

Mr. President, let me also point out something that my good friend from New York and other Senators have stated from time to time but I think too many people neglect. The hardest working people in this country are farmers and the hardest working farmers are dairy farmers.

There is a reason why dairy farmers have to work so hard. They have to milk their cows twice a day.

The University of Wisconsin made a recent study of the hours that dairy farmers in Wisconsin work recently. That study showed that the average dairy farmer works between 10 and 12 hours a day and that is hard work. It is work that requires a great deal of skill and knowledge.

The dairy farmer works 10 to 12 hours a day, not 5 days a week as most of the rest of the people in this country do, 7 days a week. And what vacation does the dairy farmer get?

A few years ago the Wall Street Journal made a report on a dairy farm up in Jim Falls, WI, up in the northwestern part of the State. They found that that typical dairy farmer up there had not taken a vacation in 25 years.

This is very, very, very hard work, very productive work.

We are asking that the dairy farmer be given what he is getting now, which is a reduction, a sharp reduction over what the dairy farmer was getting 3 years ago.

Mr. MOYNIHAN. Mr. President, will the Senator yield?

Mr. PROXMIRE. I am happy to yield for a question to my good friend from New York.

Mr. MOYNIHAN. It is really a statement.

The dairy farmers in my part of New York get a vacation once in their lifetime. It is a 1-week honeymoon.

I mean, literally, I know many who went to Niagara Falls, and that was the last vacation they had.

Mr. PROXMIRE. I thank my good friend.

The Senator from New York is familiar with that. That is why I am unhappy about the fact that the Senator is the author of the amendment. He is a wonderful Senator, a fine man, and a good friend of the farmer. But no one is perfect.

Mr. President, this is an amendment that I think we should put in the perspective of the situation where dairy farmers, as I say, work very long hours and they require a big investment. They require an investment in my State of over $250,00 on an average, with many more than that.

Mr. President, I do not know how many people realize this but for the first time since 1933, in 1981 dairy farmers and other farmers had no return net, no return on their investment. In 1982, no return on their investment. In 1983, 1984, and 1985—this is the fifth year in which the farmers in this country have received a negative return on their investment.

I think if anyone wants to see the No. 1 victim of economic injustice it has to be the farmer, including the dairy farmer.

So I do hope earnestly that the amendment by my good friends from Florida, New York, and Rhode Island is defeated. It is going to be a tough one to defeat. They are fine Senators, all of them, but I think the merit is certainly against them.

Mr. President, I yield the floor.

Mr. MOYNIHAN. Mr. President, before my friend and respected colleague leaves the Chamber, as he probably has to do for a committee matter, may I make a point that we disagree on this amendment but not on this issue.

If the average dairy farmer in Wisconsin has an investment of $250,000, he is right on the edge of being a marginal producer.

We are beginning to see this division in agriculture in dairy farming between the $4 and $5 million farm and the $¼ million farm.

As the Senator may know, in the diversion program it was Wisconsin's 44,000 farmers, the ones who borrowed money to pay for what you have to have for a herd and milking system. They were paying corporate farms that did nothing but produce milk to sell to the Government.

In Arizona, the average payment of persons receiving diversion payments per person was $238,000.

Mr. PROXMIRE. Mr. President, if the Senator will yield, $250,000 may not be very much on Wall Street and it may not be very much in New York City, but it is a whale of a lot of money in rural Wisconsin; $250,000 means that a dairy farmer has an average dairy farm. We have bigger herds in our State than in other States. Our herds average 38; the average nationally is 30.

I worked on a dairy farm about 2 years ago. I worked all day. They get up at 4:15 a.m. in the morning, and we started working, and this was a dairy farm that was a little bigger than most. It had 90 cows being milked, 150 cows all together. It was a terrifically demanding job. You had the dairy farmer, his wife, his children, his father, and two hired help trying to do the job.

But I beg to differ with my good friend, They are not marginal, at least not in my State. They are very efficient, and as I say studies by the University of Wisconsin indicated that the dairy farmer, who has a $250,000 investment, has a 38-cow herd, which is bigger than the average, is extraordinarily efficient, and there is no economy in scale when you get over that, because, of course, the dairy farmer, as I say, works very hard. He works skillfully. This is compared with the situation a few years ago when the size of the heads were smaller and there were many more dairy farmers. Really, most of the marginal inefficient dairy farmers, the hobby farmers, have been driven out. There are a few in there, sure, but most of the inefficient dairy farmers are gone.

You now have a situation where the people who produce are extraordinarily efficient not only in our State but in Louisiana, New York, and in other States.

So I think that the notion that we are going to improve the situation for the consumer by getting rid of more dairy farmers is going to lose the most efficient producers we have in our society.

One more point that I cannot resist, and it has been made again and again, and I wish to make it again, because I think a lot of people do miss it. The consumer in this country is being spoiled. There is no country in the world which gets food at a lower price than consumers do in America. Consumers in America spend 15 percent of their income for food. In Europe, the developed countries, like Germany, England, and so forth, it is close to 25 percent.

Mr. MOYNIHAN. Sure.

Mr. PROXMIRE. In Russia it is 33 percent. In much of the rest of the world it is one-half of their income or more.

Our consumers have gotten an enormous break from our efficient farmers, and it seems to me that this relatively modest price support payment we pay now, that has been cut, as I say, three times in 20 months to try, to

cut it again on January 1, I think would be a very, very unfortunate action.

Mr. MOYNIHAN. Mr. President, the Senator from Wisconsin and I are going to have a friendly difference of understanding.

Frankly, I thought a herd of, say 30 milking cows—in New York—just isn't a commercial operation; that when you get to about 100 cows, then you really start. I think there are economies of scale in this matter, and I would have to say, without asking the Senator from Wisconsin to even comment, that I would expect that 20 years from now or 30 years from now, we will see an almost transformed dairy industry as milk is being produced on concrete platforms and milking machines. But be that another time.

Mr. President, I rose to make two points that I believe were raised earlier in the debate.

The issue arose about PAC contributions from the dairy industry, not the farmers the Senator from Wisconsin represents.

May I just record the data from public voice for food and health policy? It is from the 1983-84 year. The three big dairy PAC's—AMPI, Mid-America, and Dairymen, Inc.—contributed $1,324,737 to Members of the House of Representatives, and $500,000 to Members of the Senate, for a total of $1,863,000.

Collectively, these cooperatives are large industrial milk producers, and they have had a pernicious influence on farm legislation, in my view.

The point I wish to add to the debate is that Members of the body should keep in mind that the House farm bill has a paid diversion program, a whole herd buy-out, and a milk tax to pay for them. Whole herd buy-out may be a good idea; diversion is not.

The milk tax is a food tax. It is a tax on the most elemental of foods. And we saw this morning the great disparity with which the tax moves from the small producer to the large producer.

I hope we will keep in mind that unless we go with the amendment that my friend from Florida and my friend from Rhode Island and I have introduced—with others—we will come out with the milk tax, which is a food tax, which is something we did 2 years ago and everyone thinks we ought not to have done; whereas, there is a case to be made for moving down the support price level so we do not keep buying milk from people who produce only to sell to the Government and storing it at enormous cost and with no change in sight.

Mr. President, in that regard, I ask unanimous consent to have printed in the RECORD at this point a most informative and thoughtful letter from Andrew Novakovic, who is an associate professor of the Department of Agricultural Economics at New York State College of Agriculture and Life Sciences, which is part of Cornell University.

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

DEPARTMENT OF AGRICULTURAL ECONOMICS,
CORNELL UNIVERSITY,
Ithaca, NY, September 1, 1985.

Hon. DANIEL MOYNIHAN,
U.S. Congress, Senate Office Building, Washington, DC.

DEAR SENATOR MOYNIHAN: Gray Maxwell and I had a good discussion of dairy program options last week. Based on that visit, he encouraged me to share some of my thoughts with you. I am pleased to do so.

As you are well aware, policy makers and dairy industry leaders have been struggling to find a solution to the persistent problem of surplus production for the last five years or more. From the beginning, there have been advocates of simply reducing the support price, an economically logical approach. Those who resisted that approach first argued that the problem was overblown. Since about 1982 their argument has shifted to the hardships imposed on farmers by price cuts and the (presumed) inefficacy of the price cut solution. This thinking resulted in what was to become the Milk Diversion Program (MDP).

The debate in 1985 is essentially the same as that of 1983. It is no surprise that the House agriculture committee has endorsed the plan proposed by the National Milk Producers Federation (NMPF) and that the Senate agriculture committee has approved a straightforward price cut, the approach favored by the American Farm Bureau Federation and most dairy processors. Nevertheless there is a new twist this year, and I think it is one worth further consideration.

As you know the Dairy Unity Act (H.R. 2850) was amended by the full House committee to authorize a "whole-herd" or 100 percent buy-out option, in addition to a 5-30 percent MDP like that which expired last March. I believe this amendment was inspired by a plan put forward by Western United Dairymen, a group of California dairy farmers headquartered in Mr. Coelho's district. In any case, the buy-out option seems to be picking up political steam. I am told that the administration has made encouraging noises about this approach, although it is steadfast in its strong denunciation of the 5-30 percent MDP. NMPF has endorsed a buy-out, in conjunction with a 5-30 percent MDP. I understand that some Senators on the agriculture committee are seriously considering introducing a buy-out amendment, although the prospects in the Senate for a favorable vote are uncertain. A policy combining price cuts and a whole herd buy-out is more and more being viewed as a vehicle for compromise between the Senate and House positions.

Is this interest in the buy-out warranted based on economic analysis? Analysis of this approach is difficult. Formal language describing important parameters of this option has not been finalized even within the House. Moreover, most of the data one would need to precisely analyze who would sign-up, what their bids would be, how much milk would be involved, etc. is simply not available. Nevertheless, it is virtually certain that the buy-out approach would be more effective and cheaper than the 5-30 percent MDP. Would it be effective and cheap enough to justify using it? This is also not an easy question, but I think it might be worth trying.

My rough and ready analysis suggests to me that the buy-out would be equally effective as the 5-30 percent MDP in reducing production in the short run; however, it could achieve the same reduction for half the cost. For the longer run, the buy-out may have a much more lasting effect. I don't know how one could precisely estimate the rebound rate after a buy-out commitment expired, but one would have to conclude that it would be much lower than the rebound from a 5-30 percent program. With a partial herd reduction, it is financial suicide if a farmer doesn't rebuild (unless he quits altogether). For a farmer who has sold his herd and not milked cows for three or more years, the re-entry decision is much more difficult and likely to be negative.

Dairy farm buy-outs have been tried elsewhere. The experience in Sweden, for example, was that a buy-out program restricted to farmers over the age of 55 did not get a sufficiently large response and probably paid for people who were planning to retire anyway. The only way to avoid this problem is to make sure that enough farmers at the margin view getting out of dairy farming profitability of dairy farming is the key to the success of any temporary supply control program. If the buy-out plan is not accompanied by the necessary price cuts, the sign-up may be inadequate and it too will be followed by a rebound. Even the 5-30% MDP would have worked better had it been followed by deeper price cuts. (In fairness to the architects of the 1983 Dairy Production Stabilization Act, many analysts initially judged the 1985 price cuts to be adequate. The unanticipated drop in feed prices proved to more than compensate for the reduction in milk prices.)

Gray asked me which approach was better—cutting prices or a buy-out. The answer cannot be based on economics alone. Price cuts are the essence of a long run solution to the current market situation; however it can be reasonably asked whether or not the buy-out would speed the adjustment process (an economic issue) and/or make it less difficult for dairy farmers to adjust (a social issue). Proponents of the 5-30% MDP argued that it provided a quick and certain remedy in the short run and that it would contribute to a long run solution. How well it worked while it was in place is debatable. That it would contribute to a long run solution was wishful thinking from the beginning. The buy-out approach, however, offers more promise of being helpful in the long run adjustment process as well as the short run.

Does this mean that the Dairy Unity Act, as amended would make good policy? In my opinion the Dairy Unity Act is fatally flawed; an addendum to this letter outlines my reasoning. Nevertheless there are some concepts in and elements of the DUA that could be fashioned into a reasonable, workable policy.

The formula used to set prices under the DUA will result in ever increasing prices, the effects of which can only be offset by greater and greater diversions year after year. The standby supply control program becomes a permanent fixture. The price formula approach need not work that way.

A more sensible approach to setting prices accompanied by a buy-out plan could provide the basis for a long run economic solution, short run budget relief, and transition assistance to the farmers who must exit the

dairy business. Moreover it appears to be politically feasible.

You might be interested to know that Congressman Jeffords has offered a bill (H.R. 3160) that moves in this direction. It retains some of the concepts of the DUA, but it makes major improvements in the mechanics of the price setting procedure and the structure and timing of the supply management program. (It also ignores legislated increases in minimum federal order prices for milk used in fluid milk processing; a wise move in my opinion.) In my opinion, H.R. 3160 could be further improved; there are several elements in the price setting procedure that I think could be better structured. In fact, altogether different price setting procedures could work just as well or better. Nevertheless, it is a package worth studying.

A package such as I have discussed here could be used to encourage adjustments that are overdue and to begin a process that will be needed even more so in the not too distant future. Before the end of the decade, technologies that are now in their infancy may rapidly transform dairy farming and marketing. Even after the immediate problem is solved, further and perhaps even larger adjustments will be needed if we come anywhere near our current expectations for increasing productivity through technological change. Economic and political institutions will be hard pressed to cope with and adapt to such changes. It is not too early to prepare for such changes and begin needed adjustments.

In conclusion, my purpose in this letter has been to apprise you of the status of dairy policy as I see it and to suggest that a program combining price cuts and a whole herd buy-out plan may well be worth your attention. This is not to say that this approach is guaranteed to solve the dairy industry's problems now and in the future or that other approaches should not be considered. A buy-out program is not a panacea for the economic problems facing the dairy industry. If one accepts this approach, it should be done because the buy-out has positive social implications for farmers who will be displaced by price cuts and because it could reduce production and government expenditures (the latter coming from the concomittant assessment) more quickly than all but a very drastic price cut. The success of a new program cannot be guaranteed. Is a dairy buy-out worth taking a chance on? If it is accompanied by price cuts deep enough to reach and maintain a balance between market supply and demand, I would be tempted to try it.

I have sent Gray copies of some analyses I did a couple of months ago. Although they should be revised a bit (the situation is worse and some proposals have changed slightly), these analyses quantify some of my concerns and arguments. If you would like, I would be happy to further discuss these matters and more specific ideas with you or your staff.

Sincerely,

ANDREW NOVAKOVIC,
Associate Professor.

SENATOR MOYNIHAN, SEPTEMBER 1, 1985.
ADDENDUM

The Dairy Unity Act (DUA) combines three major elements: 1) revised procedures for setting the support price, 2) a milk diversion and assessment program, and 3) legislated increases in Class I prices in most federal orders.

The price setting procedure, which embraces what is generally known as the dairy parity approach, involves three steps. First, a "cost of production index" is calculated. This index is similar to the prices paid index used in the traditional parity price calculation, but it is intended to better represent input and other characteristics specific to dairy farming, as opposed to all agriculture. Secondly, this index is adjusted for increases in production per cow. The adjusted index is then multiplied by a base price, the product being the preliminary support price. A supply/demand adjuster is used in the third step. USDA net removals during the next marketing year are estimated based on this preliminary price. If projected net removals exceed four to five billion pounds, then the support price must be reduced according to a specific schedule (about 2.6% for every one billion pounds above five billion).

If the Secretary of Agriculture determines that, even with the foregoing price setting process, net removals in the next marketing year will exceed seven billion pounds, then he must institute a Milk Diversion Program (MDP). If projected net removals are five to seven billion pounds, then the Secretary may use a MDP if he desires. Below five billion pounds he may not use a MDP.

Under this program, it is virtually certain that a MDP would be required as soon as the bill was enacted. The committee decided that if a MDP is started when the bill is passed, it should last for 23 months. After that it is renewable annually, given the above criteria.

Most of the new diversion program is identical to the old MDP; however there are two key differences, in addition to the new one being renewable. Under this plan the assessment would be variable and tailored to cover any program costs above that associated with net removals of five billion pounds. Another deviation from the old MDP is that this plan would permit a buy-out or 100% option. That is, a producer could agree to cease production altogether, but he must do so for a period of three to five years. Payments under the buy-out option would be determined by a bidding system, where the maximum bid for a diversion payment would be $10 per cwt. on one's entire base. The normal base would be marketings between July 1, 1984 and June 30, 1985.

The third major feature of the DUA would rather arbitrarily increase Class I prices in 33 of the 44 federal milk marketing orders. In the Chicago Regional order the Class I differential would increase from $1.26 to $1.40. In the New York-New Jersey order the increase would be from $2.25 to $2.55; in Southeastern Florida the increase would be from $3.15 to $4.18. The rationale for these increases is that Class I differentials should reflect transportation costs from the upper Midwest; yet they haven't been adjusted since 1969. The merits of this reasoning, much less the specific increases, are hardly subject to universal agreement.

Another feature would require all federal order farmers to reimburse cooperatives for services that benefit non-members as well as members, i.e. for so-called marketwide services. The principal example of such a service would be balancing of market supplies, i.e. providing manufacturing outlets for milk not needed to serve Class I markets. Economists generally agree that cooperatives provide marketwide services; however it is not at all clear how these services should be valued. This could be a very important feature of the DUA, but its impact at this stage is impossible to determine with any precision.

The pricing formula under the DUA virtually guarantees that a diversion and assessment program will be necessary to cap net removals and government costs. Even with an assessment, the current DUA results in higher cash receipts to farmers, however consumers pay for much of this in the form of higher prices and consumption suffers in turn.

However one might feel about supply management programs, the DUA could achieve more market oriented results and avoid using a diversion program after FY 1987 if the pricing procedure were modified. Several well reasoned changes could be made. For example the DUA as it now stands permits no additional adjustments to the preliminary support price beyond those associated with net removals of 7 billion pounds. The supply/demand adjuster schedule could be extended downward.

The cost of production index could also be revised. For example, the current index includes the consumer price index and the index of prices received by farmers for beef, both weighted at 10%. Neither of these reflect the price of a direct production input. A revised formula having heavier emphasis on feed prices would result in lower preliminary prices for the next several years.

The significance of these two changes pales in comparison to what is needed to make the productivity adjuster a meaningful mechanism. The current productivity adjuster reduces the cost of production index 0.2 percent for every 100 pound increase in production per cow over 11,101 (a yield figure from circa 1976). This means a change in the support price of about 2/cwt. for every 100 pound increase in production per cow. The more production per cow is over the base level, the more meaningless this small adjustment becomes. In order for this productivity ajustment to result in more market oriented prices it would have to be increased five to tenfold. Another very simple but effective way to reflect productivity gains would be to simply adjust the cost of production index by the ratio of base production per cow to current yields. Theoretically this would overcompensate for productivity gains, but in practice it would provide more market oriented prices and would all but eliminate the need to use a supply/demand adjuster. If one used this procedure but retained the current cost of production index, the October 1 support price would be about $11.57 without using any supply/demand adjustment; the current formula yields $11.67 after the maximum supply/demand adjustment (−7.8 percent).

Supporters of supply managment strategies have argued that the only way to achieve mandated budget cuts is to use supply controls or drastically cut support prices. Additional analysis confirms what many dairy industry analysts have speculated. Support prices would have to fall to about $10 per cwt. in order to achieve goals for net removals and budget costs. The price cuts could be smaller if demand grows more rapidly or if supply grows less rapidly. The reverse is also true. Production and consumption data for 1985 will be important indicators of what can happen when support prices are reduced. The evidence so far is not encouraging. Although commercial uses appears to be up, production is also up considerably during the second quarter of 1985. Whether the rate of increase in production continues after the July 1 drop in the support price is fully felt by farmers remains to be seen, but in today's favorable feed prices

a significant change is production does not seem to be imminent.

Mr. LEAHY. Mr. President, I yield to the distinguished Senator from Wisconsin.

Mr. KASTEN. Mr. President, I just wanted to make a brief comment on one of the ideas which the supporters of the Hawkins amendment have been discussing during the debate, and that is the point that cuts in dairy price supports send a signal to farmers to reduce production.

I think my colleagues know the record in this area well enough. The price support has been cut three times in the last 2 years, and has not been raised in over 4 years. Yet, except for 1984 when we had the diversion program, production has gone up every year.

This year, we have reduced the price support by a full dollar and production is going up at a record clip.

Clearly, if cutting the price support is supposed to send a signal to cut production, that signal is getting lost somewhere. It simply is not getting through.

How do we solve the mystery of the lost signal? It is pretty basic, really. We have a combination of very low input prices—especially corn—and just staggering interest rates.

Low feed costs make it possible to increase productivity per cow. The meaning of that is clear from the following: Milk production in the United States is up 10 percent from a year ago. We have 3 percent more cows—but production per cow is up 7.6 percent.

In Wisconsin, cow numbers are up 3.5 percent—and per-cow productivity has risen 8.7 percent. In Minnesota, where milk production has soared 17.3 percent over last year, there are 5.1 percent more cows, but each cow is producing 12.2 percent more milk.

Clearly the driving force behind increased production is the input price—cheap grain—not the output price.

High interest rates add to the problem by making farmers desperate to maximize their cash flow by producing all they can, just to meet expenses.

Until we improve our competitiveness in world markets in feed grains, and until we get interest rates down, changing the price support level is just not going to work without driving thousands of farmers off the land.

I would add also that a lot of production in dairy has been stimulated by the Tax Code. Rapid depreciation, the investment tax credit, and allowing even the largest farms to use cash accounting has spurred the growth of massive dairy operations in California and the Southwest. The advantages our current Tax Code gives to these operations will far outweigh any impact a 50-cent price cut would have. So they will continue to increase their production.

I would sum up by saying that if we want to reduce milk production in this country, the price support level should be about fourth in the list of things we should be talking about.

I am hopeful the Hawkins amendment will be defeated.

Mrs. HAWKINS. Mr. President, I would like to get back on the subject that we are talking about here and read into the RECORD that the September milk production totaled 12 billion pounds. That is a record high for September and 11 percent more than September 1984. That is from the Crop Reporting Board, USDA Statistical Reporting Service. The production per cow averaged 1,072 pounds during September, which was 76 pounds above September 1984. The total number of milk cows in herds average 11.2 million head during September, 3 percent above September a year ago. So all of the arguments or statements that I have heard made really do not face up to the actual numbers when we look at milk production is up and cost of production is down. The cost to consumers in some areas of the country has gone up.

I have seen a map floating around here that has colors where the cows are, where the milk farms are. It is very interesting. We have very large dairy farms in Florida. That surprises a lot of people. But we have probably some of the biggest dairy farms in Florida and they support the reduction. They oppose a milk tax.

At the same time, we could have a map floating around showing where the people are moving. Maybe we could have the people and the cows go together. We certainly would appreciate that happening in some of our cities in Florida where we have a rapid influx of out-of-State people and then we do not have enough milk for them.

I believe one of the arguments that has been lost in this total debate is that this helps the needy. We understand and should understand that low-income families spend two and half times as much of their income on food as compared to the average-income families. It will save the consumers $1.2 billion at the grocery store over the next 3 years.

We have debated from the beginning of this year to November on the budget. The public is weary of the budget and the deficit. They are tired of the inaction of this body on continuing to labor over a budget that is reasonable, cuts in spending that are reasonable, and are saying, "Get on with your work and do not print any more about it."

We have an opportunity now in November to actually do some cost savings here, not just a budget. That is a resolution. It is nonbinding. I can get a waiver any time I want to the budget if I have got a good program. That just takes up a lot of time here in the Senate and we cannot get around to the real work. We are now down to the real savings that can be made. I am saying that those people who were so eager to vote for the Gramm-Rudman-Hollings, et cetera amendment for budget savings have a great opportunity right now to cut expenditures and to lower consumer prices to low-income families.

For the first time since this Senator has been here, this amendment, the Hawkins-Moynihan amendment, has widespread support. I have rarely seen a cut of any kind that was supported by as many organizations. It is supported by the American Farm Bureau Federation. It is supported by the National Cattleman's Association. It is supported by the Chamber of Commerce. It is supported by the National Taxpayers Union. It is supported by the Americans for Democratic Action, which ought to get a lot of attention on the other side of the aisles. They have had a lot to say about this. And also the Public Citizens Congress Watch, a consumers' group that we hear a lot about here on the floor of the Senate, and many, many more people are supporting it.

I would like, Mr. President, at this time to read into the RECORD a letter I received from a Dairy farmer:

> DEAR MRS. HAWKINS: As a dairy farmer, I would like to express my support for your efforts on the Dairy Bill.
>
> As a member of the Florida Dairy Co-Op for 27 years, I feel proud of our record in the state. We have done a good job of keeping our supply in line with the demand for fresh fluid milk. Under Florida base plan, we, as an individual producer, need to pay to have milk shipped in from out of state if there is a milk shortage in the state. Currently, it is costing us $400.00 to $500.00 a month in import charges, at the same time that we are taking a price cut because of a national surplus. We support a $.50 a hundred cut in the price support by January, 1986, and a sane approach to Federal policy that will not lead to additional milk shortages in the Southeast, especially in Florida.

Every Southeastern Senator should listen to that, every growing State should listen to that, and those who have families should listen to that, and those with elderly in their States should listen to that.

It is very ironic that one committee is over here talking about milk production, milk supply and milk costs which is the Agriculture Committee. This Senator would like to lower those costs to the consumer so everyone can afford milk and have plenty. The other time you sit on the Health Committee and have hearings on osteoporosis where we find we are going to have an epidemic among our elderly, those 40 years of age and older, those of thin bones and holes in their bones because of lack of calcium.

We have 900-and-some-odd billions of pounds of milk in storage. It is absolutely unacceptable to explain that to

any constituent in the face of the alternative, which is a milk tax.

We know very well that the House version has a milk tax which most everybody opposes that is in this milk business.

I ask unanimous consent, Mr. President, at this time to print in the RECORD quite a few—at least an inch and a half—of letters of endorsement for support, as though read.

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

NATIONAL CATTLEMEN'S ASSOCIATION,
Englewood, CO, November 12, 1985.

Hon. PAULA HAWKINS,
U.S. Senate,
Washington, DC

DEAR SENATOR HAWKINS: We will soon be addressing dairy policy in the farm bill debate on the Senate floor.

The Leahy program in the committee-passed farm bill is a step in the right direction, providing for long-term, predictable price adjustments based upon demand. It simply states that when the government is forced to buy too much surplus milk, price support levels will be reduced. Conversely, the Secretary has discretion to increase supports, whenever necessary to stimulate production.

However, the Committee bill postpones the solution to the milk surplus dilemma for one full year. The Hawkins/Moynihan/Chafee amendment addresses the problem in January 1986. Your amendment is also favorable to the federal budget and to the long-range beef supply and price situation.

One might ask why are the cattlemen interested in the price of milk? Well, we are not interested in the milk; the cull cow is our concern. Dairy cow production is an integral part of the red meat industry. Dairy beef accounts for 20% of all beef and 40% of ground beef consumed in the United States. Artificially high milk prices cause an artificially high number of dairy cows.

In 1985, we are witnessing the largest growth in milk production in modern history. This over-stimulation of milk production and cow numbers is the result of high support payments, declining feed costs, access to superior genetics, and an excess inventory of replacement heifers. This overproduction can best be arrested by lowering support prices.

The National Cattlemen's Association supports your efforts to enact a sound dairy policy in 1986. The Hawkins/Moynihan/Chafee amendment to the dairy title of the 1985 Senate farm bill is a reasonable approach to addressing the serious over-production problem faced by the American dairy industry.

Sincerely,

JO ANN SMITH,
President.

CHAMBER OF COMMERCE OF THE UNITED STATES OF AMERICA,
Washington, DC, October 29, 1985.

Senator PAULA HAWKINS,
U.S. Senate,
Washington, DC.

DEAR SENATOR HAWKINS: The U.S. Chamber of Commerce, which is composed of more than 184,000 member companies plus several thousand other organizations, such as local/state chambers of commerce and trade/professional associations, is pleased to support you and Senators Moynihan and Chafee in your effort to amend the farm bill to begin gradual reduction in the dairy support level in 1986, rather than in 1987 as provided in the committee bill, S. 1714.

Milk production at the current support level has continued to increase rapidly, and the government purchased 11.9 billion pounds of surplus dairy products in fiscal year 1985. Current estimates indicate surplus purchases of 13 billion to 16 billion pounds in 1986, unless the support level is reduced.

Unlike many other sectors of agriculture, the dairy sector has remained relatively prosperous in recent years. With historically cheap feed costs and sharply rising productivity per cow, dairy farmers have excellent prospects for profitability even with a 50¢ per 100 pounds reduction. A timely cut in the dairy support level will curb surpluses. Moreover, a 50¢ reduction in 1986 may well prevent a more drastic cut in 1987. The process of adjusting price supports should be gradual and should begin as soon as possible for the sake of dairy farmers.

We thank you for your leadership on this issue. It is essential that the Senate enact a workable and equitable dairy program and provide its conferees with a strong position for the farm bill conference deliberations.

Sincerely,

ALBERT D. BOURLAND,
Vice President,
Congressional Relations.

PUBLIC VOICE FOR FOOD & HEALTH POLICY,
Washington, DC, November 5, 1985.

Senator PAULA HAWKINS,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR HAWKINS: Public Voice for Food and Health Policy fully supports your amendment, co-sponsored by Senators Moynihan and Chafee, to reduce dairy price supports by 50 cents in 1986. Dairy farmers need to receive a signal to cut back on overproduction that added $4 billion in costs to consumers during 1985.

We are working with you for passage of your necessary and timely amendment.

Sincerely,

ELLEN HAAS,
Executive Director.

AMERICAN FARM BUREAU FEDERATION,
Washington, DC, October 25, 1985.

Hon. JOHN H. CHAFEE,
U.S. Senate,
Washington DC.

DEAR SENATOR CHAFEE: Farm Bureau strongly supports the Hawkins/Moynihan/Chafee amendment to the dairy title of S. 1714 that will accelerate the time in which dairy support prices are adjusted. We believe that such an amendment is necessary to bring dairy supply in closer balance with demand.

Farm Bureau policy is developed in a democratic process initiated in the county and state Farm Bureaus and voted on by delegates to the American Farm Bureau Federation at our annual meeting. The American Farm Bureau Federation is the nation's largest general farm organization and represents the largest number of dairy producers in our 48 member states and Puerto Rico. Farm Bureau policy regarding national dairy programs states:

"We support a dairy price support program which will bring supplies down to demand levels.

"We favor a system where the price support level would be automatically adjusted according to the amount of net dairy products purchased by the federal government and oppose any assessment of producers by the federal government as a part of any future dairy legislation."

Farm Bureau commends the Senate Committee on Agriculture for adopting a dairy proposal which will adjust the support price according to the level of government acquisitions. This proposal, based on sound economic principles, is an appropriate response to the current excessive supplies that plague the dairy industry. To bring the milk supply into closer balance with the commercial demand, however, we believe that the current support price of $11.60. per hundredweight must be adjusted before January 1, 1987.

The Hawkins/Moynihan/Chafee amendment provides that, if dairy purchases are projected to be greater than 10 billion pounds milk equivalent in 1986, the Secretary shall adjust the support price downward by 50 cents on January 1, 1986. Such an adjustment is justified by projections that dairy product purchases will range between 13 and 15 billion pounds in 1986 in the absence of a support price adjustment.

Opponents of the Hawkins/Moynihan/Chafee amendment will argue that it will have a detrimental impact on dairy farmers. We take issue with such statements based upon the following points:

1. Due to large supplies of feed for dairy producers, feed costs are projected to decrease over the next year and are expected to continue at lower levels for the foreseeable future. With feed costs declining, extension of the $11.60 per hundredweight support price would actually provide many dairy producers an incentive to increase production for which there is no market.

2. Because production is projected to increase well beyond market-clearing levels acceptable under provisions of S. 1714, failure to adopt the Hawkins/Moynihan/Chafee amendment would likely result in a $1.00 per hundredweight price cut on January 1, 1988, and January 1, 1989. Dairy producers would be better served by the less drastic cuts in the support price proposed under the Hawkins/Moynihan/Chafee amendment.

3. The 50 cent per hundredweight reduction in the support price that would occur in 1986 under this amendment would not reduce the price received by all dairymen by 50 cents for each hundredweight of milk produced. Dairy farmers receive a price which reflects the blend of production that moves into fluid milk markets and that which is used for manufacturing purposes. The 50 cent per hundredweight support price reduction will only be passed on to dairy producers in relation to the proportion of end use products for his milk production.

Some opponents of the Hawkins/Moynihan/Chafee amendment will argue that other program provisions contained in S. 1714 provide for the freezing of target prices for other commodities, and therefore, consideration should be extended to dairy producers. However, the dairy program operates in a significantly different fashion than programs for other commodities. Under the dairy program, the federal government purchases all milk that the market does not use. In contrast, participants in other commodity programs must comply with eligibility requirements that include reduction of acreage and practice of conservation measures. In no other commodity program does the government provide an unlimited market. This market necessitates a sensitive adjustment of the support price to avoid ex-

cessive supplies. Under the Hawkins/Moynihan/Chafee amendment, surpluses would be reduced more quickly, commercial use would increase and government purchases and costs would be significantly reduced.

Finally, Farm Bureau supports the Hawkins/Moynihan/Chafee amendment in S. 1714 as a means of assuring that the dairy program contained in the final version of the 1985 Farm Bill does not rely on assessments to reduce the cost of the dairy program to the federal government. Assessments as a policy mechanism create individual and regional inequities by imposing a tax on dairy producers to raise revenue that is paid to a small number of producers in exchange for reduced production. An assessment, which is borne by all dairymen, reduces the income received for milk but passes none of that reduction on to consumers in the marketplace. Past programs which have relied on an assessment have a history of failure and should not be repeated.

Farm Bureau commends Senators Hawkins, Moynihan and Chafee for offering their amendment to improve the Senate Agriculture Committee's dairy title. With that improvement, the dairy title of S. 1714 offers a sensible, fiscally responsible and economically viable means of assuring adequate protection to our nation's dairy producers while reducing the level of surplus production. Farm Bureau will provide you any assistance in seeking passage of this amendment.

Sincerely,

ROBERT B. DELANO,
President.

NATIONAL INDEPENDENT
DAIRY-FOODS ASSOCIATION,
Washington, DC, October 1, 1985.

Hon. PAULA HAWKINS,
Hart Senate Office Building, Washington, DC.

Re: S. 1714, Dairy Title, Hawkins-Moynihan/Chafee Amendment.

DEAR SENATOR HAWKINS: Soon you will be asked to consider the farm bill, S. 1714, and amendments. We urge you to vote for the Hawkins amendment to the dairy title of the Agriculture Committee bill S. 1714 for two very important reasons:

(1) Due to Federal Milk Marketing Orders, most dairy farmers are paid more than the government support price currently at $11.60 per Cwt.

(2) Dairy processors must pay dairy farmers or their cooperatives the federal or state order prices plus added service charges for their fluid milk. These prices for September 1985 vary between $12.91 in Minnesota to $16.40 in southeastern Florida. The simple average in the 47 federal order areas for September 1985 is $13.99, yet the support price is $11.60.

Remember, prices received by dairy farmers are not those proposed in either the Senate bill S. 1714 or the Hawkins amendment. Dairy farmers or their cooperatives are paid substantially higher prices depending on the region and cost of production. (See attachments A, B and C.)

There is no evidence that efficient dairy farmers are now in trouble, facing finanical ruin, or likely to under the Senate bill. The House adopted dairy title contains a disastrous diversion program that will cause severe shortages of fresh fluid milk for commercial markets in various parts of the country. This will occur while the CCC is buying billions of pounds of surplus milk nationwide, as in 1984.

The 50¢ per Cwt. cap on the diversion tax on dairy producers for this diversion plan will cost the U.S. taxpayers millions of dollars. Most experts agree that a minimum assessment of at least $1.00 per Cwt. would be required to finance this program as passed by the House. The House-approved diversion program is a "budget buster." Despite the 1984 diversion program, CCC purchases are up 50% to 13 billion pounds. Why then do some big-money dairy officials and politicans vigorously push the House bill?

The ill-advised House bill is aimed at keeping the support price as high as possible because the giant dairy cooperatives have enormous processing facilities whose principal customer is the United States government. CCC must buy the surplus dried milk, cheese and butter at the support price. In fact, the House bill would drive up the CCC purchase prices and keep the cooperatives' excess processing at high capacity.

Remember, the support price is primarily related to the price the government pays for surplus dairy products, and government is the principal customer of these milk drying, cheesemaking and butter churning co-ops. The current over-inflated support price encourages additional surplus production and the co-ops are pressing to keep that price as high as possible.

The Hawkins amendment to the Senate Agriculture Committee bill offers a long-range, permanent, sensibly phased-in, and moderate change to achieve balance between dairy production and the commercial markets.

Sincerely,

DONALD A. RANDALL,
EXECUTIVE VICE PRESIDENT/
General Counsel.

CRIMP—COALITION TO REDUCE INFLATED MILK PRICES

JULY 30, 1985.

Dear Senator: When the Senate considers new legislation for commodity programs we urge you to give special attention to proposals for the dairy program.

Since 1981 the dairy law has been changed 7 times. It is time to enact legislation which will be more than a short term solution.

We think the dairy provisions recently agreed to by the Senate Committee on Agriculture, Nutrition and Forestry are headed in the right direction and will result in the long range adjustments needed in our nation's dairy program.

We are concerned, however, that this proposal would allow government purchases of dairy products which are already very high to continue to increase during FY 1986. Therefore, we urge your support of an amendment to the dairy provisions in the Committee's bill which would enable the Secretary of Agriculture to adjust the milk price support level by 50 cents in January of 1986 if purchases are estimated to exceed 10 billion pounds. We think this amendment will result in a reasonable dairy program for dairy farmers as well as for processors, retailers and consumers.

Current USDA estimates indicate that government purchases of dairy products will be about 10 billion pounds during this fiscal year. However, we expect they will actually total closer to 12 billion pounds.

Milk production is increasing very rapidly and we expect government purchases will soar to about 15 billion pounds during FY 1986, unless the milk support price is reduced on January 1, 1986.

We appreciate the action of the Committee, but believe you should not wait until 1987 to make the first reduction. We urge your support of an amendment to reduce support price by 50 cents on January 1, 1986.

On behalf of:
American Butter Institute.
Beatrice Companies.
Borden, Inc.
Chocolate Manufacturers Association of the U.S.A.
Consumers Union of U.S., Inc.
Food Marketing Institute.
International Association of Ice Cream Manufacturers.
Kraft, Inc.
Milk Industry Foundation.
National Confectioners Association.
National Independent Dairy Foods Association.
National Restaurant Association.
National Taxpayers Union.
Northeast Ice Cream Association.
Pepsi Co, Inc.
Pizza Hut.
Public Citizen's Congress Watch.
Public Voice for Food & Health Policy.
Taco Bell.
U.S. Chamber of Commerce.

DAIRY FARMERS FOR RESPONSIBLE
DAIRY POLICY,
Washington, DC, October 17, 1985.

Hon. PAULA HAWKINS,
U.S. Senate, Washington, DC.

DEAR SENATOR HAWKINS: I am a dairy farmer in Ontario, California. My brother and I operate two dairy facilities. We support the Hawkins-Moynihan-Chafee amendment to the Senate Agriculture Committee passed dairy title. This is a responsible approach to solving the overproduction of milk and is in the best long-term interest of dairy farmers, consumers and taxpayers.

I am also the Chairman of a new dairy farmer organization called Dairy Farmers for Responsible Dairy Policy. This group was organized for sole purpose of obtaining a responsible dairy policy in the 1985 farm bill. The most recent dairy program which included paid milk diversions and an assessment, a tax, on every pound of milk dairy farmers produced was and is irresponsible.

Dairy Farmers for Responsible Dairy Policy support and endorse the Hawkins-Moynihan-Chafee amendment. Joining together in this effort are many individual dairy farmers from 24 states (including all of the major milk producing states) who believe that a simple and certain approach to solving the current overproduction of milk is a gradual reduction in the support price until overproduction is reduced. These dairy farmers are convinced that the large dairy cooperatives which argue for the milk tax and for paid diversion are trying to move dairying in the wrong direction. No dairy farmer should welcome a tax on his product!

The current support price of $11.60 is equal, in relation to today's feed prices, to the 1983 support price of $13.10 and the then existing feed prices. This would explain the rate of increasing milk production that has occurred over the last six months. At the current rate of production increase we will, in 1986, probably exceed the record level of CCC purchases of 1983.

To preserve the integrity of the entire dairy support program the reduction of 50 cents on January 1, 1986 of the support price if surplus purchases are projected to exceed 10 billion pounds is necessary and responsible.

As a dairy farmer, I am not looking forward to a support price reduction on Janu-

ary 1, but I realize the necessity of this reduction to influence an appropriate correction in the total volume of milk that is produced.

Even after a reduction in the support price of 50 cents the Senate bill will at least equal the net farm price of the House bill. The House bill would tax the dairy farmer about $1.05 according to USDA estimates. A part of that, perhaps 50 cents, would be given back through an increase in support prices. Everyone . . . dairy farmers and consumers would lose.

Reducing the support price is straightforward and simple. It has none of the sleight-of-hand of a tax-and-then-price-raise scheme.

A reduced price coupled with the existing national promotion program should have the effect of influencing an increased commercial demand for dairy products. This is certainly the most logical and responsible approach to solving the cost of the current dairy program.

With kind regards.

Sincerely,

FRED DOUMA.

U.S. CHAMBER OF COMMERCE,
October 28, 1985.

Senator PAULA HAWKINS,
U.S. Senate, Washington, DC.

DEAR SENATOR HAWKINS: The U.S. Chamber of Commerce, which is composed of more 184,000 member companies plus several thousand other organizations such as local/state chambers of commerce and trade/professional associations, is pleased to support you and Senators Moynihan and Chafee in your amendment to begin gradual reduction in the dairy support level in 1986, rather than in 1987 as provided in the committee bill, S. 1714.

Milk production at the current support level has continued to increase rapidly, and the government purchased 11.9 billion pounds of surplus dairy products in fiscal 1985. Current estimates indicate surplus purchases of 13 to 16 billion pounds in 1986, unless the support level is reduced.

Unlike many other sectors of agriculture, the dairy sector has remained relatively prosperous in recent years. With historically cheap feed costs and sharply rising productivity per cow, dairy farmers have excellent prospects for profitability even with a 50¢ per 100 pounds reduction. A timely cut in the dairy support level will curb surpluses. Moreover, a 50¢ reduction in the support level in 1986 may well prevent a more drastic cut in 1987. The process of adjusting price supports should be gradual and should begin as soon as possible for the sake of dairy farmers.

We thank you for your leadership on this issue. It is essential that the Senate enact a workable and equitable dairy program, and provide its conferees with a strong position for the Farm Bill conference deliberations.

Sincerely,

STUART B. HARDY,
Manager,
Food and Agriculture Policy.

CHAMBER OF COMMERCE OF THE
UNITED STATES OF AMERICA,
Washington, DC, October 11, 1985.

TO MEMBERS OF THE SENATE: The U.S. Chamber of Commerce, which is composed of more than 184,000 member companies plus several thousand other organizations such as local/state chambers of commerce and trade/professional associations, supports a farm bill that will provide farm and ranch businesses with the opportunity for sustained profitability. Our membership includes farmers, ranchers, farm input industries, and all of the other businesses that contribute to the twenty percent or so of the GNP associated with food production and distribution.

We fully recognize the need for continued government assistance to agriculture, especially during this time of financial distress. At the same time, we believe that suport measures should be accompanied by long-term reforms aimed at reducing government costs and making agriculture more competitive in world markets.

The 1981 Farm Act contributed to the current stress in the farm economy by encouraging overproduction and pricing U.S. crops out of world markets. Gradual reform is needed; soon you will have an opportunity to achieve this reform when S. 1714 comes to the floor.

The new farm bill, recently reported by the Agriculture, Nutrition and Forestry Committee, contains many features beneficial to agriculture and rural communities. It also contains provisions that are contrary to the objectives of sustained farmer/rancher profitability without soaring government costs. We ask your help in correcting S. 1714 or sending it back to committee.

Three provisions that are counter to farmer/rancher profitability are: (1) a four year freeze on target prices, in spite of how the market may change; (2) a dairy title that will encourage new record surpluses and government purchases; and (3) a mandatory supply management proposal for wheat that will simply drive U.S. suppliers out of the market and even result in the ridiculous situation of this country importing lower price wheat (or erecting tariff barriers not to). Our reasons for asking your assistance in changing these positions are explained below.

With respect to our first concern, the committee bill freezes target prices for feed grains, cotton and rice at 1985 levels for the term of the bill. In the case of wheat, the target price would increase for most producers. At the same time, the loan level for those crops will decline over the term of the bill. This lowering of loans is a desirable reform aimed at making U.S. crops more competitive in the world. However, if targets remain frozen and loans decline, the gap between the two widens, and deficiency payments from the Treasury escalate enormously.

Our second concern is the dairy program. The committee bill would freeze the dairy support price at the current level until January, 1987, at which time a reduction may occur. Milk production at the current support level has continued to increase rapidly, and the government purchased 11.5 billion pounds of surplus dairy products in fiscal 1985. Current estimates indicate surplus purchases of 13 to 16 billion pounds in 1986, unless the support level is reduced.

Unlike many other sectors of agriculture, the dairy sector has remained prosperous in recent years. With historically cheap feed costs and sharply rising productivity per cow, dairy farmers have excellent prospects for profitability even with a 50¢ per 100 pounds reduction. A timely cut in the dairy support level will curb surpluses.

The Chamber's third concern is the mandatory supply management proposal in the wheat title. This approach of marketing controls and sharply higher price supports, which was soundly rejected by the House of Representatives, would have damaging ripple effects on livestock producers and other grain user industries. Land would be idled and farm supply businesses would suffer. Consumers would pay more. Export markets would be forfeited, and barriers would have to be erected against the likely anomaly of this country importing cheaper wheat. Grain farmers would also suffer because they would be forced to shrink production levels back to domestic or below market needs.

During full Senate consideration of S. 1714 you will have an opportunity to address these concerns and substantially improve the bill. The Chamber requests your support for an amendment by Senator Lugar to provide the Secretary of Agriculture with authority to reduce target prices for wheat, feedgrains, cotton and rice by no more than five percent per year beginning in 1987. Target prices in 1986 would remain frozen at 1985 levels, providing growers with another full year of income protection. This is the most equitable and effective way of reducing costs without imposing undue hardship on producers. Many grain and cotton farmers do not participate in the program and are, therefore, not eligible for deficiency payments. Of those who do participate, the majority receive payments of only a few thousands dollars or less. A gradual ratcheting down of payments will have negligible effect on individual farmers' income, but save $6 to $8 billion, according to the Congressional Budget Office.

The Chamber also urges your support for an amendment by Senators Hawkins, Moynihan and Chafee providing for a 50¢ reduction in the dairy price support level in 1986 if government purchases are estimated to exceed 10 billion pounds during the year.

Finally, the Chamber asks your support for deletion of the wheat referendum and the mandatory supply management program.

If you or your staff would like further information or have questions, please contact Stuart Hardy or Rhonda Kleckner at 463-5533.

Thank you for your consideration of these issues of crucial importance to the business community and consumers.

Sincerely,

ALBERT D. BOURLAND,
Vice President,
Congressional Relations.

CRIMP,
Washington, DC.

DEAR SENATOR: You may be hearing arguments against lowering mile price supports, but don't be misled. While the support price today is $1.00 per hundredweight lower than it was a year ago, increases in dairy productivity and a significant drop in feed prices have more than compensated for the price support drop.

According to the latest USDA milk production report, milk output per cow was up a record 7.6 percent in September compared to a year ago. This means dairy farmers are getting an additional 82 cents per hundredweight in revenue from the productivity gain. The September increase in productivity follows gains of 7 percent in August, 5 percent in July, and 4 percent in June compared to year earlier levels. These gains in milk output per cow compare to an average annual increase of only about 2 percent over the past 10 years.

At the same time the price of the standard 16 percent protein dairy feed ration, which is the single largest cost item in producing milk, is $21 per ton (11 percent) cheaper than a year ago. In terms of feed

costs per hundredweight of milk produced, this is 56 cents below last year. Likewise, corn prices are 25 percent lower and soybean meal prices are down almost 20 percent from a year ago.

Clearly the combination of lower feed costs (down 58 cents per cwt) and increased productivity (adding 82 cents per cwt) have significantly offset the $1.00 decrease in the price support over the past year. We have not yet seen a decrease in real prices because of these offsetting factors.

Holding the price support at its current level of $11.60 will result in milk production reaching a record 145 billion pounds in FY 1986. CCC purchases will exceed 15 billion pounds. The price support must be reduced in 1986. The Hawkins, Moynihan, Chafee amendment will do this by lowering the price support on January 1, 1986 by 50 cents if CCC purchases are projected to exceed 10 billion pounds.

We urge you to support the Hawkins, Moynihan, Chafee amendment when it is introduced on the Senate floor.

Sincerely,

——— ———.

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

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

The assistant legislative clerk proceeded to call the roll.

Mr. BOSCHWITZ. 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. BOSCHWITZ. Mr. President, I hope that the proponents of the amendment will return to the floor. I see that the Senator from Florida is here. I would like to ask them a number of questions. I presume a number of my colleagues have already talked about agriculture in general, and I will not repeat that.

I might say that dairy farming has been the most stable aspect of the farm picture, as least in the Middle West, and to now impose a greater strain on it after having two price reductions in the last 6 months would certainly be a cruel blow to rural America.

There are some other things that can be done in order to bring about greater equity and achieve the goal of lowering the price so that milk can be more available to more people, and the consumer will benefit as the Senator from Florida discussed.

One such way would be to make the marketing orders more uniform; that is, the farmers in the Middle West and also up toward the Northwest get a lower price for their milk than the farmers in Florida who receive the highest price as I have noted to my friend from Florida at another time. The farmers in Rhode Island receive about $1.50 a hundredweight more for their milk than they do in the Middle West, and most of the States of the Middle West.

So I wonder if the 50-cent reductions can be made somehow proportionate so that those States and marketing areas that receive a higher price for their milk would be proportionately reduced, or in the alternative that perhaps a single national price be adopted because the differing prices were adopted at a time when fresh milk was not available in all parts of the country. That is no longer the case.

As a matter of fact, the price of producing milk is considerably cheaper in areas of the country, the Southwest most particularly, than it is in many parts of our country, and probably New England or certainly Minnesota.

So my question is, will the proponents of this amendment to even the prices that exist among the States and areas of the country?

I address that question either to the Senator from Florida or the Senator from Rhode Island.

Mrs. HAWKINS. Mr. President, the Senator from Florida understands that the purpose of a marketing order was—I was not here when they did this and it takes quite a lot of tortuous studying to follow it let alone understand it. But the bottom line is that the purpose of a marketing order was to ensure supply of fluid milk to the local markets. Is that correct?

Mr. BOSCHWITZ. That is correct.

Mrs. HAWKINS. The orders have been structured, therefore, in the past to make allowance for higher cost of production which has become the starter here.

Mr. BOSCHWITZ. No. That is not correct. The cost of products—for instance in the Southwest alone they have such things as better water, they also have a little better weather pattern, they do not have to pump a lot of food into the cow to keep it warm in the winter, and things like that. But basically what happened is because of the concentration of the dairy industry in our part of the country, the Middle West and the upper Middle West—and because of an absence of that industry in other parts of the country—advantages were given, and those advantages are pretty well reflected in the Southeast and in the East by the freight between the Middle West and the other area.

So my question is would the Senator from Florida allow the prices to become uniform across the country if we were to offer such an amendment, or close to uniform?

Mrs. HAWKINS. My understanding from the tables which state milk production and costs and returns by regions in the United States for 1984 show that the total cost of production for the Northeast is 1,367, the upper Midwest is 3,148, the Corn Belt is 1,485, Appalachia is 1,478, the Southern plains is 1,373, and the Pacific is 1,105.

That is an average of $13.49, according to this chart. It shows milk production costs and returns. Then when you go down to net returns, the returns in the Northeast are $4.08; upper Midwest, $4.38; Corn Belt, $3.13; Appalachia, $2.86; Southern Plains, $2.81; Pacific, $3.81. The average about $2.91. So there is a higher net return.

Mr. BOSCHWITZ. The costs of production are fairly equal across the United States at this time. There are advantages and disadvantages. The Senator from Florida has disadvantages because of the heat and humidity in some months, when there is less production.

First, I might say that right now the milk price is level from State to State on all products, except on fluid milk where there is a class I differential.

Would the Senator from Florida or from Rhode Island be agreeable to a reduction in the class I differential? The differential in Minnesota on fluid milk is $1.12. The differential in Florida is $3.15.

Mr. CHAFEE. Since the question was directed partly to me, I will answer, sure, I will be glad to look at that, but that is discussing a different subject. The subject before the Senate is, how do we get rid of these surpluses? The greatest contributor to the surplus is the fact that the Federal Government is in there buying at the level of 1960. That is the problem we are wrestling with. A change in the marketing order is a change that affects the minimum price that the milk be sold at.

Mr. BOSCHWITZ. The Senator is incorrect.

Mr. CHAFEE. If that were to have some consequential effect, I suppose it would, but what we know will have an effect, and because the committee, itself, has dealt with this, is reducing the price support figure by what we say is to go ahead with the 50 cents now in January 1986, rather than waiting until January 1987. These surpluses are just getting out of control.

As the Senator from Minnesota knows so well, coming from a dairy State, the production that they are getting, the increased production per cow, is going up every year and will continue to increase. What the future holds is truly frightening.

Mr. BOSCHWITZ. The question is, Will the Senator's State receive higher prices for the milk and would they be agreeable to reducing their price more to a national average so that we can get about the business of balancing out supply and demand? Perhaps I would look differently at the approach of reducing it 50 cents across the board for everybody. We would ask whether or not you would adjust the class I differential so that it would not favor areas away from the West.

Mr. CHAFEE. I said I would be glad to look at that, but to me that is a separate subject from the subject we are dealing with here.

Mrs. HAWKINS. Mr. President——

Mr. BOSCHWITZ. I believe I have the floor.

Mrs. HAWKINS. Have you asked your question?

Mr. BOSCHWITZ. I ask the Senator from Florida, would she be agreeable to reducing the class I differential in her State by $1.50 to $2 per hundredweight?

Mrs. HAWKINS. This Senator came to the floor to discuss price reduction, first a milk tax. The question asked is not on the subject that we are talking about.

Mr. BOSCHWITZ. I would suggest that it is very much on the subject.

Let me ask the Senator from Florida and the Senator from Rhode Island another question. Milk does not go from one State to another quite as freely as it should. For example, in Wisconsin real surpluses are developing now.

I see the Senator from New York is here and I address my question to him as well.

I might vote for the amendment of the Senator from New York, the Senator from Rhode Island, and the Senator from Florida if they would not object to the following amendment to allow milk to be condensed and shipped to Florida, to New York, to Rhode Island, to wherever, and then have water added back in and sold as condensed milk and not be required to be sold at the same price as fresh milk. We could perhaps lower the price in Florida where there are supply shortages.

In the event marketing orders prevent milk going from one area to another, being condensed in the other area and then water being added back in at the destination, then being sold as condensed milk and so labeled—but it now has to be sold at the same price as grade A milk—would you be agreeable to supporting an amendment that would allow the shipping of condensed milk between States and then selling it at the market price?

Mr. MOYNIHAN. It is a very interesting proposition. I am not able to say what my answer would be right now. I would be happy to hear a lot more about such a proposition. There are a great many rigidities in this market.

Mr. CHAFEE. I share that view. I remember the days when we could not have margarine across the country because I guess the Senators from Wisconsin, among others, were successful in preventing yellow colored margarine to be sold as margarine. Remember, you would have to buy it and you would have a little packet and you would mix it up together. This was to protect the cows in Wisconsin. To me that seemed ridiculous. But the chips fell where they fell.

Indeed, it was subsequently done and I think the cows in Wisconsin have done quite well.

Yes, I think we ought to be getting toward a regime where there are no limitations. If milk can be shipped from Minnesota to Wisconsin, to California, to Rhode Island or some other place, and the water taken out and then shipped as dried milk, with water added—and I can only assume that there are sufficient health safeguards and, as the Senator from Minnesota has said, proper labeling and all that—it seems like an idea we ought to investigate. Without knowing all the details of it, to me it strikes me as having merit.

But that is not the point.

The reason we are here this afternoon——

Mr. BOSCHWITZ. The Senator has answered the question, I believe. I still have the floor. The Senator would not allow me to go beyond my answer when he had the floor.

Mr. President, I only ask these questions to point out that there are some inequities that should be addressed in the whole marketing of milk and that reducing the price by 50 cents to a region that is getting $13 for its class A milk is far different than reducing that price to an area that is getting $11.40 or $11.50 for their milk, or in the case of my friend from Florida where they get nearly $17 for the milk, and where present rules and regulations do not allow the importation into that area of milk that would be competitive and to allow the increase in the consumption of milk.

Mr. SYMMS. Mr. President, will the Senator from Minnesota yield for a question?

Mr. BOSCHWITZ. I yield for a question.

Mr. SYMMS. This question may apply, I say to the Senator from Minnesota, to the sponsors of this amendment. The concern I have is that we seem to be going down this track where the Government is the major purchaser of some of the production of the large cooperatives. Now, some of the cheese manufacturers that are not involved in the Government programs, many of them small businesses out there hustling in the market to sell their cheese through the free enterprise system, have a hard time getting milk while the cooperatives that sell to the Government keep expanding. Is there any feeling in this Chamber that anyone would like to put a cap on how much milk the Government is going to buy?

Mr. BOSCHWITZ. The Senator talked to me about that earlier. I said that in the event the milk marketing orders could be straightened around across the country and the markets could operate in a more fair-minded way, indeed we would be amenable to a cap on how much the CCC would have to buy, and maybe even a declining cap. The Senator may be right that that is the ultimate way to get at the problem.

Mr. SYMMS. If I could pursue my question further just to pose a hypothetical question, let us say we put a cap on how much milk in total the Government will buy and specify that those producers who sell to the Government have a declining amount, or at least a limit of what they sell now; they cannot expand production. How do you then prevent having those quotas becoming negotiable items that would be bought and sold like quotas on anything else?

Mr. BOSCHWITZ. It would probably have to be done on an historic base and not be transferrable, I say to the Senator.

Mr. SYMMS. If the Senator from Minnesota will permit me, I would like to ask the authors of the amendment if they would look favorably on some kind of a cap on the total amount that the Government buys, and, a specific limitation on those companies which primarily sell to the Government that they cannot expand their production. What is happening now, as long as the Government buys this milk, no one has to learn how to market anything; they do not have to worry about new product lines; they do not have to worry about hustling and advertising in the market, putting out milk vending machines, and so forth, and encouraging more consumption of milk. They just sell it to the Government and the Government is now building it up, putting it in caves, warehouses or wherever. It sounds like the right business to be in would be having a warehouse to store this surplus.

Mr. CHAFEE. If the question is to me, yes, I think that has a lot of merit. the trouble is we are getting down diversionary paths. I have great admiration and affection, as he knows, for the Senator from Minnesota, but in the midst of a debate dealing with lowering the price supports in from the side comes this projectile dealing with the elimination of liquids from milk and shipping it as dried milk and then reconstituting it. The Senator has been here 7 years and if he has ever offered such an amendment on the floor, I do not believe I remember.

Mr. BOSCHWITZ. Well, we are going to offer it so the Senator will have a vote on it.

Mr. SYMMS. If the Senator from Minnesota will yield, would the Senator from Rhode Island support the effort I am speaking about? I may vote for the Senator's amendment.

Mr. CHAFEE. I hope the Senator will.

Mr. SYMMS. But I wonder if we are going to actually end up with the people just going out and buying more cows so they can keep their gross income at that level and the Government ends up buying more milk?

Mr. CHAFEE. That is not the way it is predicted to work. The CBO estimates that our amendment would cut production by 12.2 billion pounds over 3 years. According to the CBO, the number of cows under our amendment could drop by 220,000. So in answer to the Senator from Idaho, yes, this would reduce production. They just would not respond by having more.

Mr. SYMMS. Could I ask one more question? The Senator from Minnesota has this very informative sheet in the Chamber, and I compliment him for his work. I understand that he wrote this himself, and I think all of us should read it, whichever way we vote. The Senator from Minnesota obviously has a lot of information available for the rest of us to look at. But in my State, if the small dairy people start going out because we reduce the price, some of the bigger dairies that have several thousand cows and milk them three times a day and use a lot of new techniques, will keep expanding as long as there is a market. They will just sell all that milk too. They just will be milking more cows.

Mr. BOSCHWITZ. We will have an amendment for the Senator, too, that he will want to vote for.

I might say to my friend from Rhode Island that if indeed his amendment would reduce the price 4 or 5 percent—he just said it would reduce production by 2.2 billion pounds over 3 years—that is somewhat less than half of 1 percent over that period, and it certainly is not a very efficient tool on that basis.

The reason I ask the Senator all these questions is that there are some inequities in the pattern of payment for milk, there are some inequities with respect to shipment of milk, and if we want to make it truly competitive we really ought to move. With that, I yield the floor.

Mr. WILSON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. Thank you, Mr. President.

Mr. President, I rise in support of the amendment offered by the Senator from Florida which would authorize the Secretary of Agriculture to reduce the dairy price support payment by 50 cents per hundredweight in January, if the Department of Agriculture estimates that it will purchase more than 10 billion pounds of surplus dairy product during 1986. Each year thereafter, the amendment would authorize the Secretary to reduce price supports by either 50 cents or $1 per hundredweight or to increase the support level by 50 cents, depending upon the estimated size of the annual surplus.

Simply stated, the amendment establishes a much needed mechanism that would allow the level of dairy price supports to reflect consumption patterns in the marketplace and respond to them. This amendment incorporates the same basic framework embodied in the fine proposal which my distinguished colleague from Vermont [Mr. LEAHY] offered during committee markup of the farm bill.

With one difference, the Hawkins amendment adopts his commendable approach which was approved by the Agriculture Committee and is contained in the farm bill before us. The one difference in the Hawkins amendment is prompted by her belief—a belief which I share—that these much needed changes in the Federal dairy program should become effective in 1986, the same way that any statutory changes which the Senate adopts regarding the wheat program or the peanut program or every other farm program will go into effect next year.

Mr. President, dairymen in my State have more than a passing interest in this program. Dairy production in California accounts for 15 percent of the State's total agricultural output, which exceeds $13 billion annually. California is our country's second largest dairy-producing State, producing more than 14 billion pounds each year. It is, also, the home of the recently formed organization, Dairy Farmers for Responsible Dairy Policy. Their name is reflective of their position on this issue and explains concisely why they support the Hawkins amendment.

Since Congress enacted the Dairy Price Support Program in 1949, the U.S. Government has paid dairymen $16.5 billion; however, $11 billion, representing 66 percent of this 36-year total, has been spent in the just the last 5 years. In 1985, alone, USDA spent more than $2 billion to purchase 11 billion pounds of surplus dairy products.

This staggering increase in surplus dairy production and exhorbitant Federal costs is directly related to equally as staggering increases in the price support level. Due to program changes contained in the 1977 farm bill, dairy price supports escalated to $13.10 per hundredweight by 1980, a 16 percent increase during the 4-year period. Understandably, the response to this economic incentive was a 10 percent increase in dairy production, and by 1982, USDA was purchasing nearly 10 percent of the entire U.S. dairy output.

During the past 3 years, in an attempt to reduce Federal costs of the program and restore a balance between supply and demand, the price support level has been reduced by 1.50 per hundredweight however, dairy production continues to out-pace consumer purchases. According to USDA, milk production during the current marketing year will reach a new record high of 139 billion pounds, 11 billion of which will end up in Government warehouses.

Those warehouses are already overflowing with unsellable surplus dairy products. At the end of last year, some 260 million pounds of butter, 620 million pounds of cheese, and nearly 1.2 billion pounds of nonfat dry milk sat in USDA storage facilities, and by the end of this year, Federal dairy stocks will swell with the addition of another $2 billion worth of surplus products that the Federal Government will buy under the provisions of the current dairy program.

And if those provisions are not modified as set forth in the amendment offered by the Senator from Florida, then USDA projects continued increases in milk production to more than 143 billion pounds next year. In turn, USDA expects to purchase 13 billion pounds, approximately 10 percent of the total national output.

The problem will be exacerbated in the outyears because per cow productivity is certain to improve. A variety of technological advances, involving genetic engineering and nutrition research, will assure that each cow can produce more milk.

Mr. President, the cost of the dairy program must be reduced, beginning next year through a 50-cent price support reduction, as required by the Hawkins amendment, and not allowed to persist without abatement throughout all of 1986. With the adoption of this amendment, USDA estimates that over a 3-year period dairymen will produce 2.2 billion pounds less, that consumers will buy 1.9 billion pounds more, and that the Government will save $700 million.

For these reasons, I strongly support the Hawkins amendment and commend Senators CHAFEE and MOYNIHAN, the original cosponsors. I urge my colleagues to adopt the proposal.

We cannot continue a program that is producing surpluses we cannot give away.

I yield the floor.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER (Mr. ARMSTRONG). The Senator from Washington.

Mr. GORTON. Mr. President, today we are being asked to give the Secretary of the Department of Agriculture authority to reduce the price support for milk beginning in January 1986. On face this appears to be a reasonable amendment. Rather than waiting until January 1987 to reduce the price support for milk, we can simply accelerate the reduction 1 year and immediately begin solving the problems of dairy oversupply and high consumer prices.

Unfortunately, that which appears to be reasonable is not always responsible. I do not support the Hawkins/Moynihan amendment for three rea-

sons. First, in Washington State, which has some of the largest and most productive herds in the country, an immediate 50-cent reduction in the support price will mean more milk will be produced, not less. The claim that this quick reduction is going to solve or begin to solve our overproduction problems is erroneous. A dairy which is now receiving an $11.60 support price is not going to take cows out of production because the price is dropped 50 cents. No; that dairy is going to increase its production to make up for the lost income from the cut. That dairy can do this because, as my colleagues well know, the price it pays for grain to feed its cows is quite low and getting lower, and its cows are getting more and more productive every year.

Second, I oppose the January 1986 cut because it comes barely 5 months after the price was last dropped 50 cents. In fact, in the past 2 years the price support has been cut three times, from $13.60 to $11.60. I am not an apologist for the dairy program, but I do believe that the solution to the problem involves long-term changes to the program, not piecemeal cuts in the support price that do not achieve what their proponents would like them to achieve.

Third, and last, I oppose the Hawkins/Moynihan amendment because I believe that the committee reported bill is preferable. The committee proposal saves $600 million off the CBO baseline and begins making cuts in the price support in 1987. This plan is not perfect, but it is more responsible than the Hawkins/Moynihan proposal.

Mr. DURENBERGER. Mr. President, I rise in opposition to the Hawkins amendment and urge its rejection. Quite frankly, I am shocked that an amendment of this nature would be offered to this farm bill, coming as it does on the heels of a 50-cents-a-hundredweight cut in the dairy price support level to $11.60 per hundredweight which took effect just a few months ago. It is almost as if the proponents of this amendment have forgotten that, when the Congress adopted the 1981 farm bill, it promised our dairy producers a support price of $13.10 per hundredweight. Well this Senator hasn't forgotten that fact, and believes the amendment should be rejected on that basis alone.

When the Congress passed the 1981 farm bill, I listed 26,000 dairy families as my constituents. Today, 4 years and a $1.50 per hundredweight cut in the support price later, there are only 23,000 dairy families in Minnesota. My State's family-sized dairy operations have average herds of 40 milk cows. They are not corporate milk factories operated by crews which treat the animal like just another piece of equipment. They are hard-working family units, and there are 3,000 less of them because 4 years of reductions in the support price have cut Minnesota dairy farmers cash flow drastically, by $165 million in 1984 alone.

Mr. President, if this amendment is adopted, Minnesota stands to lose another $55 million in dairy income and a few thousand more dairy farmers. And, as unconscionable as that large a cut in farm income is during these difficult times, it pales in comparison to the human cost of the loss of thousands of hard-working dairy farmers. So I urge my colleagues to reject this ill-advised and shortsighted amendment.

Mr. D'AMATO. Mr. President, I rise today in support of this amendment offered by my colleagues, Senators HAWKINS, MOHNIHAN, and CHAFEE. This amendment will accelerate the time in which dairy price support prices will be adjusted downward by 50 cents per hundredweight, to $11.10 beginning January 1, 1986.

New York State is well known as the home of great sports teams, the financial capital of the world, and for the marvelous shows on Broadway. My State is less known as an agricultural State, but let me share with you two quick facts. First, agriculture is New York's No. 1 industry, and, second, we are the third largest dairy producing State in the Nation.

I commend the Committee on Agriculture, Nutrition, and Forestry for the fine work on the dairy provisions of the farm bill. I am delighted the committee believes we can reduce the supply of dairy products without the implementation of a diversion and assessment program. I agree with this position. Less than 4 percent of my dairy farmers in New York participated in this program; nationally, only 20 percent of dairy producers participated.

This is a clear signal that dairy producers do not want a milk tax. New York dairy farmers do not want a free ride from the Government. Rather, all they want is to get a fair—that is, market—price for their product. I am convinced that dairy men in every other State in the Nation share this sentiment.

However, the committee needed to take one more step. We need to adjust the price support this January, instead of waiting until January 1987. If we have a good plan that the dairy farmers support and which will save the taxpayers money, while reducing milk costs to consumers, why wait an extra year to put it into effect?

Mr. President, for the first 31 years of the dairy price support program, total costs amounted to $5 billion. Since 1980, program costs have escalated to in excess of $9 billion. Despite our best efforts to reduce the surplus, we have failed. All we have to show for our actions are increased program costs.

The time is ripe for setting a credible dairy policy in this Nation. The 1985 farm bill gives us the opportunity to do just that. Let's not lose this chance.

Mr. President, this amendment provides us with a solution that is long overdue. Although simple, I believe that it will be extremely effective. Moreover, the dairy producers in my State believe it will be effective. I only hope that my colleagues here in the Senate recognize its effectiveness and seize this opportunity to establish a viable dairy policy.

Mr. President, I urge the adoption of this amendment.

Thank you, Mr. President.

Mr. McCLURE. Mr. President, I rise in support of the amendment offered by Senators HAWKINS, MOYNIHAN, and CHAFEE. While I applaud the distinguished members of the Agriculture Committee for its work on the dairy program I must say that it did not finish the work it started. The committee bill leaves open the gate for continued surplus milk production and enormous Government purchases by not having authority for a price support reduction in 1986.

I do not favor cutting farmers' incomes, much less a hard-working dairy farmer's source of income. But the fact of the matter is that current price support level of $11.60 is simply too high. It's causing dairy farmers across the country to keep pouring more and more milk into the Government milk pail. Milk production has gone up every month since the end of the diversion program in March of this year. In Idaho there has been a 15-percent increase in production since last October. The average production per cow was more than 9 percent higher than a year before. We are faced with the unfortunate prospect of the Government ending up holding over 16 billion pounds of surplus dairy commodities this fiscal year.

Think about that number—16 billion pounds. A quick, rough calculation shows that 16 billion pounds divided by 240 million persons in this country works out to around 67 pounds of dairy products—nonfat dried milk, cheese and butter—for every man, woman, and child in the United States. The cost will exceed $2 billion if the support price is not reduced earlier than is mandated in the committee bill.

This is a simple straightfoward and simple amendment being offered here by my distinguished colleagues. The amendment would begin the price support adjustment in 1986, not prolong the inevitable for a year. A 50-cent reduction in price support in January sends the right signal to producers that the Federal Government's price support program no longer provides an

easily accessible dumping ground for surplus milk.

Congress sent signals to producers in the late 1970's and early 1980's which increased production. The support price increased, stimulating production. Because of Government programs in wheat and feed grains a surplus of Government-held grains has depressed commodity prices making dairy production more attractive by lowering feed prices. The Federal Government must begin to reverse the signals it sends to producers. It must begin to reduce the support price. It must signal its willingness to stop buying excess milk.

The members of the committee are telling us that the dairy program will no longer be an out-of-control Government program. The committee's proposal is compassionate to farmers, it is fair to consumers, and realistic about the Federal Government's ability to foot the bill for higher and higher milk production.

This amendment, quite simply, means the difference between success and failure in our attempt here to devise a solution to the surplus milk problem. Congress caused the problem by allowing the milk price support level to get so high that it no longer bears any relation to the market and consumer demand. Farmers keep on milking because the Federal Government keeps on buying it up.

It is necessary to keep the cost of the program in line with budget needs. If the House of Representatives is to find a way to fund their whole herd buy-out it must be funded by a producer assessment or by the Government. It seems reasonable that this buy-out program could be financed by a reduction in support price. This would eliminate the need to put in place a producer assessment.

This is a profarmer amendment. I want to see the efficient dairy producers stay in business for themselves, not because of an overly generous Federal price support program. I think that's what nearly all dairy farmers want also. Efficient dairy farmers—be they a 40-cow family farm in Idaho or a 1,000-cow operation in California—can survive and prosper under the Agriculture Committee's plan with this amendment.

This is also a protaxpayer amendment. This amendment will reduce budget outlays by $250 to $300 million per year. That means a savings of over $1 billion over 4 years, and a reduction in half of the surplus over the life of the bill. This will help Congress keep the costs to the Government down; this will, in the long run help all taxpayers, including farmers.

This amendment is proconsumer. Consumers are being turned off when they learn that this Government program is propping up the price of milk and other dairy commodities as millions of pounds of nonfat dry milk, cheese and butter are being shipped to Government caves in Kansas City. We have to pass along to consumers some of the great productivity gains that have been made by dairy farmers. Consumers will buy more and dairy farmers will sell more.

This amendment helps to send the right signals to producers, taxpayers, and consumers alike that the Federal Government is not going to encourage production of milk. It maintains income for producers but begins to remove the Federal Government from the dairy business. It keeps us on a road of opportunity where the Federal price support for milk is geared to milk production and the demand for dairy products; a road of opportunity that is fair to everyone, dairy farmers, consumers, and taxpayers. I urge the adoption of this amendment.

Mr. SPECTER. Mr. President, agriculture is Pennsylvania's No. 1 industry, and the dairy industry is its single largest component. For this reason, the dairy title of the farm bill is of particular concern to me. My decision today to vote to table the Hawkins-Moynihan amendment has been heavily influenced by a hearing on this and other aspects of this vital legislation that I held yesterday in Harrisburg, PA.

I heard testimony and exchanged thoughts with representatives of Pennsylvania's three major farm organizations: the Farmers' Association, the Farmers' Union, and the State Grange. On this issue, as on so many others, there was a difference of opinion as to whether the Hawkins-Moynihan amendment should be adopted. At this hearing and also in my many contacts with farmers in Pennsylvania and elsewhere throughout my Senate service, dairy farmers have convincingly demonstrated that they are faced with very serious economic difficulties. According to some testimony in the hearing, one-quarter of the dairy farmers in Pennsylvania would be pushed into bankruptcy by the passage of this amendment. Further, according to that testimony, many other dairy farmers would be seriously endangered by this amendment.

My additional concern is over the lack of any substantive, helpful provisions in the dairy title of the bill if the Hawkins-Moynihan amendment is passed. The dairy farmers in Pennsylvania are confronted, as are their counterparts in other States, by the serious problem of overproduction, which this amendment does not adequately address. In Pennsylvania, farmers are willing to help in the formulation of a policy to eradicate this dilemma. For instance, this summer, I visited with farmers at the York County Fair in Pennsylvania, where I was given the idea that instead of putting all of our efforts into decreasing production, perhaps we ought to try to increase consumption. Recently, I was able to include a provision in the agriculture appropriations bill to research ways to explore this idea.

I believe it is important to point out that the farmers in Pennsylvania recognize the importance of other issues facing the Nation, namely the danger of a spiraling budget deficit. They are committed to doing their part in tackling this urgent dilemma, and they have encouraged my efforts to help in this process. One argument that has been advanced in favor of the pending measure is that a cut in the dairy price support will reduce the deficit. I am convinced that the Hawkins-Moynihan amendment will not provide significant relief from the pressure of the deficit.

I believe that farmers, whose interests are simple, are ready to pursue a course of action for the improvement of agriculture and, as a result, for the Nation. I believe, that this amendment does not improve this course.

Mr. BOSCHWITZ. Mr. President, very shortly, I will move to table the amendment of the Senator from Florida.

I appreciate the remarks of my friend from California. I point out that the largest increases in production outpacing consumer demand, as he put it, is coming in his State of California. The largest increase in CCC removal is coming in his State of California.

His State is really the only major State that has its own marketing order, and the result is that it encourages production in his State.

I understand that the cost of the Dairy Program must be reduced, but as long as his farmers are getting that free water and other advantages, it is very hard to do it out that way, particularly when the State has its own marketing order.

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

Mr. BOSCHWITZ. I yield for a question.

Mr. WILSON. If the Senator objects to the fact that these surpluses are being produced in my State, why not support the Hawkins amendment?

I do not dispute the facts. I agree. Not only in my State, but also in every other State, the existence of the current program inevitably is going to provide an economic incentive for the kind of increasing overproduction that is without end in sight.

For the reasons I indicated, there is no way that I think you can expect dairy farmers in any State to cut back on production, when we, the Federal Government, are encouraging them to engage in overproduction.

I do not dispute the facts. I simply say that the only way we are going to turn that around in my State, the

State of Minnesota, or any other dairy-producing State is by changing this program, which almost requires that they engage in overproduction.

Mr. BOSCHWITZ. Mr. President, I am now going to move to table, with the final statement that in the event that California does not have its own marketing order, it may not be affected by this at all.

On behalf of myself, Senator LEAHY, and Senator KASTEN, I move to table the amendment.

Mr. LEAHY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is the Senator's motion to table the Hawkins Amendment No. 1060 or 1059?

Mr. BOSCHWITZ. No 1059.

The PRESIDING OFFICER. The motion of the Senator from Minnesota is to table the Hawkins Amendment No. 1059.

The yeas and nays have been requested. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. EAST] and the Senator from Maryland [Mr. MATHIAS] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Mississippi [Mr. STENNIS] is necessarily absent.

The VICE PRESIDENT. Are there any other Senators in the Chambers desiring to vote?

The result was announced—yeas 50, nays 47, as follows:

[Rollcall Vote No. 317 Leg.]

YEAS—50

Abdnor	Evans	Long
Andrews	Exon	Matsunaga
Baucus	Ford	McConnell
Bentsen	Glenn	Melcher
Bingaman	Goldwater	Mitchell
Boren	Gore	Pressler
Boschwitz	Gorton	Proxmire
Bumpers	Grassley	Pryor
Burdick	Harkin	Riegle
Byrd	Hart	Rockefeller
Cohen	Heflin	Sarbanes
Cranston	Heinz	Sasser
DeConcini	Inouye	Simon
Dixon	Johnston	Specter
Dodd	Kasten	Stafford
Durenberger	Leahy	Weicker
Eagleton	Levin	

NAYS—47

Armstrong	Hecht	Nunn
Biden	Helms	Packwood
Bradley	Hollings	Pell
Chafee	Humphrey	Quayle
Chiles	Kassebaum	Roth
Cochran	Kennedy	Rudman
D'Amato	Kerry	Simpson
Danforth	Lautenberg	Stevens
Denton	Laxalt	Symms
Dole	Lugar	Thurmond
Domenici	Mattingly	Trible
Garn	McClure	Wallop
Gramm	Metzenbaum	Warner
Hatch	Moynihan	Wilson
Hatfield	Murkowski	Zorinsky
Hawkins	Nickles	

NOT VOTING—3

East	Mathias	Stennis

So the motion to lay on the table was agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote by which the motion was agreed to.

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

The motion to lay on the table was agreed to.

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

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

Mr. HELMS. I object.

The PRESIDING OFFICER (Mr. ARMSTRONG). Objection is heard.

The legislative clerk resumed the call of the roll.

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

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MELCHER. Mr. President, we have accomplished one vote on the question of whether or not the provision in the Senate committee bill reducing the amount of support prices for milk was adequate. The amendment offered by the distinguished Senators to further reduce those costs was narrowly tabled. There are several other amendments like that which deal with different commodities that are covered in the bill. It would be inconceivable to me to think that we would somehow brush aside the efforts of various Senators to amend the bill. While I supported the dairy provisions that are contained in the bill as reported, and voted to table the amendment just tabled, I fully recognize and support the efforts of Senators to offer their amendments so that they can have the issue debated and then voted upon. I would like to get on to other aspects of the bill with such amendments so that we can continue the process of working through to final passage of the bill. The parliamentary procedure we are following with the Dole amendment pending, and the Christmas tree that is built out on the motion to recommit the bill to committee, blocks any other amendment from being offered except in the case of unanimous consent. We have given our unanimous consent to get this process started, for dairy amendments to be offered. It is my hope that any other dairy amendments will be offered rather quickly so we can get on with the process of working through this bill.

At the point that we can get unanimous consent for the Dole motion to recommit Christmas tree is eliminated so that another amendment can be offered, I would like to have recognition to offer an amendment to cut the expenses in this bill, cut the costs in this bill by about $8 billion so that we come within the budget, because it is only realistic to concede from the outset that there will probably be slight add-ons. We will adopt amendments that will add $20 million here or $35 million there or $100 million elsewhere, and we should have some cushion. That is paramount and fundamental to final passage of the bill. I know we have argued over how much good we can do whether we have a 1-year target price or a 4-year target price freeze. We will probably get to that point sometime but fundamental to the bill is, is it within the budget?

Now, perhaps we could resolve that if we could unravel the Dole amendments attached to the motion on the bill, because one of those amendments, or in my package is a savings of $7.6 billion. I do not know whether the motion is ever going to get unraveled. But if I can get recognition, I will offer an amendment to the bill itself, not necessarily to the motion to recommit but to the bill itself, that does simply that, not 165 pages such as the motion to recommit—plenty of pages but a far less number that identify where the costs can be made. My amendment would do two things: It would bring the costs in the bill under the budget and would provide that necessary cushion of about $600 million which I believe is essential in order to keep the bill within the budget, because I know there will be add ons in small amounts.

Now, having said that, Mr. President, I am ready, as I have been for several days—as I told the Senate when we were last on this bill some 2 weeks ago—to offer a package that would have $7.6 billion savings but I thought perhaps there were more savings that could be achieved by careful scrutiny of the bill and during the interim we would come up with other savings.

In this package is now approximately 8 billion dollars worth of savings. I would hope we could get to it very quickly. It is rather fundamental to the bill. I do not know what advantage there is in having this parliamentary Christmas tree built up. By the way, we may not get rid of this Christmas tree until Christmas if we do not start action. Action on these amendments one after another is essential if there is any hope of getting rid of the bill in time for us to have final passage before Christmas time. We have not reached Thanksgiving yet, but the plans of the Senate and the House are not to be in session next week for Thanksgiving. After that we come back in December 22. There are other bills to take up.

So when the majority leader said yesterday that it is rather apparent

that we should complete action on this bill this week, I think he is correct, if we have any hopes of getting it into conference, getting through with the conference committee and getting the report back from the conference committee so we can complete action on the bill prior to Christmas time.

I regret very much that we are not making faster progress and I regret very much that we have not had an opportunity on this side to offer the fundamental amendment to reduce the costs. It is of extreme importance to get the package in order so we can address some of the other issues.

Mind you, one of the issues raised with the amendment just disposed of was it would save $600 to $700 million over the 3 years of the budget resolution, and is a significant argument in favor of such an amendment. When the bill is over budget, it enhances the argument for any amendment that it would cut the cost even in a basic commodity program such as the previous amendment just disposed of and may distort or may change some votes on the merits itself simply because there is the desire by individual Senators to make sure the bill is within the budget. For the good of all of us, for the good of the country and certainly for the good of final passage of the farm bill this week, it is necessary to get to these amendments immediately. The time we are spending in quorum calls waiting for something to happen is not to the advantage of prompt passage of this bill. Might I point out that if we were not in this parliamentary position where we have the majority leader's motion to recommit filled up with his own amendments so no other amendment can be offered, we would be offering an amendment right now rather than being in a quorum call. Rather than my just standing here making a statement about what is needed to be done, we would be doing it. But due to the circumstance of having to get unanimous consent to offer any amendment at all—that means by willingness of all 100 of us—we are boxed in. It is a peculiar arrangement, whereby we are boxed in for this long time.

After all, the amendment that the majority leader offered, the series of amendments, was offered over 2 weeks ago. I think it is time to dispose of it.

Until there is no further dairy amendment—and I understand there might be one or two more which would not take much time—we cannot call up anything else. We cannot even ask unanimous consent to go to something else. We can ask it, but obviously we cannot get it. We cannot even properly debate the Dole package because it is not even before us, technically.

So I think we have an unwieldy and unworkable system here. I hope the majority leader and the chairman of the committee, managing the bill for the other side, will quickly come to a feeling that we should have some progress. Let us really put ourselves in the right kind of saddle, whereby we are actually going forward in trying to dispose of this bill.

Mr. BYRD. Mr. President, the pending question before the Senate at the moment is the motion to recommit, by Mr. DOLE, with amendments in the first- and second-degrees to the instructions. Am I correct?

The PRESIDING OFFICER (Mr. COHEN). The Senator is correct.

Mr. BYRD. So, if nobody talks, the Chair will put the question?

The PRESIDING OFFICER. That is also correct.

Mr. BYRD. Let the RECORD show that I sat down.

The PRESIDING OFFICER. The question occurs on the second-degree amendment. The yeas and nays have been ordered.

Mr. DOLE addressed the chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. BYRD. May I ask the Senate to withhold that for a moment?

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. EXON. 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. EXON. Mr. President, will the Chair kindly explain to the Senator from Nebraska the present situation in which we find ourselves? I have an amendment I would like to bring up. Would it be in order for me to bring up that amendment, under the present parliamentary situation in which we find ourselves?

The PRESIDING OFFICER. No amendment is in order at present. The question is on amendment No. 940.

Mr. EXON. I presume that it would be in order to move an amendment if it could be obtained by unanimous consent. Is that correct?

The PRESIDING OFFICER. Another amendment could be offered by unanimous consent.

Mr. EXON. Mr. President, I ask unanimous consent that the Senator from Montana [Mr. MELCHER], with Senator EXON a cosponsor, be allowed to offer an amendment with regard to bringing the present agricultural bill before us within the budget.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, reserving the right to object, we had a series of meetings yesterday, and it is my understanding that we were trying to figure out some way to resolve this entire matter in the next 2 or 3 days. I met with the distinguished managers of the bill and Senator MELCHER, and it was indicated that there were a number of amendments that would be brought up—dairy and other noncontroversial amendments. I will object until I know what the amendment is.

The PRESIDING OFFICER. Objection is heard.

Mr. EXON. I will be glad to explain the amendment to the Senator from Kansas. I believe he is familiar with it. It is the same amendment we have been trying to bring up for many days, and we have been blocked from doing so by the amendment of the majority leader that is presently before the Senate.

The amendment to which I have reference is an amendment that is in the hands of the Senator from Montana, who is standing to my left. It is an amendment that would bring into line the total expenditures on the farm bill in concurrence with the budget resolution.

I renew my request: I ask unanimous consent that we be allowed to bring up that amendment before the Senate at this time.

The PRESIDING OFFICER. Is there objection?

Mr. HELMS. Mr. President, reserving the right to object, if the Senator would let us take a look at it, we will be glad to work with him.

Mr. EXON. That is fine. May I then suggest the absence of a quorum, with the understanding that I will be back in a few minutes to make the unanimous-consent request once again?

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

The PRESIDING OFFICER. The clerk will call the roll.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. May we withhold the request?

Mr. EXON. I will be glad to withhold the request.

Mr. DOLE. Mr. President, maybe while they are examining the amendment, I could indicate again that I understand that there are about 90 amendments. There are a number of amendments that the managers are willing to accept, as I understand it.

Yesterday afternoon it was my understanding—I thought I was in the room, but maybe I was not—that we were going to pursue some of those amendments, dispose of them, and in the meantime we would try to get together to fashion a package that would break the dam on this legislation. That was certainly this Senator's understanding.

So I think it might be best to suggest the absence of a quorum, if it is all right with the managers.

The PRESIDING OFFICER. The clerk will call the roll.

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

Mr. HELMS. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. HARKIN. We cannot vote; we cannot talk. Is that the idea?

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk resumed the call of the roll.

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

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I would hope there would be no objection to letting the Senator from Iowa simply talk.

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

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The assistant legislative clerk resumed the call of the roll.

Mr. HARKIN. 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. HARKIN. Mr. President, here we sit, empty Chamber, not voting. Last week, on Wednesday evening, I had raised some potential objection to extending the provisions on the dairy price support bill, and at that time engaged in a colloquy with the distinguished majority leader who gave the assurances—it is in the RECORD of last Wednesday—that they were going to get on the farm bill and move expeditiously on it.

But here we are stalled again. Let the RECORD show that we reported this bill out of the Senate Agriculture Committee, I believe, on September 28. Here we are almost 2 months later bogged down with almost an empty Chamber while people try to figure out what to do.

I am not so disturbed that the majority leader has seen fit to exercise his powers under the Senate rules to go ahead, Christmas tree this bill, and fill up the amendment tree so that none of us can offer amendments on this side. I understand that is his right to do so.

But let us dispose of it. Let us go ahead and vote on his amendments. As I understand it, the pending business before the Senate right now is the amendment offered by the majority leader. Well, why do we not vote on it? I do not hear anybody wanting to talk on it any longer.

We are precluded from offering amendments on this side. The Senator from Montana has had an amendment pending for over a month. Yet he cannot offer this amendment because the majority leader has seen fit to lock this thing up.

I think it is clear now. It is clear to us here, and it is clear to the farmers across this country who is stalling this farm bill. It is not this side.

I would ask the distinguished majority leader, if he were here, why we cannot move this bill. His amendment is pending. Let us vote on it. We all know what it contains. Everybody has read it. We are big kids around here. But no. There is a stalling going on.

Well, if the majority leader does not have the votes, then he does not have the votes. But let us vote on it. That is the legislative process.

As I said last week, I have a bunch of amendments I would like to bring up. I do not intend to debate them at length just to state the case to see if there is any opposition. Let us have a vote on it or at least a vote on the tabling motion.

I think that is the way the legislative process ought to work. I say to the distinguished chairman of the Agriculture Committee who is here that is the way it has worked in the Agriculture Committee all year. We debated it. We had our votes. No one was cut off. We were not blocked. We debated it, and then we voted.

That is the way it ought to be here on the floor of the Senate, too. So I think—again, as I said, Mr. President—it is clear who is blocking this farm bill, who is stalling it, who is putting off the votes, who is working behind closed doors to strike deals, and who is preventing this side from offering amendments.

I think it is clear. I think the farmers in this country know it, too.

So I hope the majority leader will abide by what he said last week—that they are going to bring it up, and that he wants to pass it. He said, and I quote the distinguished majority leader from last Wednesday's RECORD, "Let me indicate my farmers are just as concerned, I believe, as those in Iowa and with the cooperation of all Members we can pass the farm bill in 3 or 4 days."

I believe that is true. But we cannot if we have these kinds of stalling tactics day after day here on the Senate floor.

I appreciate the opportunity the distinguished chairman of the committee has given me to talk. I always appreciate the opportunity to be able to talk and to make my case.

But I still cannot offer an amendment. The only way I can offer an amendment is by asking for unanimous consent. Of course, I am sure that would be objected to. A few moments ago the distinguished Senator from South Dakota rose to offer an amendment. I understand the amendment, have no objection to it and like his amendment. I think it is a good amendment. But I will continue to object to people asking for unanimous consent to bring up amendments until we stick to the regular order of business. The regular order of business is the amendment offered by the distinguished majority leader.

Let us vote on it. Let us quit stalling and beating around the bush.

Farmers out in my State are already wondering what the programs are going to be next year. They have to make decisions on fall plowing, whether to put fertilizer on or not.

I am sure the farmers in North Carolina, the farmers in Montana, farmers all over this country, would like to know. Farmers in Texas would like to know what they can count on next year for a farm program.

Again, last Wednesday the distinguished majority leader said, "Unless there is some unforseen problem that I have not anticipated, it is my intention, again depending upon the manager of the bill, to take up the farm bill."

He said, "My farmers are already planting the wheat. The Senator does not have that problem in Iowa."

I objected to it. I said we do.

"We have had wheat in the ground since September," the majority leader said, "so we have been anxious to pass the farm bill for the last several months."

I asked who was anxious to pass the farm bill. We were ready to pass it out of committee in the summer. But someone objected. We finally had the votes and reported it out on September 19, if my memory serves me correctly.

This Senator has been willing to let a unanimous-consent request go through to get off the regular order of business for reconciliation, for the textile bill, unanimous consent last week on the dairy provisions, extending the present dairy price supports level. We worked out an agreement.

But now I see nothing but a stall happening.

I do not know about other Senators, but I can tell you this Senator from Iowa is not at all happy with the way things are being dragged out here. This is Tuesday, November 19. In 3 more days we will go home for Thanksgiving. Then we come back and have 2 or 3 weeks left. I heard reports and rumors, and I do not know wheth-

er they are true, that those in the leadership position on that side over there are saying that maybe if we bring this bill up in the closing hours of the Senate, when senatorial panic sets in, when Senators want to go home for Christmas, then we can ram something through because no one cares because everbody wants to get out of here.

I saw that happen 4 years ago. The conference report on the farm bill passed on December 16, 1981, at 10 o'clock at night, the last vote of the last day of the session that year. We could barely make our case on the floor on that farm bill because everybody wanted to go home.

So once again, Mr. President, it seems to me that it is very clear now—it may not have been clear last week, it may not have been clear 2 weeks ago because we were on some other things but it is clear now—who is stalling this farm bill, who does not want to have votes on it. It is not on this side of the aisle. We are ready to vote.

As I understand it, Mr. President, the regular order of business is the pending Dole amendment. When this Senator sits down, if no one seeks recognition, if no one suggests the absence of a quorum, we will proceed to a vote on the Dole amendment. So this Senator is going to sit down and not talk and hope that we can move to a vote on the pending Dole amendment.

I yield the floor.

Several Senators addressed the Chair.

Mr. PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, concerning the farm bill, I do not like to hear a discussion about stalling. That is all I will say about that, except to say that I spent about 5 months trying to produce a farm bill. I have become an expert at stalling watching. But that is not the argument. The debate should not be over that. If the Senator from Iowa will favor us with a copy of any specific amendments he wishes to call up, we will be glad to work with him. He has not presented either the distinguished ranking Democrat on the committee or me with a copy of anything. I do not know whether he is shooting an arrow in the air, and where it will fall he knows not where.

I have no argument with the Senator from Iowa. He is my friend and colleague. I suggest a lot of us have been trying to work to bring this farm bill to a vote.

Of course there are problems. There are close divisions on issues. I for one intend to do everything I can to make sure that the taxpayers' pocketbooks are not raided under a pretext. I do not want to debate to get off on that.

We all know what we voted for and what the Senate approved in terms of the budget resolution. We all know how much this farm bill overshoots that budget resolution. We all know what our duty is if we meant what we said when we voted earlier this year in favor of the budget resolution.

You cannot have it both ways. You cannot shovel out the money and then pretend that everything is hunky-dory because we are looking after the farmers.

We are not looking after the farmers. We are driving them deeper into the ground.

The Senator suggested that I might suggest the absence of a quorum and, of course, I do 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. ABDNOR. 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. ABDNOR. Mr. President, I have no amendment at the desk.

Mr. HARKIN. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard. It does require unanimous consent.

Mr. HELMS. Mr. President, I might say for the RECORD that we are awaiting clearance on an amendment from the other side of the aisle, which clearance I anticipate will be available shortly. The Abdnor amendment has been agreed to by the distinguished Senator from Nebraska and I agree with it and the Senator from Iowa agrees with it. When we get the clearance, we will attempt to proceed.

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

Mr. BYRD. Mr. President, will the Senator withhold?

Mr. HELMS. Certainly.

Mr. BYRD. Mr. President, I would hope there would be some understanding worked out here whereby Senators on this side of the aisle would be allowed to offer amendments. I think that is my problem here. I do not mind giving consent to Mr. ABDNOR to call up his amendment. But before I do that, I want some understanding that Senators on this side of the aisle are likewise going to be able to call up amendments.

Mr. HELMS. Will the Senator yield?

Mr. BYRD. Yes.

Mr. HELMS. We have had two telephone calls with Senators on that side of the aisle and we have pleaded with them to come over here and present their amendments. Senators DECONCINI and NUNN will be here shortly.

Mr. BYRD. Senator MELCHER has been trying for several days to call up an amendment and has been unable to do so. It requires unanimous consent right now because the distinguished majority leader has before the Senate, a motion to recommit with instructions and amendments in the first and second degrees. No amendment can be called up until at least the amendment in the second degree to the majority leader's motion to recommit with instructions is disposed of. Senator MELCHER has been ready for days to call up his amendment but has not been able to do so. If we can work out an arrangement whereby Senators on this side can call up amendments likewise, perhaps we can get on with our business.

But until we are able to do that, I think we ought to just stay on the motion to recommit with instructions in two degrees. We can debate that or we can vote on it and we can do so now, and Senators on this side are ready to do so.

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

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, I will take just a minute because I know we want to get on with this legislation. That was why on yesterday it was the understanding—at least I left with that impression—that there would be a number of noncontroversial amendments called up. Dairy amendments would be called up. In the meantime there would be an effort to determine whether or not we could fashion some kind of a package that would have bipartisan support.

Now, if bipartisan support is no longer a desire on the other side of the aisle, then obviously that is a factor which must be considered.

It was my understanding that we would dispose of a number of amendments today. I do not think either the distinguished Senator from Nebraska or the distinguished Senator from Montana had any objection to that. That did not mean that other Senators could not object, but at least that was the premise on which we were operating.

If that is now not the case, then I hope the managers will bear with me just a while longer; we are drafting an amended version. We will dispose of whatever is pending at the desk now, part of it, because we do not want to delay action on the bill. So we did not have unanimous consent, I must confess, to proceed, but we thought the managers of the bill were the ones consulted when we had the bill up. Perhaps we missed something there.

Mr. BYRD. Mr. President, I ask the distinguished majority leader, if he will yield to me, whether or not he would be willing to take down his motion to recommit—and, of course, that would take with it the two amendments in the instructions—and just let any Senator then who wishes to call up an amendment take a shot at it?

Mr. DOLE. That thought has occurred to me but not frequently. I am still hopeful there will be an accommodation amendment with the distinguished Senators from Montana, Nebraska, and others on one side and a number of us on the other side. We have not given up, but I think for the time being that has not yet quite gelled. I do not have the feeling we have quite put it together.

Mr. BYRD. I thank the Senator for yielding. I was just suggesting a way the Senate could get on with its work on the bill.

Mr. DOLE. We appreciate those suggestions.

Mr. BYRD. I thank the Senator. I will try to think of some more.

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

Mr. DOLE. I yield to the Senator from Montana.

Mr. MELCHER. I thank the majority leader for yielding.

It is true that the best concept we could arrive at for unraveling this dilemma and what we are going to do with the farm bill would be a bipartisan approach, and it is certainly true that all of us on either side of the aisle realize that in order to satisfy the administration—which is not a requirement but which is desirable—we reduce the costs of the various aspects of the bill. While we have arrived at approximately $8 billion in savings going our route without disturbing the target price freezes that are in the bill, we do not know how far we have to go. I know the majority leader has inquired of the administration what figure they are talking about for reduction in the cost of the bill, either in the 3 years that our budget resolution covers or the 4 years for the life of the bill.

I wonder if the majority leader could advise us what figure would be the bottom line that would be satisfactory to the administration.

Mr. DOLE. I think the Senator indicated, if you look at a 4-year cost, the current law extended would cost $92 billion. The committee bill, with a 4-year freeze, would cost $100 billion. The Melcher bill, with a 4-year freeze, would cost $90 to $95 billion; and the amendment that is pending, the Dole-Lugar-Helms, et al., amendment would be $85 billion. All those estimates are 4-year costs.

We were advised yesterday by the OMB Director that the 3-year cost of the Senate committee-reported bill would be $65 billion. The savings that I think both sides generally agree on, amount to about $8 billion. The Senator from Montana gets $8 billion one way; we get $8 billion another way. So there is not much dispute except on one area—$2.2 billion on whether it is a 1-year freeze or something else.

I think we also discussed yesterday that we would ask the USDA to take a look for additional savings. So far as I know, we have not yet received that information. We are far above the budget resolution, but our view was things have changed since that time and the farm crisis is worse so we should not be bound by that. But it was my impression—if I incorrectly state it, maybe the chairman can correct me—that OMB Director Miller was aiming at a target of about $50 billion. We were talking about in the neighborhood. In my view it would not be impossible to get the bill off the floor this week, go to conference, and come to some agreement. This would give some of us an opportunity to talk to the President about it when he comes back either late this week, early next week, or the following week—he is coming back before then, but there will be a recess next week—we need to determine if we could agree on some additional savings on a bill so the President would sign it.

Now, there may be some who do not want a bill—maybe for good reason. Maybe they do not like the bill. Maybe they do not think it is good politics. Maybe it is good politics to not have a bill. But my view is that there is still a good possibility that we can get a bill that will be signed.

Now, if we want to get a bill that will be vetoed, that is not hard to do either. Just pass anything, send it to the White House, and the President will veto it. It would be too late to enact another bill this year. For some Senators that may make sense; they are not in wheat areas. There is no real pressure. But there is considerable pressure in wheat-producing States right now and there has been such pressure since September.

That is sort of the scenario. I do not quarrel with the figures. The Senator has about $8 billion in savings. We have about $8 billion in savings. They contain different approaches. The Senator from Montana might be willing to go a little higher if we could find some fairly good, additional savings. I think then we have at least an opportunity to get a bill passed and signed. I do not think a veto would help the farmers in any way. It might make a few political points.

So we are willing to work on that and pursue it on a bipartisan basis just as we did on the tobacco bill. That was bipartisan. We did not have anybody up here screaming that it was not bipartisan. I think there were about an equal number of Senators on each side who supported that effort.

Mr. MELCHER. I thank the majority leader, but I just want to be clear.

Let us just speak about the 3-year budget cycle. I guess that is what we are usually speaking about.

Is it clear that somewhere between $8 billion and $11 billion or $12 billion is what the administration is suggesting, or is it between $8 billion and $15 billion?

Mr. DOLE. They were suggesting the difference between $50 and $65 billion. We were hoping to pick up $700 million on dairy. But so far, that does not look very likely. That is $700 million less we could add.

I do not know precisely today whether we have received any additional suggestions for savings from USDA. Apparently, they have not yet arrived.

Mr. MELCHER. It is also true that some saving—for instance, in dairy—is greater in the House bill than it is in the Senate bill.

Mr. DOLE. I guess it is a question of policy.

Mr. MELCHER. The final version probably will show it.

Mr. DOLE. I think so.

Also, my own view is that the administration is prepared to go a little beyond the budget for good policy, but not prepared to go far if it is bad policy, as they view it. That is their view. We may disagree, whether we are Democrats or Republicans.

It is my understanding, from visiting with the OMB Director, that if the bill contains good policy—in other words, if it shows more flexibility on loan rates, more flexibility on target prices and increase the Conservation Reserve Program, and some other areas that most of us support—then they might be willing to support it. I say "might" because I do not know for certain whether they will want to pay a bit more for good policy.

So I hope the distinguished Senator from Montana is not unwilling to try to work out something. It seems to me that it would be in the interest of farmers in all States.

Mr. MELCHER. I am very willing to work with the majority leader and even, I might say, with the administration, which has been reluctant to discuss alternatives, I believe, to their own proposal.

I hope that, due to the work of the majority leader and the chairman of the committee, the administration will realize that in order to get a farm bill, it is necessary that they work with us, too. I think perhaps they are. At least, from my point of view, there seems to be some progress with them.

I do not want to hold up anything here. I think that, as quickly as we can, we should be voting on the various amendments that we know we are going to face, because Senators have been waiting for several months to be able to offer their amendments on various programs, and I think they should have that right. I hope we can proceed rapidly.

Mr. ABDNOR. Mr. President, will the majority leader yield?

Mr. DOLE. I am happy to yield.

Mr. ABDNOR. In response to the Senator from Montana, I have one of those amendments that everybody is for. I have not found any opposition. It will take a few minutes, and it will mean one amendment that could be out of the way. I do not know of anyone opposed to it. It is very necessary.

I hope they will reconsider and let me have the amendment adopted and out of the way, so that we can pay attention to the more controversial amendments.

Mr. DOLE. I thank the Senator from South Dakota. That was my understanding of what we would do with part of the day. But that is not happening.

On that basis, it was my hope that while that was being done, we could be working on a modification of the amendment at the desk. We are just wasting time. If we let some of these amendments that are going to be adopted be adopted by voice vote, in an hour or so we will have our modification ready to offer, and we will be ready to vote. I know that other Members have other ideas.

Mr. HARKIN. Mr. President, will the majority leader yield on that point?

Mr. DOLE. I yield.

Mr. HARKIN. I raised an objection and will continue to object, because we have amendments over here to offer.

The distinguished chairman of the committee says that he has not seen any of my amendments. I know of no rule of the Senate that says I have to send amendments to the chairman of the committee or anyone else. They have to be offered at the desk.

I find that because the majority leader has filled up the amendment tree, I cannot do it unless I have unanimous consent. It is obvious that I will not get unanimous consent to offer my amendments.

If the majority leader will say that no one will object to any unanimous-consent request to offer amendments, fine; go ahead with that. But I cannot see playing by two sets of rules—one for that side of the aisle and one for this side of the aisle.

That is why I will insist upon the regular order. If the majority leader says that anybody who wants to bring up amendments can, it is all right with me. I see two sets of rules here.

Mr. DOLE. We certainly do not want to have two sets of rules. That is why the managers went through a list of all amendments and said, "These are not controversial, and this will require a vote."

Let us face it: We are not kidding anybody. The key vote is on commodities. Until we resolve that, maybe we should not worry about anything else. If that is not resolved, all the other amendments are not going anywhere, in any event.

I think the votes are critical I am not going to quarrel with anybody who wants to object. They have that right.

We are now preparing an amendment that we think will at least be brought up. If there are not enough votes for it, we will try something else, or somebody else will try something else.

Those who are determined to have the President veto this can have their way. It will not be difficult.

Some people are counting how many seats they will get if they do this or that. My farmers do not care how many seats are involved in 1985 or 1986. They are worried about their own farms and family security.

Mr. President, let me remind my colleagues that from 5 to 6:30 p.m., in room S-207, we will be honoring our distinguished colleague from Mississippi, Senator STENNIS. I am joined by the distinguished minority leader, and we hope we can see you all there. Maybe we can work out our differences while we are visiting with Senator STENNIS.

Mr. ABDNOR. Mr. President, I do not think we have two sets of rules.

I have a number of amendments I would like to offer, but they are controversial, and I recognize it. The majority leader has assured me that at the proper time I will have a chance to offer them. As I understood it, if there were some on which there were no controversy, we could dispose of them.

Do I correctly understand the Senator to say that there are a couple of amendments on the other side and he is simply waiting for the Senators to come here and offer them?

Mr. DOLE. The chairman advised me that they were willing to take a number of amendments on either side.

I am prepared to yield the floor to the chairman and the ranking minority member, Senator ZORINSKY. There are Members on both sides right now, and we can accept the amendments which are not controversial. We know what the controversial amendments are. We are not kidding anyone. Why not dispose of 9 or 10 amendments? I suppose that by 6:30 we might have the other amendment drafted, and by 8 or 9 o'clock we could have a vote.

Mr. HELMS. Mr. President, the distinguished majority leader is exactly right. It is the same level playing field today that there was when I arrived here 12 years, 10 month, and 18 or 19 days ago.

We are operating exactly as we did the first day I walked on the Senate floor. How many times has Senator BYRD come to me and said, "Jesse, what is your amendment about?" I give him a copy of it. I never declined to do that, and I think he will confirm that.

But the truth is that Senator ZORINSKY and I have a responsibility of trying to keep track of what is going on.

So, I must reject with as much civility as I possess, and I hope it is of sufficient quantity to dispell the notion that anyone is being treated improperly or unfairly.

I indicated earlier that we have asked Senator DECONCINI and Senator NUNN to come with their amendment. We have a list of noncontroversial amendments, and we have always operated that way, tried to clear out the noncontroversial amendments in preparation for those which will require considerable debate.

Mr. MELCHER. Mr. President, will the chairman yield?

Mr. HELMS. I yield for a question.

Mr. MELCHER. I thank the Chair for yielding.

Now, we all know what we want are amendments to be made available to both sides of the aisle so they can look at them. But what really serves no purpose, I respectfully point out to the chairman, is to indicate that my amendment on cutting the cost in the bill is not known and not understood by both sides.

We have been working on it for 2 or 3 weeks, and at each stage the Senator's side as well as others on my side are kept abreast. It has been virtually the same for over 2 weeks and there has been some additions during the past week to bring it up to about the $8 billion mark from $7.6 billion to $8 billion.

The fact is that it is an amendment that the chairman and the majority leader do not want called up at this time. It that not correct?

Mr. HELMS. That is not correct.

Mr. MELCHER. Then I shall ask unanimous consent to bring up my amendment, to lay aside the Dole motion to reconsider with instructions, and to offer the amendment. I do not have the floor now. I am just saying I would seek the floor to do that.

Is that acceptable to the chairman?

Mr. HELMS. So what the Senator wants to do and, incidentally, he did not ask a question but that is fine.

Mr. MELCHER. This is a question.

Mr. HELMS. His speech preceded it was not, but I enjoyed it. I always do.

Mr. MELCHER. Excuse me.

Mr. HELMS. What the Senator wants me to do is to agree to prevent the majority leader from completing a compromise that will give us a bill hopefully that will not be vetoed.

Mr. MELCHER. That is not the thing.

Mr. HELMS. Of course that is it.

Mr. MELCHER. Will the Senator yield further?

Mr. HELMS. I yield.

Mr. MELCHER. That is not quite it because the savings that is in the majority leader's package as it stands

now are very similar to the savings that would be in my amendment.

Mr. HELMS. Some of it. The Senator is correct. That indicates the bipartisan effort that is being made.

I will say to the Senator he is not the only Member of the other side of the aisle with whom we consulted. We are trying to make it bipartisan.

Mr. MELCHER. Might I just state to the chairman——

Mr. HELMS. Yes.

Mr. MELCHER. I do not care which way we go, whether we go this way.

Mr. HELMS. Yes, the Senator does care.

Mr. MELCHER. This way to start voting on the majority leader's amendment or my way to start voting on my amendment which is much shorter. It only addressed one point on cutting costs in the bill. I do not care either way.

Mr. DOLE. Do it together.

Mr. MELCHER. I wish to do it together. When are we going to do it? I think we are spinning our wheels here.

Maybe it is time to put the chains on.

Mr. HELMS. We are not spinning our wheels. We can be allowed to proceed with some of the amendments.

Mr. MELCHER. I am all for that.

Mr. HELMS. I thank the Senator.

Mr. MELCHER. I am all for that. I am all for anything.

Mr. HELMS. I ask unanimous consent that it be in order for the distinguished Senator from South Dakota to call up an amendment?

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN. I object.

Mr. HELMS. I asked that unanimous consent to prove a point and I just proved it.

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

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

RECESS UNTIL 6 P.M.

Mr. DOLE. Mr. President, I move that the Senate stand in recess until 6 p.m.

The motion was agreed to, and at 5:15 p.m., the Senate recessed until 6 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. WILSON).

Mr. HARKIN and Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I am inclined to yield to the distinguished Senator from Iowa. Would he care to share with me what he has in mind?

Mr. HARKIN. I was going to talk a little and then ask unanimous consent to offer an amendment I have here and ask for its consideration, and see if that would be acceptable to the other side.

Mr. HELMS. Would the Senator be willing to let Senator ZORINSKY and me take a look at his amendment?

Mr. HARKIN. Sure.

Mr. HELMS. Mr. President, I say to my friend from Iowa that I would have some reluctance about not objecting to his calling up this amendment. I will be delighted for him to take such time as he wishes to discuss it; and, depending upon what is being worked in a bipartisan effort, we will then advise the Senator about the amendment, if that is all right with him.

Mr. HARKIN. I would appreciate it if the chairman would yield to me for the purpose of a colloquy.

Mr. HELMS. Certainly. I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I have an amendment I would like to send to the desk. I do not know that I understood what the distinguished chairman said.

Mr. HELMS. If the Senator will yield—he has the floor—Senator ZORINSKY and I had agreed that Senator ABDNOR would call up an amendment, and I feel obliged to honor that commitment to Senator ABDNOR. If the Senator will go ahead and make his remarks, I will appreciate his not offering this amendment, to which I will have to object.

Mr. HARKIN. I understand.

Mr. President, I take the floor again to make the point I made before. I wish this did not have to happen. We are ready to vote on these amendments. We know what the Dole amendment contains. Everyone is ready to vote on it up or down. We can have a vote on it right now. Yet, again we are being told the we have to wait for some kind of new package that is coming out.

Mr. HELMS. Mr. President, if the Senator will yield—I say this in all friendliness—he is the one who objected to the Abdnor amendment.

Mr. HARKIN. The distinguished chairman is absolutely right.

Mr. HELMS. So what the Senator wishes to do is take over the job of Senator ZORINSKY and the Senator from North Carolina. In all fairness, I say to him that I cannot permit that.

Mr. HARKIN. What the Senator from Iowa is trying to do is, No. 1, to make a point, and that is that this farm bill is being stalled; that even though the distinguished majority leader has it within his power to fill up the tree as he done, to prevent amendments, I do not think it is in the best interests of the legislative process to not permit us to offer our amendments and have them debated and voted on.

I point out that the amendment that is the regular order of business now, the Dole amendment No. 940, is 224 pages in length. At least, we have had this for some time to look at.

I ask this rhetorically: I heard the distinguished majority leader say that at 6:30, they might have another package together. I wonder if that is going to be around 200 pages. He said we might vote at 8 to 9 o'clock, and that gives us an hour and a half to look at 150 to 200 pages. I hope it is not that long. I hope it is a simple amendment that we can look at and debate thoroughly and vote on it.

The distinguished majority leader has been saying that he wants to get a bipartisan package. I would like to get a bipartisan package, too, but I thought that is what we had. We reported a bill out of the Agriculture Committee. As I understand, some Democrats voted for it and against it, and some Republicans voted for it and against it. That sounds quite partisan to me. So what we got from the Ag Committee was a bipartisan bill, because there were Senators on both sides of the aisle who voted for it. I happen to be one who voted against it, as I know the distinguished chairman voted against it—I suppose for different reasons. We all had our reasons for voting against it.

So we do have a bipartisan bill before us. I guess "bipartisan" is like beauty: it is in the eye of the beholder.

I do not mean to speak for any Senator other than this one, Mr. President, and my responsibility is not just to vote on something that the President or his advisors, as the case may be—obviously, the President is not involved in this now, because he is at the summit in Geneva—but this Senator's responsibility is not just to rubberstamp whatever the Director of OMB or the Secretary of Agriculture or the President or his advisers want. I would be shirking my responsibility and my duty to my constituents if I were to just rubberstamp what they want.

Mr. HELMS. Mr. President, if the Senator will yield, certainly this Senator is not a rubber stamp for anybody. This Senator accepts his responsibility, and I think the responsibility of all Senators is to get a bill that will pass the Senate, survive conference, and has a chance of not being vetoed. But the No. 1 responsibility is to get a fiscally responsible piece of legislation, and I submit that this bill, as it now stands, would be made worse by the Senator's amendment, in terms of cost. The Senator can justify it any way he wishes, but I am concerned about the Federal deficit. We cannot move toward a balanced budget as long as we have more and more spending in each bill that comes through.

I respect the Senator, and I thank him.

Mr. HARKIN. I appreciate the distinguished chairman for his comments.

Again I am just saying that the distinguished majority leader was on the floor a while ago saying that we had to have a bill that the President would sign and not veto. I do not know what the President will sign or what he will not sign. I do not know that there has been some edict from on high at the White House saying, "This is what I will take and this is what I will not." Even if there were, this Senator over the last 11 years has seen three different Presidents say well, they will sign something or will not sign something. Then you send it down and by gosh they sign it. There is always a give and take. Obviously, the President may say that he will not sign a certain farm bill, but then when presented with it he might have a different view of it when he is presented with it.

So, I do not know that we can really tell exactly what it is that the President will sign or will not sign as a farm bill.

Perhaps sometimes I wish he were more involved with the development of the farm bill and our farm problems than has been the case over the last several months. I understand he cannot be. Right now he is in Geneva and that is where he should be and that is of the utmost importance right now. But in the past, I would have hoped that the White House might have been a little bit more involved than perhaps they were. But, again, I repeat, that just to try to work out a bill that is acceptable to whoever is representing the President down here—today it may be one of his advisers, it may be the Secretary of Agriculture, probably the Director of OMB—to just say that we have to approve a vote on a bill that they will approve, again this Senator does not think it is his responsibility to rubber-stamp whatever it is they approve.

My job, as I see it, is to do the best job I can both in the Agriculture Committee, here on the floor of the Senate, to devise a farm bill that will increase farm income, that will help us out of the mess that we are in in agriculture and do it within reasonable bounds of what the budget will allow.

The chairman of the Agriculture Committee said that we wanted to cut the deficit. Yes, we all want to cut the deficit.

But again I point out that the distinguished Senator from Montana has had before us for I think at least a couple weeks now a pending amendment that would make significant cuts in the farm bill and indeed bring it under the budget. And yet he is not allowed to offer that amendment. Every time he gets up to offer it he is precluded from offering it.

So, again I think those of us on this side have been responsible in the area of fiscal integrity in terms of our farm programs and what we want.

Certainly, even the 4-year target price freeze is within the budget. If you look upon the budget as being a 3-year budget cycle if that is the case we are in budget. If you want to assume we go beyond that 3 or 4 years, then, of course, you can make the case that we are out of the budget.

So it depends. Again it is like beauty. It is in the eye of the beholder whether we are in the budget or outside the budget on agriculture.

I would argue that we are well within the confines of the budget as it is right now for the next 3 years, because that is really what our budget cycle is looking at right now in the budget. But nonetheless, I wish we could have a vote on the amendment offered by the Senator from Montana. But we are not allowed to. In this the most deliberative, the greatest deliberative body in the world, we cannot get a vote on the amendment of the Senator from Montana.

So, again I hope that when we work out this so-called bipartisan agreement, we will at least have sufficient time to look at it.

I can only say I do not know what is bipartisan and what is not.

Again, we reported a bill out of committee that some Republicans voted for. That seems to me to be pretty bipartisan right there for a 4-year target price freeze.

I think we should have a vote on it on the floor of the Senate and see if it is bipartisan or not and let the chips fall where they are. But I hear talk about working out some kind of bipartisan package.

Bipartisan involving who? This Senator has not been invited to any meetings. I represent a State which is second only to California in terms of our agricultural receipts.

I dare say my colleague from Iowa, who is not here, I do not even know if he has been invited either to any of these so-called bipartisan meetings in trying to hammer out a package.

So whatever is being done behind closed doors is certainly being done not with this Senator's attendance and I assume without a lot of Senators' attendance who are distinctly interested in what the shape and the content of the farm bill will be.

But I keep hearing that we have to have a farm bill that the President will sign, but I do not know what that means.

Again I think our responsibility here is to pass a farm bill that will get farmers some income, help them pay off their debts, help us solve the financial crisis that plagues our Farm Credit System and our independent bankers all over this country. What we need is a farm bill that will increase farm income not a farm bill that will decrease farm income.

So I do not think that just being asked to vote for something that someone assumes that the President will sign or not sign is my responsibility.

I do not want to talk any longer. I am talking only because no one will permit a vote around here. We cannot get a vote on the pending amendment which is the amendment offered by the Senator from Kansas, Mr. DOLE.

I see the distinguished majority leader on the floor. I wish we would just go ahead and have the vote on it up or down, see where the chips fall on this thing.

But, evidently that is not going to happen. Evidently, we are going to be kept at bay on this side of the aisle so that we cannot offer our amendments, so that we will have no prospect at all of really shaping a bipartisan approach. And I would think the place to do it is here on the Senate floor. Let us have our votes. Let people offer amendments. But we are being precluded from that.

Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HARKIN. What is the pending regular order before the Senate right now?

The PRESIDING OFFICER. The pending business is amendment 940 offered by the majority leader.

Mr. HARKIN. A further parliamentary inquiry, Mr. President. Is there a unanimous-consent request pending at this time?

The PRESIDING OFFICER. No.

Mr. HARKIN. Mr. President, I really think we should get to a vote on the pending amendment.

Mr. President, I move to table the Dole amendment 940.

The PRESIDING OFFICER. The majority leader.

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

Mr. DOLE. Mr. President, reserving the right to object, they will start voting on the other motion.

Mr. PRYOR. Mr. President, should the majority leader be inquisitive about my reason for taking the floor and asking for the quorum call to be rescinded at this time, I simply wish to ask the distinguished chairman of the Agriculture Committee a question and I will not offer an amendment nor offer a motion to table.

Mr. DOLE. Mr. President, I am constrained to object.

The PRESIDING OFFICER. Objection is heard.

The assistant legislative clerk resumed the call of the roll

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

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

The question is on the motion to table.

Mr. DOLE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Iowa [Mr. HAWKINS] to table the amendmentment of the Senator from Kansas (Mr. DOLE). The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. EAST], Senator from Maryland [Mr. MATHIAS]. Senator from Connecticut, [Mr. WEICKER], are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Mississippi [Mr. STENNIS] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 88, nays 8, as follows:

[Rollcall Vote No. 318 Leg.]

YEAS—88

Abdnor	Garn	McConnell
Andrews	Glenn	Melcher
Armstrong	Goldwater	Metzenbaum
Baucus	Gore	Mitchell
Bentsen	Gorton	Moynihan
Biden	Gramm	Nickles
Bingaman	Grassley	Nunn
Boren	Harkin	Packwood
Boschwitz	Hart	Pell
Bradley	Hatch	Pressler
Bumpers	Hecht	Pryor
Burdick	Heflin	Riegle
Byrd	Heinz	Rockefeller
Chafee	Helms	Roth
Chiles	Hollings	Rudman
Cochran	Humphrey	Sarbanes
Cranston	Inouye	Sasser
D'Amato	Johnston	Simon
Danforth	Kassebaum	Simpson
DeConcini	Kasten	Specter
Denton	Kennedy	Stafford
Dixon	Kerry	Stevens
Dodd	Lautenberg	Symms
Dole	Leahy	Thurmond
Domenici	Levin	Trible
Durenberger	Long	Warner
Eagleton	Lugar	Wilson
Evans	Matsunaga	Zorinsky
Exon	Mattingly	
Ford	McClure	

NAYS—8

Cohen	Laxalt	Quayle
Hatfield	Murkowski	Wallop
Hawkins	Proxmire	

NOT VOTING—4

East	Stennis
Mathias	Weicker

So the motion to lay on the table amendment No. 940 was agreed to.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, I am happy to yield to the Senator from Arkansas.

Mr. PRYOR. If the majority leader will yield at this point, I would like to pose a question to the distinguished chairman of the Agriculture Committee, whom I see on the floor.

Mr. President, may we have order in the Chamber, please?

The PRESIDING OFFICER. The Senate will be in order. If Senators desire to converse, please take their conversations to the cloakrooms.

Mr. PRYOR. Mr. President, it is 15 minutes to 7. There is a rumor floating around the floor that we are about to have a 200-page agriculture bill submitted to the Senate in due time.

Mr. President, I think we are at a stalemate. Just as a matter of a little history, this particular bill that is now the business of the Senate, was reported from the Senate Agriculture Committee, to the best of my knowledge, on September 19. That is a 2 full months ago. Here we are almost on Thanksgiving eve going into Christmas, with a long conference to be held. Let us just be honest with ourselves: There is no conceivable way that we can take this bill with 90 amendments, or 60, 50, whatever, and move forward and have an agriculture bill.

My question to the chairman is this: The chairman on that date that we reported the bill voted against referring this particular bill to the floor. If my memory serves me correctly, the reason given by the chairman was that it was over budget.

I have a solution that is simple, that will be fair, and I hope the distinguished majority leader and the chairman will listen to a proposal that I have.

Mr. HELMS. I hope the Senator will proceed.

Mr. PRYOR. Then I will ask my question of the chairman.

The distinguished Senator from Montana several weeks ago, through his own work effort, his own work product, working on weekends, devised a way of rectifying the chairman's concern and objection to this bill. He worked it out in good faith. He has attempted on many, many occasions to offer that amendment which would bring this bill under budget. Somehow or another, for some reason or another, that work product of the Senator from Montana ended up on that side of the aisle. That is history.

My proposal is this, Mr. President, to the distinguished chairman: That we vitiate all orders for yeas and nays, that we go back to where we started, and that we allow the Senator from Montana to offer the amendment bringing this bill, that was sent to the floor after 27 markup sessions, that is now under consideration, within budget and which will remove the objections of the chairman and many people in this body who feel it is over-budget. Once that is accomplished, then let us take the bill that we sent to the floor that is within budget and vote on it up or down.

I think I can say to the distinguished majority leader and the distinguished chairman that that might be a way to solve the dilemma and the impasse that we are in, and that impasse, in my opinion, will prevent and preclude us from having a bill this year.

I submit that to the chairman. My question is, would the chairman consider that procedure for bringing this matter to the attention of the Senate?

Mr. HELMS. Mr. president, let me begin my response to the Senator by asking him a question.

Mr. DOLE. Mr. President, I yield for that purpose. I think I still have the floor.

The PRESIDING OFFICER. The majority leader has the floor.

Mr. HELMS. Where did the Senator get the idea that the Melcher amendment or even the Dole-Lugar bill would be within the budget resolution?

Mr. PRYOR. Will the Senator repeat the question?

Mr. HELMS. The Senator from Arkansas is my friend and I greatly admire him. Where did you get the idea that the Melcher amendment would bring us within the budget resolution?

Mr. PRYOR. I think it is beyond dispute that the Melcher proposal would bring this bill within the budget.

Mr. HELMS. That is not correct. The Melcher amendment will cost $90 billion to $95 billion. The current law costs $92 billion. The committee bill, against which I voted, will cost $100 billion. The Dole-Lugar bill is a little bit better than the rest of them. It will cost $85 billion.

I say that in the frame of reference that during the previous administration, the Carter administration, the farm bill as estimated to cost $20 billion in 4 years.

I have not committed to vote for anything that I have heard yet. Up until this vote I was committed to helping the majority leader maintain his position until he could work out something that would perhaps justify my concerns about the budget.

I do not have the floor now and I could not make any move if I wanted to, and I do not want to. That is the best I can do for the Senator.

As for my support, we have to get a great deal nearer the responsiblity of the Senate before I can vote for a piece of legislation.

Mr. PRYOR. Will the Senator yield so I may respond?

Mr. DOLE. I am happy to yield.

Mr. PRYOR. To answer the distinguished chairman, these figures offered in the proposal by Senator MEL-

CHER of Montana, those are the figures, I say to my distinguished chairman, that were supplied to the distinguished Senator from Montana by the Congressional Budget Office. I know we can take USDA figures, OMB figures, or whatever, but day in and day out this Senator believes that the CBO has better figures than those other two particular agencies or functions of government.

I humbly submit, even if it would be over or above the budget, at least let the Senator from Montana who worked up this proposal offer the amendment to the agriculture bill and then let us vote up or down on the agriculture bill which came from the distinguished chairman's committee after 27 days of markup and let us go to conference with it. We will have some opportunities there to deal with figures and to deal with other concerns and problems. But otherwise, I say to my chairman, we are basically tonight and tomorrow—well, this is wishful thinking, that we are going to be able to pass an agriculture bill and send it to conference and come back before Christmas. We think we owe an obligation to the farmers of this country to move and to move forward, and to do it now. That is my humble suggestion. I hope the distinguished chairman and majority leader will consider it.

Mr. DOLE. Mr. President, I think we all appreciate suggestions. There are 90 amendments. We understand there are about 12 that are in dispute. Obviously, this area is the most prominent one. But it seems to me that there is a strong indication at the White House that a 4-year freeze is going to be vetoed and if you have a 4-year freeze in the committee bill and a 5-year freeze on the House side when you go to conference, you are not going to end up with anything less than a 4-year freeze. That is one strategy, just go to conference, have the bill vetoed, and start it over again. We are not going to get any farm bill that way.

The other strategy is to try to save some money and I commend the distinguished Senator from Montana. I think the savings he has suggested and others have suggested are helpful. They have gone a long way to satisfy the budget requirement.

Maybe what I am seeking to do is not possible. We can bring up another amendment—it will be similar to the one that has just been disposed of, with a few exceptions which I shall explain at the time—and have a vote on it. If that amendment is defeated, there will probably be other amendments.

There may be the votes to pass a 4-year freeze. I think if that is the choice the Members have, that amendment would pass. Having voted, I think, for every farm bill that has ever been before the Senate under Democratic and Republican Presidents, I do not take the responsibility lightly. But I have learned over the years that sometimes, people have to compromise. The vote in the committee was by one vote, 9 to 8. That was not a big margin. So it seems to me that if there is some way to break the logjam, I would be happy to discuss it with the managers and we hope to have the amendment prepared here in the next few minutes.

In the meantime, I am going to suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

Mr. HELMS. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. EXON. The Senator did not hear.

The PRESIDING OFFICER. Objection was heard.

Mr. EXON. I thank the Chair.

The legislative clerk resumed calling the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Is there objection?

Mr. HELMS. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. HARKIN. Once again, we cannot vote, we cannot talk.

The legislative clerk resumed the call of the roll.

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

The PRESIDING OFFICER. Is there objection?

Mr. HELMS. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. EXON. There was an objection?

The PRESIDING OFFICER. Yes.

Mr. EXON. I thank the Chair.

The legislative clerk resumed the call of the roll.

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

The PRESIDING OFFICER (Mr. GRAMM). Is there objection.

Mr. HELMS. I object.

The PRESIDING OFFICER. Objection is heard.

The assistant legislative clerk resumed the call of the roll.

Mr. DOLE. 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. DOLE. Mr. President, I have been meeting with the distinguished chairman of the committee and the ranking member, Senator HELMS and Senator ZORINSKY, and others on both sides of the aisle. There is going to be an amendment offered which will exceed 220 pages in length. I am advised by Members on both sides they would like to study it, which they certainly have the right to do. It is going to be somewhat different than the amendment which was tabled earlier. It will include some additional provisions. I think—and I will ask the chairman to confirm this, and Senator ZORINSKY, and the distinguished minority leader, who is now on the floor—rather than have the amendment offered and spend a couple hours either reading it or studying it, we might be better off to distribute copies of the amendment tonight and try to get back on the bill by 10 o'clock tomorrow morning. Then that amendment could be offered at that time.

If there is no objection from the managers of the bill, I would suggest that course of action.

Mr. HELMS. Does the Senator intend to lay down the amendment tonight?

Mr. DOLE. We would lay it down in the morning.

Mr. HELMS. Lay it down in the morning. That is agreeable with me.

Mr. ZORINSKY. I am not aware of any objections on this side.

Mr. HARKIN. Mr. President, I only wish to ask the distinguished majority leader, does he have any idea how soon we might be able to get some copies?

Mr. DOLE. I was told earlier that it would be 10 minutes. That was about 7. I think the amendment is just about drafted. I would hope in the next 5 or 10 minutes.

Mr. HARKIN. I hope that it is not 10 or 11 o'clock tonight.

Mr. DOLE. I think we need copies for staff on the other side.

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

Mr. DOLE. I yield.

Mr. BYRD. I would certainly not recommend having the clerk read the amendment. I think that the majority leader can supply copies to Senators. They would have an opportunity overnight to look at the amendment, as would the staff, and the Senate could go out. The majority leader certainly does not need unanimous consent to do this. If there is an objection, he can do it, anyhow.

Mr. DOLE. That is correct. But I want to make certain that everyone is going to stay around long enough to get copies, because in the morning someone might say, "I think I want it read," and that would take a couple of hours.

Mr. BYRD. Some Senators—not this Senator—may want an explanation of the amendment or may want to ask the distinguished majority leader some questions.

Mr. MELCHER. Will the amendment be laid down tonight?

Mr. DOLE. Just to make certain that we do not have any technical errors in it, we will make copies available to Members tonight and it will be laid down tomorrow morning.

Mr. HARKIN. Will the distinguished majority leader yield for a question?

Mr. DOLE. I yield.

Mr. HARKIN. I assume that the majority leader will lay down his amendment tomorrow, which will fill up the slot we tabled today, amendment 940, which again leaves us without any provision to amend that amendment at all. It will be a motion to table or an up and down vote, but we will not be able to amend it. Am I correct in that?

Mr. DOLE. On that amendment, yes.

Mr. HARKIN. Again, in all sincerity, I ask the majority leader: Assuming that we dispose of that amendment one way or the other, will we ever be allowed on this side to start offering our amendments and start having votes on our amendments? We have been waiting for weeks.

I have four or five amendments. The Senator from Montana has an amendment. We have other amendments here.

I am wondering, after we dispose of that one way or the other, could we have assurance from the majority leader that we will be recognized and that the amendment tree will not be filled up again so that we will not be precluded from offering our amendments?

Mr. DOLE. I say to the distinguished Senator from Iowa that I understood that most of the people on that side were for the committee bill. The answer is yes, there will be that opportunity. We can ask the Chair.

If the amendment offered tomorrow morning is adopted, will the bill then be open to further amendment?

The PRESIDING OFFICER. The first-degree amendment will be open to further amendment.

Mr. HARKIN. But not the amendment the majority leader is going to lay down tomorrow. That will not be open for amendment.

The PRESIDING OFFICER. The second-degree amendment will not be open for amendment.

Mr. HARKIN. I have amendments——

Mr. DOLE. Do you have a mandatory program amendment?

Mr. HARKIN. I have a voluntary program. You will love it. [Laughter.]

It will help increase the farmers' income in Kansas, and it will be below the budget.

Mr. DOLE. I would like to see how many votes it gets.

Mr. MELCHER. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. MELCHER. As I understand it, the proposal is to go out tonight and to study the amendment and be prepared tomorrow, around 10 o'clock, to consider it.

Mr. DOLE. There will be no more votes tonight, in case any Members are waiting for that.

Mr. MELCHER. I wonder if we do not run some risk, when the amendment is laid down tomorrow, of 1 out of 100—I do not want to do this, but 1 out of 100 might say, "It's a long amendment, and I want to hear it read." That might take up most of tomorrow, reading it, or at least 3 or 4 hours. That is a risk we would take.

Mr. DOLE. That could only come from someone who does not want the bill to pass.

Mr. MELCHER. That is true. I am not suggesting that I would recommend that at all. I think we ought to use the available time we have for considering the majority leader's amendment.

Is this the one that contains both a 1-year freeze and a 4-year freeze?

Mr. DOLE. I might say that the precedent for this is March 21, 1978. The distinguished Senator from Georgia, Mr. Talmadge, was chairman of the committee, an outstanding chairman, and we went to conference with two different approaches. I have had that in mind ever since 1978. I thought that was a brilliant idea that came from the Democratic side. I hope we can do it again. The Senator from Montana voted for it.

Mr. MELCHER. And it has the soybean provision for $35 an acre?

Mr. DOLE. It has a sugar provision.

Mr. MELCHER. Is the sugar provision changed?

Mr. DOLE. Yes.

Mr. MELCHER. How is it changed?

Mr. DOLE. Well, we have had some areas in the country where they have had some severe disasters, and we have tried to accommodate some of those requests, to ease up on those who can qualify in disasters where you have double-cropping areas.

Second, we tried to make it a no-cost program.

Those are basically the changes in the sugar program. There is not significant additional cost, but it takes a change in the law, because in some parts of the country, particularly in some of the Southern States, as I understand it, there has been almost total devastation. Under the present law, it is very difficult to qualify.

Mr. MELCHER. A hurricane disaster. I understand.

I have no objection, none whatsover. I am just making a comment.

Mr. DOLE. We will also try to have available in the morning a summary sheet—maybe even tonight, if we can get it together—as to precisely what the amendment contains.

There is not much new in it, to be frank about it. There are some new provisions. We found a few errors in the other amendment. The basic program is pretty much the same.

We do not touch the $50,000 payment limit. That was something the Senator from Montana indicated a deep interest in yesterday. We do not include that in our amendment, but it is in the bill. We do not change the peanut program; that is in the bill. There is a slight change in the corn program—an upside-down, no-lose amendment.

Mr. BOSCHWITZ. An opportunity-income amendment.

Mr. DOLE. It is a very clever amendment. I wish I had thought of it. [Laughter.]

I do not understand it.

Mr. EXON. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. EXON. Is the amendment having to do with natural disasters limited to hurricanes only, or are there basic changes with regard to changing county lines, changing crops, changing the mix of crops that could allow for the qualification of a disaster? Is this a comprehensive change in the program or is it limited to hurricanes only?

Mr. DOLE. It is a limited one that relates to certain crops that do not have target price protection: soybeans and sugarcane.

Mr. EXON. I did not quite understand. Has the bill any change at all in the Corn Program from the bill that was tabled earlier?

Mr. DOLE. There is a change. The Senator from Minnesota will change the Corn Program with his amendment.

Mr. BOSCHWITZ. Yes.

Mr. DOLE. I do not understand it. That is not a requirement.

I am happy to yield to the Senator from Minnesota to explain it.

Mr. BOSCHWITZ. I believe the majority leader said something like that the last time about Gramm-Rudman.

Mr. EXON. Is the Corn Program change a secret?

Mr. DOLE. No. I just do not understand.

Mr. BOSCHWITZ. If you like I will explain it.

Mr. EXON. Can my friends from Minnesota explain what the corn is? I think we vaguely have an understanding of what the changes are with regard to the soybeans. It has as I understand it essentially the same floating parity for wheat as was in the earlier bill that was tabled; is that right? Have there been changes?

Mr. DOLE. It is the same sound provision we had earlier.

Mr. EXON. But I am not sure that I understand corn.

How is the corn changed from the majority leader's amendment that we tabled earlier today?

Mr. BOSCHWITZ. We have added to the package a provision that in the event the market price rises above the projections that USDA has made the deficiency payment would not be reduced because of that but the upside would be the opportunity income would be for the farmer.

In other words, now the deficiency payment is the difference between a target price and the loan. In the event the market price exceeds the loan, then the deficiency payment is reduced.

I went to the leader and I went to the USDA, and I said: What are the projections for the market price over the 4-year period of the bill? They told me what they were; $2.04 the first year, $2.19 the second year, $2.24 the third year, and $2.43 the fourth year.

And as the target price comes down I said the farmer is going to lose some income. Suppose that the market is above the estimated market price. In that case under the provisions that I have added to the bill the upside or the opportunity income would be for the farmer. I will show it to the Senator by way of a graph and he will see.

Mr. EXON. Is this, may I ask my friend from Minnesota, the program that he visited with me about a week or so ago?

Mr. BOSCHWITZ. I did. It was in the bill that I introduced and it would now be made part of this bill.

It would provide a real opportunity if there is a market recovery, very frankly if there is a short crop which is about every third year or so in corn.

Mr. EXON. Does this program cost additional money or does it save money in the bill as far as corn is concerned now?

Mr. BOSCHWITZ. It does not change the cost of the bill as the cost is now projected.

The cost of the bill as it is projected makes certain assumptions as to where the market price will be, and they figure the market price is going to be above the loan so that the deficiency payment would shrink.

My question to them was that suppose you have estimated wrong, suppose you have estimated too low and the market price in 1986 is $2.40 rather than $2.04 as you have stated. Who gets that 36 cents? Is the deficiency payment simply reduced by 36 cents as would now be the law, or would the 36 cents, the opportunity income, go to the farmer? Under this provision in the package that 36 cents would go to the farmer.

Mr. EXON. It sounds intriguing and all that without any additional cost?

Mr. DOLE. As far as projections are concerned.

Mr. EXON. As far as projections are concerned.

Mr. DOLE. His view is they are based on certain projections. If those projections are not accurate, it is not the farmer's fault and he should, if the market price increases, still get the same deficiency payment. But that is another change.

If I could just indicate, we are thinking about a rice provision. We have not determined whether to include it or not. There is also a change in the emergency disaster loan cap. I think most everything else has been covered except this upside amendment.

Mr. ZORINSKY. Mr. President, will the majority leader yield for a question?

Mr. DOLE. I yield.

Mr. ZORINSKY. Does it still retain the referendum on wheat in the corn bill?

Mr. DOLE. Right, it has the same 4-year provision that the distinguished Senator from Nebraska offered in committee.

Let me indicate that it is my hope that these copies will be available soon.

Mr. MELCHER. Mr. President, will the majority leader yield further?

Mr. DOLE. I yield.

Mr. MELCHER. I thank the majority leader for yielding.

I want to point out that these lengthy amendments with different concepts do take some time not only to prepare, as apparently it has taken all day to prepare, but to debate it. It would appear to me that the majority leader is setting the stage for little opportunity if any to finish this bill this week. I am willing to cooperate on that and I am willing to try. But when we get a proposal that blends into one package of 1-year target prices and a 4-year target price freeze that alone causes some real difficulties.

To add now a new program for soybeans, which may be very fine, and I might be all for it, will require considerable amount of checking. CBO, I do not think, has priced this out. We are concerned not with adding costs to the bill. I know the Department of Agriculture has said that it is a wash, which seems rather odd. But we are operating under CBO figures and that is the way we have been to keep them uniform. We will still have to have it costed out by the Congressional Budget Office.

I doubt whether they can find that wash. That has to be considered, and I am sure the majority leader is concerned about that in keeping down, not adding to, the cost of the bill, but hopefully finding enough cost reductions so we have a package that merits approval by the Senator and by the electorate. I thank the majority leader for yielding.

Mr. DOLE. I do not quarrel with that statement by the Senator from Montana. Obviously the managers are all concerned about the cost. We are all concerned about the cost. We know the Senator from Montana has indicated a way to make some savings.

There are other suggestions that have been set forth. Some will be included in this package. But for the most part, they are duplicate suggestions that have come from both sides.

I do not believe there are that many major differences between the amendment tomorrow and the amendment that was tabled earlier.

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 9 p.m.

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

MESSAGES FROM THE HOUSE

At 9:40 a.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 joint resolutions, in which it requests the concurrence of the Senate:

H.J. Res. 382. Joint resolution to authorize the continued use of certain lands within the Sequoia National Park by portions of an existing hydroelectric project; and

H.J. Res. 450. Joint resolution to authorize and request the President to issue a proclamation designating April 20 through April 26, 1986, as "National Organ and Tissue Donor Awareness Week."

ENROLLED JOINT RESOLUTION SIGNED

At 12:30 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolution:

S.J. Res. 174. Joint resolution to designate November 18, 1985, as "Eugene Ormandy Appreciation Day."

(The enrolled joint resolution has been signed by the Vice President on yesterday, November 18, 1985.)

MEASURES REFERRED

The following joint resolutions were read the first and second times by unanimous consent, and referred as indicated:

H.J. Res. 382. Joint resolution to authorize the continued use of certain lands within the Sequoia National Park by portions of an existing hydroelectric project; to the Committee on Energy and Natural Resources.

H.J. Res. 450. Joint Resolution to authorize and request the President to issue a proclamation designating April 20 through April 26, 1986, as "National Organ and Tissue Donor Awareness Week;" to the Committee on the Judiciary.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, November 19, 1985, she had presented to the President of

the United States the following enrolled joint resolution:

S.J. Res. 174. Joint resolution to designate November 18, 1985, as "Eugene Ormandy Appreciation Day."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MATHIAS, from the Committee on Rules and Administration, with amendment:

H.R. 1483: A bill to authorize the Smithsonian Institution to plan and construct facilities for certain science activities of the Institution, and for other purposes (Rept. No. 99-189).

By Mr. MATHIAS, from the Committee on Rules and Administration, with an amendments:

S. Res. 28: A resolution to improve Senate procedures (Rept. No. 99-190).

By Mr. ANDREWS, from the Select Committee on Indian Affairs, with an amendment:

S. 1728. A bill to authorize the Cherokee Nation of Oklahoma to lease certain lands held in trust for up to ninety-nine years (Rept. No. 99-191).

By Mr. ANDREWS, from the Select Committee on Indian Affairs, with an amendment in the nature of a substitute:

S. 1396. A bill to settle unresolved claims relating to certain allotted Indian lands on the White Earth Indian Reservation, to remove clouds from the titles to certain lands, and for other purposes (Rept. No. 99-192).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. GOLDWATER, from the Committee on Armed Services:

Mr. GOLDWATER. Mr. President, from the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again.

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

(The nominations ordered to lie on the Secretary's desk appeared in the RECORDS of October 10, October 16, October 21, October 22, October 25, October 28, October 29, October 30, November 1, November 6, and November 12, 1985, at the end of the Senate proceedings.)

ROUTINE MILITARY NOMINATIONS WHICH HAVE BEEN PENDING WITH THE SENATE ARMED SERVICES COMMITTEE THE REQUIRED LENGTH OF TIME AND TO WHICH NO OBJECTIONS HAVE BEEN RAISED

*1. Col. Norris L. Einertson, U.S. Army, to be permanent brigadier general. (Ref. #654)

**2. In the Army there are 172 appointments to the grade of colonel and below (list begins with Thomas Charbonnel). (Ref. #656)

**3. In the Army there are 2,102 permanent promotions to the grade of lieutenant colonel (list begins with Anders B. Aadland). (Ref. #657)

**4. In the Navy there are 517 appointments to the grade of captain and below (list begins with Arthur Thomas Cooper). (Ref. #677)

*5. Col. Harvey G. Gulley, U.S. Army Reserve, to be brigadier general. (Ref. #679)

**6. In the Navy there are 863 appointments to the grade of captain and below (list begins with Barry Wayne Beaufort). (Ref. #680)

*7. Admiral Wesley L. McDonald, U.S. Navy, to be placed on the retired list. (Ref. #691)

*8. Vice Admiral Kendall E. Moranville, U.S. Navy, to be reassigned. (Ref. #692)

**9. In the Air Force Reserve there are 56 promotions to the grade of colonel (list begins with Alfred G. Aldridge, Jr.). (Ref. #701)

**10. In the Air Force there are 10 promotions to the grade of major (list begins with Daniel E. Bethards). (Ref. #702)

**11. In the Army reserve there are 79 promotions to the grade of colonel and below (list begins with Wyont B. Bean, Jr.). (Ref. #703)

**12. In the Army Reserve there are 23 appointments to the grade of colonel and below (list begins with Nicolas V. Costea). (Ref. #704)

*13. Rear Admiral Daniel L. Cooper, U.S Navy, to be vice admiral. (Ref. #708)

**14. In the Air National Guard there are 27 promotions in the Reserve of the Air Force to the grade of lieutenant colonel (list begins with Paul W. Arnett). (Ref. #711)

*15. General Robert C. Kingston, U.S. Army, to be placed on the retired list. (Ref. #719)

*16. Lt. Gen. George B. Crist, U.S. Marine Corps, to be general. (Ref. #720)

**17. In the Army Reserve there are 207 promotions to the grade of colonel (list begins with James H. Aanenson). (Ref. #721)

**18. In the Navy there are 368 reappointments to permanent lieutenant as limited duty officers (list begins with Lewis M. Alexander). (Ref. #725)

**19. In the Navy there are 1,961 appointments to the grade of permanent ensign (list begins with Susan T. Abarbanell). (Ref. #726)

*20. In the Air Force there are 32 appointments to the grade of major general (list begins with Jimmie V. Adams). (Ref. #733)

*21. Vice Admiral Nils R. Thunman, U.S Navy, to be reassigned. (Ref. #734)

*22. Rear Admiral Cecil J. Kempf, U.S. Navy, to be vice admiral. (Ref. #735)

*23. Rear Admiral William E. Ramsey, U.S. Navy, to be vice admiral. (Ref. #736)

**24. In the Air Force there are 2 promotions to the grade of colonel and below (list begins with Ronald J. Grabe). (Ref. #737)

**25. In the Marine Corps there is 1 promotion to the grade of lieutenant colonel (David C. Hilmers). (Ref. #738)

Total 6,430

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. ARMSTRONG (for himself and Mr. HART):

S. 1856. A bill to amend the Federal Unemployment Tax Act with respect to Indian tribal employees; to the Committee on Finance.

By Mr. STEVENS:

S. 1857. A bill for the relief of Martin Van Kruyssen; to the Committee on the Judiciary.

By Mr. GRASSLEY (for himself, Mr. HATCH, Mr. KENNEDY, and Mr. MATSUNAGA):

S. 1858. A bill to amend the Older Americans Act of 1965 to increase the amounts authorized to be appropriated for fiscal years 1985, 1986, and 1987 for commodity distribution, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DURENBERGER (for himself, Mr. BUMPERS, Mr. DOLE, Mr. BENTSEN, Mr. CHAFEE, Mrs. HAWKINS, Mr. MATSUNAGA, Mr. BURDICK, Mr. PRYOR, Mr. ANDREWS, Mr. MOYNIHAN, and Mr. CRANSTON):

S.J. Res. 239. A joint resolution designating the week beginning on June 1, 1986, as "National Maternal and Child Health Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ARMSTRONG (for himself and Mr. HART):

S. 1856. A bill to amend the Federal Unemployment Tax Act with respect to Indian tribal employees; to the Committee on Finance.

APPLICATION OF FEDERAL UNEMPLOYMENT TAX ACT TO INDIAN TRIBAL EMPLOYEES

● Mr. ARMSTRONG. Mr. President, today I am introducing legislation that I hope will end a decade-long inequity that has been perpetrated against two Indian tribes in the State of Colorado—the Southern Ute Indians and the Ute Mountain Indians.

Since 1974, these two tribes have been assessed nearly $600,000 in taxes by the Internal Revenue Service under the Federal Unemployment Tax Act [FUTA] despite the fact that the State of Colorado declared them ineligible to receive any benefits for tribal employees from the State Unemployment Compensation [UC] Program. In short, these tribes have been assessed by the Federal Government to pay for benefits which the State deemed them ineligible to receive.

This is a classic catch-22 which I believe can and should be remedied by legislative action. Along with my colleague from Colorado, Senator HART, and Representative MIKE STRANG of the Third District of Colorado, I am proposing several changes in the law which would remedy this problem.

First, this legislation would make clear that State governments may cover Indian tribes under their unemployment compensation programs. The bill does not require States to cover tribes, but allows them to pursue coverage agreements with tribes. Many States already cover employees

51-059 O-87-26 (Pt. 23)

of Indian tribes that live within their borders. But some States, such as Colorado, have been reluctant to cover tribal employees out of concern that the State would lack jurisdiction to enforce a legal claim against a sovereign tribal entity. This legislation provides that any agreement made between a State government and a tribe may establish specific safeguards allowing States to recover payments due from tribes under the State program.

The bill also provides that States may cover tribal employees on a reimbursable basis. That is, in lieu of paying regular unemployment taxes to the State, a tribe may elect to reimburse the State for any benefits paid to tribal employees. This would allow tribes with financially limited resources to be free of the burden of direct taxation but still liable to the State for any UC benefits their employees receive.

Finally, this legislation specifically provides that the IRS may not assess FUTA taxes on any Indian tribe that is not eligible for State UC benefits. This provision would apply to such taxes levied before and after enactment of this legislation and as such would excuse any assessment by the IRS against the Southern Utes and Mountain Utes, or any other tribe that have been assessed under these circumstances. The inequity of requiring these tribes to pay thousands in back taxes for benefits they were not allowed to receive should be clear.

I hope my colleagues will join with me in seeking an equitable remedy to this problem.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

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

S. 1856

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TREATMENT OF INDIAN TRIBAL GOVERNMENTS UNDER THE FEDERAL UNEMPLOYMENT TAX ACT.

(a) IN GENERAL.—The Federal Unemployment Tax Act is amended—

(1) by redesignating section 3311 as section 3312; and

(2) by adding at the end the following new section:

"SEC. 3311. COVERAGE OF SERVICES PERFORMED FOR INDIAN TRIBAL GOVERNMENTS.

"(a) IN GENERAL.—A State may enter into an agreement with an Indian tribal government for the purpose of covering the services performed for such tribal government under the State law approved under section 3304.

"(b) EXTENT OF COVERAGE AND ELECTION OF INDIAN TRIBE.—Any such agreement between a State and an Indian tribal government shall provide—

"(1) that compensation is payable under such State law on the basis of services performed for the Indian tribal government in the same amount, on the same terms, and subject to the same conditions as compensation payable on the basis of other service subject to such law; and

"(2) that the tribal government may elect to pay (in lieu of contributions otherwise required under such State law) into the State unemployment fund amounts equal to the amounts of compensation attributable under the State law to such service.

The agreement may also provide safeguards to ensure that the tribal government so electing will make the payments required under such elections.

"(c) CREDIT.—An Indian tribal government that makes a payment described in subsection (b)(2) may take a credit against the tax imposed by section 3301 in an amount equal to the maximum amount that may be credited under section 3302 against such tax by a taxpayer in such State for wages paid in the calendar year with respect to which the payment is made. The provisions of section 3302(a)(3) shall apply to the credit provided by this subsection, except that for such purpose the term 'contributions' as used in such section shall be considered to mean the payment described in this subsection.".

(b) CONFORMING AMENDMENTS.—Subsection (a) of section 3302 of such Act is amended—

(1) in paragraph (1), by striking out "and subsection (c)" and inserting in lieu thereof ", subsection (c), and section 3312(c)"; and

(2) in paragraphs (2) and (3), by striking out "The" and inserting in lieu thereof "Except as provided by section 3312, the".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to wages paid on or after January 1, 1986.

(d) APPLICABILITY OF UNEMPLOYMENT COMPENSATION TAX TO SERVICE PERFORMED FOR INDIAN TRIBAL GOVERNMENTS DURING CERTAIN PERIODS.—(1) Section 3306(c) of such Act is amended—

(A) by striking out "or" at the end of paragraph (19);

(B) by striking out the period at the end of paragraph (20) and inserting in lieu thereof "; or"; and

(C) by adding the following new paragraph at the end:

"(21) service performed in the employ of an Indian tribal government during any period in which the Indian tribal government is not covered by a State unemployment compensation program.".

(2) The amendments made by paragraph (1) shall apply to any period occurring before, on, or after the date of the enactment of this Act.●

By Mr. STEVENS:

S. 1857. A bill for the relief of Maartin Van Kruyssen; to the Committee on the Judiciary.

RELIEF OF MAARTIN VAN KRUYSSEN

● Mr. STEVENS. Mr. President, I am introducing today a private relief bill for Maartin Van Kruyssen. Maartin is a highly skilled baker, and is personally responsible for the success of his employer's business. He was recruited from Holland in December of 1982, and entered the United States on a temporary work permit. Because of the highly skilled nature of the work done by a master pastry chef, no one in Alaska was qualified to take this position. While Maartin was to train a U.S. citizen as his replacement, extensive efforts have failed to produce suitable candidates. Since he is providing a unique and valuable service to his community and to his employer, which would be lost if he is forced to leave this country, I am introducing legislation to grant Maarten permanent resident status.●

By Mr. GRASSLEY (for himself, Mr. HATCH, Mr. KENNEDY, and Mr. MATSUNAGA):

S. 1858. A bill to amend the Older Americans Act of 1965 to increase the amounts authorized to be appropriated for fiscal years 1985, 1986, and 1987 for commodity distribution, and for other purposes; to the Committee on Labor and Human Resources.

OLDER AMERICANS ACT AMENDMENTS

● Mr. GRASSLEY. Mr. President; I am introducing a bill which will increase authorization levels for the Surplus Commodities Program authorized by section 311 of the Older Americans Act and administered by the U.S. Department of Agriculture. My colleagues, Senators HATCH, KENNEDY, and MATSUNAGA, the chairman and ranking minority member of the Committee on Labor and Human Resources and the ranking minority member of the Subcommittee on Aging of that committee, respectively, are cosponsors.

BACKGROUND

The Secretary of Agriculture is required, by section 311 of the Older Americans Act, to reimburse each State for every meal that they serve under authority of title III of the Older Americans Act. Under current law, the cents per meal is increased each year by a cost-of-living factor. The Department set the reimbursement level at the beginning of fiscal year 1985 at 58.75 cents per meal. The Congress has always included a limit on the dollars authorized for this program. For fiscal year 1985, the authorized level is $120.8 million, for fiscal year 1986 $125.9 million and for fiscal year 1987 $132 million.

The total number of meals served through the title III food programs, based on all the funding sources contributing to these programs, was 167.4 million meals in fiscal year 1980, 187.9 in 1981, 190.8 in 1982, 202.6 in 1983, 214.1 in 1984.

It has proven difficult to estimate accurately the total number of meals which will be served in any given year. Voluntary contributions which totaled $131.7 million in fiscal year 1984, and which must be plowed back into the meals program, are difficult to estimate in advance. The dedication of State or other Federal funds under control of the State to the title III meal programs is difficult to estimate in advance also. Program efficiencies lead to more meals and the influence on such efficiencies on the number of meals served is also difficult to estimate in advance.

Thus, original estimates for fiscal years 1985 and 1986 meal counts assumed that 214.1 and 214.8 million meals would be served in those years. The latest CBO estimates are that 230 million meals will be served in fiscal year 1985 and that 240 million will be served in 1986.

A further complication is that the law requires the States to submit vouchers to the Department not later than 90 days after the last day of the month in which a meal is served. Hence, the Department does not really know with any precision how many meals will have been served in a given fiscal year until at least 3 months after the fiscal year's end.

THE PROBLEM

Section 311 also requires the Secretary to reduce the cents per meal when the total amount needed to meet the vouchers submitted by the States exceeds the authorized/appropriated amounts. The Secretary has already in this fiscal year reduced the reimbursement level from 58.75 to 56.76 cents per meal. The Department has indicated that it may reduce the level to as low as 52.5 cents per meal for fiscal year 1985. The potential reduction from 56.76 cents per meal to the 52-cent level will occur some considerable time after the close of the fiscal year and after the meals have already been served.

A reduction in the cents per meal provided by the Department of Agriculture, if announced during the fiscal year, will cause States to begin to reduce the number of meals that they are serving. If the reduction in cents per meal is announced after the fiscal year ends, States experience a shortfall in the dollars they had anticipated from the Department.

The Congressional Budget Office and the Department of Agriculture both estimate that the State will probably serve a total of 230 million meals for fiscal year 1985. At 56.76 cents per meal for the program, the present level, approximately $130 million dollars would be needed for the program.

Thus, there are two problems here. One is a shortfall for fiscal year 1985 in the amount of money needed to cover the Department's obligations were the reimbursement rate to remain at 56.76 cents per meal. The second is that the amount of money authorized for fiscal years 1986 and 1987 is certainly insufficient to cover the amount which will be needed for the program unless the cents per meal rate is reduced drastically.

APPROPRIATIONS COMMITTEE ACTION

The Agriculture Subcommittee of the Senate Appropriations Committee has provided in H.R. 3037, $137.8 million for the section 311 program. This is $11.9 million more than the authorized amount. The House version of the bill provided $125.9 million for the program, exactly the amount authorized for fiscal year 1986.

The subcommittee also included language in the bill which permits the Secretary to spend up to $7 million of fiscal year 1986 money to meet fiscal year 1985 obligations. The committee chairman, Senator COCHRAN, as I understand it, has been assured by the Department that they will spend this money for 1985 obligations. This provision will go a long way toward taking care of the 1985 shortfall. Thanks are owed to Senator COCHRAN for his help in insuring that this provision was included in the bill.

The agriculture appropriations bill passed the House on July 24 and the Senate on October 16. House conferees have been appointed, but Senate conferees have not. No conference date has been set.

HOUSE ACTION H.R. 2453

The House passed H.R. 2453, a bill which, if passed, would freeze the per meal reimbursement at 56.76 cents per meal for fiscal year 1985 and 1986, and allow a cost-of-living adjustment in the cents-per-meal level for fiscal year 1987; second, allow "such sums as are needed" for the program rather than a fixed authorization amounts; third, include a provision which would cause the Secretaries of the Department of Agriculture and the Department of Health and Human Services to disseminate information on the bonus commodity program of the Department.

The Department has written to me stating that the administration strongly disapproves of H.R. 2453. Although both House and Senate legislative counsel have stated that this bill would not create a new entitlement because the appropriations committee would still have to appropriate money for the program, responsible parties in the Department argue that the program, with the "such sums" change, would tend to operate like an entitlement in that, regardless of the number of meals served by the States, a claim would be established on the Congress and the Department to reimburse each of them at 56.76 cents per meal for 1985 and some larger cent per meal amount for 1987.

GRASSLEY BILL

The bill I am introducing today would: First, freeze the cents per meal for the 3 years of the authorization period at 56.76 cents per meal; second, provide an authorization level of $127.8 million for fiscal year 1985, $144 million for 1986, and $144 million for 1987; third, also cause the Department to disseminate information on its bonus commodity program. I think that this approach would not elicit a veto from the administration. Furthermore, it would not restructure the program, which H.R. 2453 would do, a step which probably should not be taken without hearing to provide interested parties an opportunity to comment.

This bill freezes the cents per meal at 56.76 cents. Rough estimates are that a meal may cost something in the neighborhood of $2.50 to $3 to produce. Clearly, a 56.76 cents contribution from the Department of Agriculture for every meal served constitutes a good return on investment, and freezing that amount for 3 years will not work a great hardship on the program or program participants.

The authorization levels I provide in this bill should also not entail any hardship on the program; indeed, they allow substantial growth over present authorization levels.

Mr. President, I ask that the bill be printed in the RECORD.

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

S. 1858

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 "Older Americans Act Amendments of 1985".

COMMODITY DISTRIBUTION LEVEL OF ASSISTANCE PER MEAL

SEC. 2. (a) Section 311(a)(4) of the Older Americans Act of 1965 (42 U.S.C. 3030a(a)(4)) is amended—

(1) by striking out "15 cents" and all that follows through "30 cents per meal for", and inserting in lieu thereof "56.76 cents per meal during fiscal year 1986 and during", and

(2) by striking out "June 30, 1975" and inserting in lieu thereof "September 30, 1986".

(b) Second 311(c)(2) of such act is amended by inserting "(A)" after paragraph (2) and by adding at the end thereof the following new paragraph:

"(B) In each fiscal year in which the Secretary of Agriculture determines that the amount appropriated under paragraph (1) in such fiscal year is not likely to be sufficient to pay the cents per meal established in accordance with subsection (a)(4) of this section (as modified by division (ii) of subparagraph (A) of subsection (c)(1)), the Secretary of Agriculture shall prepare, based upon the best estimates available, the amount of the reductions required in the cents per meal level, and shall so notify the States of such reductions at the beginning of the second and third quarter of each fiscal year.".

AUTHORIZATION OF APPROPRIATIONS

SEC. 3. (a) There is authorized to be appropriated $127,800,000 for fiscal year 1985, in order to provide reimbursement at the level of 56.76 cents per meal during fiscal year 1985, determined under section 311(a)(4) of the Older Americans Act of 1965 (42 U.S.C. 3030a(a)(4)), for meals served under section 311 of such Act in such fiscal years. For purposes of subsections (a) and (b) of section 311 of such Act, the sum authorized to be appropriated by this subsection shall be deemed to have been authorized to be appropriated for fiscal year 1985 by section 311(c)(1) of such Act. For purposes of subsection (c)(1)(B) of such Act, the date of the enactment of this Act shall be deemed to be the last day of each quarter of fiscal year 1985 for which reimbursement is claimed.

(b) Subparagraph (A) of section 311(c)(1) of the Older American Act of 1965 (42 U.S.C. 3030a(c)(1)(A)) is amended to read as follows:

"(A)(i) There are authorized to be appropriated $144,000,000 for fiscal year 1968 and $144,000,000 for fiscal year 1987 to carry out this section (other than subsection (a)(1)).

"(ii) The provisions of the second and third sentences of subsection (a)(4) shall not apply for fiscal years 1986 and 1987.".

INFORMATION REGARDING FEDERAL FOOD PROCESSING PROGRAMS

SEC. 4. Section 311 of the Older Americans Act of 1965 (42 U.S.C. 3030a) is amended by adding at the end thereof the following new subsection:

"(d) In each fiscal year, the Secretary of Agriculture and the Secretary of Health and Human Services shall jointly disseminate to State agencies, area agencies on aging, and providers of nutrition services assisted under this title, information concerning—

(1) the existence of any Federal commodity processing program in which such State agencies, area agencies, and providers may be eligible to participate; and

(2) the procedures to be followed to participate in the program.".

EFFECTIVE DATE

SEC. 5. This Act and the amendments made by this Act shall take effect on October 1, 1985.●

By Mr. DURENBERGER (for himself, Mr. BUMPERS, Mr. DOLE, Mr. BENTSEN, Mr. CHAFEE, Mrs. HAWKINS, Mr. MATSUNAGA, Mr. BURDICK, Mr. PRYOR, Mr. ANDREWS, Mr. MOYNIHAN, and Mr. CRANSTON):

S.J. Res. 239. Joint resolution designating the week beginning on June 1, 1986, as "National Maternal and Child Health Week"; to the Committee on the Judiciary.

NATIONAL MATERNAL AND CHILD HEALTH WEEK

Mr. DURENBERGER. Mr. President, this year marks the 50th anniversary of one of America's most important initiatives for the health of mothers and kids, title V of the Social Security Act. Since its enactment, title V, now known as the Maternal and Child Health Block Grant, has contributed immeasurably to the health and well-being of millions of mothers and kids.

Today, I am introducing a joint resolution commemorating title V for its success in working with the States which have provided leadership in organizing comprehensive preventive and primary health services for women and children. Title V has also provided Federal assistance to States for organizing comprehensive programs for children with special health needs due to handicaps and chronic illnesses. These programs have filled gaps in the health care system for mothers and children, and have been unique among Federal health programs in emphasizing preventive health care. This joint resolution recognizes and salutes the longstanding contributions of title V to maternal and child health, and demonstrates our firm commitment to maintaining the integrity of the program.

Title V has changed over the years. In 1981, under the Omnibus Reconciliation Act, seven Federal maternal and child health programs were consolidated under title V into a single Federal block grant to the States, the Maternal and Child Health Block Grant. This consolidation was designed to allow States the flexibility to better tailor maternal and child health [MCH] services to the needs of their people. Great strides have been made in maternal and child health over the last 50 years. However, a great deal still needs to be done for the most vulnerable groups in our society. Many mothers and children have no access to health care. One in five children have no health insurance whatsoever—public or private. Our Nation's infant mortality rate is higher than the rates of 12 other industrialized countries. While we spend over $3 billion a year to hospitalize sick infants, the MCH Block Grant Program receives less than $500 million in annual finding. And this is happening at a time when more money is being spent on health care per capita in the United States than in any other developed nation.

As we embark on the next half century of title V, we must do more to improve the health and well-being of mothers and kids in this country. The future of this Nation depends on investment today in the health and well-being of our children. Investing in prevention, such as prenatal services, is one way to best use today's resources for tomorrow. Only now are we realizing that we spend up to $5,000 a day to treat a critically ill newborn in a neonatal unit, while we spend a mere pittance to keep a child in the best incubator of all, the mother's womb. Providing effective preventive services up front helps avoid more costly treatment down the road.

Mr. President, I urge my colleagues to join me in cosponsoring this important joint resolution to commemorate the 50th anniversary of title V for the important advances already made in maternal and child health as a result of the programs under this legislation, and to continue our commitment to improving the health of mothers and children of this country.

I ask unanimous consent that the text of this joint resolution be printed into the RECORD.

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

S.J. RES. 239

Whereas, the future of this Nation depends on the children of today, and therefore, each child is a valuable national resource;

Whereas, serving the health care needs of mothers and children not only improves their immediate health, but expands their potential for significant contributions to the Nation as a whole;

Whereas, for the past 50 years, title V of the Social Security Act, now known as the Maternal and Child Health Services Block Grant, has been an important vehicle for meeting this worthy national purpose;

Whereas, title V, from its inception, has brought the needs of mothers and children to national attention, and has promoted further development of legislation and support for the many health and welfare needs of mothers and children;

Whereas, title V has shared with the States the financing and organizing of comprehensive systems of preventive and primary health services to low-income women and children, comprehensive health services for disabled, handicapped, and chronically ill children, and services for a variety of special needs;

Whereas, the title V programs represent a longstanding commitment to preventive health services, which have been highly successful in improving the health of mothers and children, and in reducing infant mortality and morbidity; and

Whereas, in this time of increasing demands and limited resources, a national commitment must be reaffirmed to the vulnerable members of society who are served by the title V maternal and child health programs: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of June 1, 1986, is designated as "National Maternal and Child Health Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that week with appropriate programs, ceremonies, and activities.●

● Mr. BUMPERS. Mr. President, I am pleased to join my colleague from Minnesota in introducing a joint resolution which commemorates the enactment 50 years ago of title V of the Social Security Act and designates the week of June 1 through June 7 as National Maternal and Child Health Week.

I urge my colleagues to join us in cosponsoring this joint resolution, which commemorates the role of the maternal and child health programs in guaranteeing American children a healthy start in this world. I believe we can all enthusiastically lend our support to a program which has had such a successful first 50 years.

The title V programs—now the maternal and child health block grant programs—provide preventive and primary health services to low-income women and children; comprehensive health services for disabled, handicapped, and chronically ill children; and services for children with a variety of special health needs. Maternal and child health programs have been highly successful in reducing maternal and infant mortality, in reducing disability and handicaps among infants and children, and in generally improving the health status of mothers, infants, and children. There are, however, still barriers preventing the access of women and children to quality pre-

ventive and primary care. It is fitting that we celebrate 50 years of improvement in maternal and child health care and dedicate ourselves to 50 more years of progress.

Title V of the Social Security Act, enacted in 1935, established a program of Federal assistance to the States for a maternal and child health program of prenatal and preventive care for low-income mothers and children and a crippled children's program for children with handicapping conditions or potentially handicapping conditions. In 1981 the maternal and child health and crippled children's programs were consolidated with several other maternal and child health programs, including the Sudden Infant Death Syndrome Program, the Hemophilia Diagnostic and Treatment Center Programs, and the Lead-poisoning Prevention Program, into a maternal and child health block grant. Under the maternal and child health block grant, States receive 85 percent of the block grant appropriation for their programs and are given significant flexibility in determining what services they offer.

The State maternal and child health agencies have a multitude of responsibilities, including fact-gathering and reporting, formulation of standards of care, continuing professional education, and direct services through public health clinics. The clinics, to the extent funding allows, provide comprehensive services, from prenatal care and immunizations to counseling, outreach, and follow-up.

For 50 years, State maternal and child health programs have been a vital source of prenatal care for low-income women and children, and even after the implementation of the Medicaid Program, and maternal and child health clinics have continued to serve many mothers and children who are not eligible for Medicaid but who cannot afford care and who have no private health insurance.

The State crippled children's programs have expanded over the years from a time when they largely served children with polio and other orthopedic problems to the present, when they serve children with a number of chronic health problems. Some States have also become involved with children who have health-related developmental or education problems, and some have begun to help secure home and community-based services for children with technological medical care needs.

The benefits of the maternal and child health program are many. It is wise health policy to invest in the future of our children by providing them a healthy start in the world. It is also wise fiscal policy. We know, for example, that a small investment in prenatal care for mothers and preventive health care for children can save many dollars in future acute care expenditures. In 1984, the American Academy of Pediatrics reported that cost effectiveness estimates range from $2 to $10 saved for every dollar spent on prenatal care, and Oregon officials have found the cost of treating five high risk babies would pay for providing prenatal care to 149 women.

We can also point to one measure of the contribution of the maternal and child health programs, the decline of the infant mortality rate in the United States. We have seen the infant mortality rate fall from 124 births per 1,000 live births in 1910 to 11.5 deaths per 1,000 live births in 1982. Unfortunately, we still have a persistently high infant mortality rate among blacks, wide variations in the infant mortality rate from State to State, and a national infant mortality rate that is higher than the rate in at least seven other developed nations.

In my own State of Arkansas, we have made progress in lowering the infant mortality rate, and we're very proud of that progress. The neonatal intensive care unit at the Arkansas Children's Hospital, the perinatal group at the University of Arkansas for Medical Sciences, and the efforts of the division of maternal and child health in the Arkansas Department of Health have been crucial in our efforts to reduce the infant mortality rate. However, there is still much more we can do to give our infants a healthier beginning. The infant mortality rate in Arkansas remains too high, as does the incidence of low birth weight among infants, and we still have too many births to teen mothers. As a matter of fact, in 1982 1 of every 5 babies born in Arkansas was born to a teen mother. In addition, funding for all maternal and child health programs is tight. Teaching hospitals that serve indigent patients are facing severe financial pressures, and funding for services to pregnant women and infants through Medicaid and other health and nutrition programs is not sufficient. The progress—and the problems—in my own State and around the country just underscore the need for a renewed commitment to the Maternal and Child Health Program.

During the last year, the Southern Regional Task Force on Infant Mortality has been considering the problem of infant mortality in the South. During its examination of this issue, the task force has noted the critical role of the Maternal and Child Health Programs in improving infant and maternal health in this country. The task force just yesterday issued its final report, "For the Children of Tomorrow," which makes recommendations for action in the areas of service delivery, financing, education of State and community leaders, and research. Federal, State and local leaders should take a close look at the recommendations of the task force.

In an age of high budget deficits, we will be forced to fight for funding for the Maternal and Child Health Programs. If the second half-century is to match the first, it is essential that our commitment to the Maternal and Child Health Programs not waiver.●

Mr. DOLE. Mr. President, today I am happy to join my colleagues in cosponsoring a joint resolution commemorating the 50 anniversary of title V of the Social Security Act and designating the first week of June 1986 as "National Maternal and Child Health Week."

Over the last half century, many of this Nation's citizens have literally grown up under the benefits of this multicomponent program. Title V has proven to be both adaptive and creative over the past 50 years. It has taken on many challenges within its overall mandate to protect and preserve the health and welfare of mothers and children.

Under title V we have confirmed the value of a Federal and State partnership to promote health and improve access to care. Through the advancement of prenatal care, timely clinical intervention, recognition of the benefits of health promotion and disease prevention strategies, and improved access to comprehensive services for disabled, handicapped, and chronically ill children, many Americans enjoy more productive and fulfilling lives.

We truly have made a sound investment in the future of this Nation with the enactment of title V. We are reaping those benefits now, and we will continue to do so long into the future.

Progress has been made but that doesn't mean the job is done. We must continue our commitment with the same sense of purpose that started this program. I hope that National Maternal and Child Health Week will serve as a continuing reaffirmation of our humanity and our faith in tomorrow.

ADDITIONAL COSPONSORS

S. 1073

At the request of Mr. BAUCUS, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 1073, a bill to amend the Stevenson-Wydler Technology Innovation Act of 1980 for the purpose of improving the availability of Japanese science and engineering literature in the United States, and for other purposes.

S. 1525

At the request of Mr. PELL, the names of the Senator from Illinois [Mr. SIMON], the Senator from Arkansas [Mr. BUMPERS], the Senator from Hawaii [Mr. INOUYE], and the Senator from Massachusetts [Mr. KERRY] were

added as cosponsors of S. 1525, a bill to amend the Elementary and Secondary Education Act of 1965 to provide grants to local educational agencies for dropout prevention demonstration projects.

S. 1579

At the request of Mr. CRANSTON, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 1579, a bill to clarify that the remedies available for the enforcement of certain civil rights statutes are applicable to the States.

S. 1640

At the request of Mr. GRASSLEY, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 1640, a bill to amend title XVIII of the Social Security Act to provide for coverage under the Medicare program of services performed by a physician assistant.

S. 1652

At the request of Mr. HEINZ, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 1652, a bill to amend the Internal Revenue Code of 1954 to make permanent the exclusion for amounts received under qualified group legal services plans.

S. 1747

At the request of Mr. ROTH, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 1747, a bill to amend the Foreign Assistance Act of 1961 to protect tropical forests in developing countries.

S. 1748

At the request of Mr. ROTH, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 1748, a bill to amend the Foreign Assistance Act of 1961 to protect biological diversity in developing countries.

S. 1818

At the request of Mr. DENTON, the names of the Senator from Alaska [Mr. STEVENS], the Senator from Hawaii [Mr. INOUYE], the Senator from North Dakota [Mr. BURDICK], the Senator from New York [Mr. D'AMATO], the Senator from Hawaii [Mr. MATSUNAGA], and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of S. 1818, a bill to prevent sexual molestation of children in Indian country.

SENATE JOINT RESOLUTION 112

At the request of Mr. PELL, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of Senate Joint resolution 112, a joint resolution to authorize and request the President to call a While House Conference on Library and Information Services to be held not later than 1989, and for other purposes.

SENATE JOINT RESOLUTION 198

At the request of Mr. MATHIAS, the names of the Senator from Nevada [Mr. LAXALT], the Senator from Alabama [Mr. DENTON], the Senator from Virginia [Mr. WARNER], the Senator from Pennsylvania [Mr. SPECTER], the Senator from North Dakota [Mr. ANDREWS], the Senator from Vermont [Mr. LEAHY], the Senator from Illinois [Mr. SIMON], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Michigan [Mr. RIEGLE], the Senator from Alabama [Mr. HEFLIN], the Senator from South Carolina [Mr. THURMOND], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Arizona [Mr. DECONCINI], and the Senator from Mississippi [Mr. STENNIS] were added as cosponsors of Senate Joint Resolution 198, a joint resolution to designate the year of 1986 as the "Sesquicentennial Year of the National Library of Medicine."

SENATE JOINT RESOLUTION 217

At the request of Mr. HEINZ, the names of the Senator from South Dakota [Mr. ABDNOR], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Joint Resolution 217, a joint resolution to designate the week of December 2, 1985, to December 8, 1985, as "National Emergency Medical Air Transport Week."

SENATE JOINT RESOLUTION 229

At the request of Mr. NUNN, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of Senate Joint Resolution 229, a joint resolution designating the week of January 13 through January 19, 1986, as "National Productivity Improvement Week."

SENATE JOINT RESOLUTION 236

At the request of Mr. GORTON, the names of the Senator from Oklahoma [Mr. NICKLES] and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Joint Resolution 236, a joint resolution to authorize and request the President to issue a proclamation designating April 20 through April 26, 1986, as "National Organ and Tissue Donor Awareness Week."

SENATE CONCURRENT RESOLUTION 51

At the request of Mr. DIXON, the name of the Senator from New Hampshire [Mr. HUMPHREY] was added as a cosponsor of Senate Concurrent Resolution 51, a concurrent resolution to congratulate the Society of Real Estate Appraisers on the 50th anniversary of its founding.

SENATE CONCURRENT RESOLUTION 69

At the request of Mr. DANFORTH, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of Senate Concurrent Resolution 69, a concurrent resolution to recognize the National Camp Fire Organization for 75 years of service.

SENATE CONCURRENT RESOLUTION 78

At the request of Mr. BRADLEY, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of Senate Concurrent Resolution 78, a concurrent resolution in support of universal access to immunization by 1990 and accelerated efforts to eradicate childhood diseases.

AMENDMENT NO. 584

At the request of Mr. CRANSTON, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of amendment No. 584 intended to be proposed to S. 1579, a bill to clarify that the remedies available for the enforcement of certain civil rights statutes are applicable to the States.

AMENDMENTS SUBMITTED

AGRICULTURE, FOOD, TRADE, AND CONSERVATION ACT

HAWKINS (AND OTHERS) AMENDMENT NO. 1059

Mrs. HAWKINS (for herself, Mr. MOYNIHAN, Mr. CHAFEE, and Mr. MATTINGLY) proposed an amendment to the bill (S. 1714) to expand export markets for U.S. agricultural commodities, provide price and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, continue food assistance to low-income households, and for other purposes; as follows:

On page 67, between lines 10 and 11, insert the following:

"(A) on January 2, 1986, if the Secretary estimates that for the 12-month period beginning on such date net price support purchases of milk or the products of milk would be in excess of 10 billion pounds milk equivalent, the Secretary is authorized to reduce the price support rate in effect on such date by 50 cents per hundredweight;

HAWKINS (AND OTHERS) AMENDMENT NO. 1060

Mrs. HAWKINS (for herself, Mr. MOYNIHAN, Mr. CHAFEE, and Mr. MATTINGLY) proposed an amendment to amendment No. 1059 proposed by them to the bill S. 1714, supra; as follows:

On page 1 of the amendment, line, 3 strike out all after the word "on" and insert in lieu thereof the following: "January 1, 1986, if the Secretary estimates that for the 12-month period beginning on such date net price support purchases of milk or the products of milk would be in excess of 10 billion pounds milk equivalent, the Secretary is authorized to reduce the price support rate in effect on such date by 50 cents per hundredweight;"

MATHIAS AMENDMENT NO. 1061

(Ordered to lie on the table.)

Mr. MATHIAS submitted an amendment intended to be proposed by him to the bill S. 1714, supra; as follows:

On page 21, line 8, insert the following: World Agricultural Summit, (after Trade Negotiations and before Export Promotion)

On page 23, line 18, insert a new section. 107(c), changing the current section 107(c) to section 107(d) and so on.

(c) It is the sense of Congress that the President should, at the earliest practicable time after the date of enactment of this Act, convene an international conference of major agricultural nations to discuss trade and agricultural problems for the purpose of—

(1) elevating global food and agricultural issues to the attention of the highest policy-making officials of the nations of the world;

(2) developing a long-term plan for strengthening the world food and agricultural trading system in ways that foster the best interests of both exporting and importing countries alike;

(3) insuring an adequate system of transportation and distribution and stable agricultural economy;

(4) insuring that there will be at all times an adequate supply of food for the peoples of the world and an equitable principle adopted for sharing it; and

(5) building a foundation for negotiating a more open and fair world agricultural trading system under the General Agreement on Tariffs and Trade (GATT).

● Mr. MATHIAS. Mr. President, a few weeks ago, the Maryland congressional delegation met with the Maryland Farm Bureau to discuss the 1985 farm bill that is before the Senate today. After discussing the pending legislation, we turned our sights to the broader question of where to go in the future in farm policy.

While we can learn from the past, it is important to note that American agriculture has been transformed. The subsidy approach to farm and food policy is not effective in changing key factors that spell the difference between financial well-being and distress for our Nation's farmers. Monetary and tax policies, private sector interest rates, energy prices and transportation costs are all beyond the scope of subsidy programs. The dairy bill approved in November 1983 is the fifth time since 1981 that Congress has tried to cut our dairy surplus. But dairy surpluses continue.

The typical, mechanized American farm is the envy of the world for its efficiency and the income it generates. And yet, we find ourselves, once again, promoting legislation that fails to remove temptations to intervene in commodity programs to satisfy short-term political objectives and threaten the long-term future of American farming.

The farmers of America deserve better than this piecemeal approach. We owe it to the farmers to continue our Government's traditional role of stimulating production and marketing. A food and farm policy must reexamine and consider alternatives that could balance interests of producers, consumers, and taxpayers. This will require discipline. Raising U.S. price supports to protect farmers not only allows other nations to increase their market share, but makes our own exports less competitive, expecially at a time when the dollar is hard overseas.

We must also consider our role in the global production of food. Last year marked the 10th anniversary of the Food Aid Organization of the United Nations Convention World Food Conference. Leading the 1974 U.S. delegation, appointed by President Ford, was Dr. Henry Kissinger. The attendees pledged that by 1984 "no man, woman or child should go to bed hungry." But, according to the organization's report on "The State of Food and Agriculture 1984," over 30 million people in 21 African countries are threatened by starvation, despite the fact that there was a 9- to 10-percent rise in world cereals output last year.

For these reasons, I propose an amendment to S. 1714 which would ask the President of the United States to take the lead in convening an international summit meeting of all major producing and trading nations on food and agricultural problems.

An international summit meeting world focus the attention of the world's highest level officials—Presidents and Prime Ministers—on the global problems of agricultural surpluses and unfair trading practices. It would demonstrate that global agricultural problems are critically important and not confined to the United States or the European Community. The summit meeting would not duplicate the General Agreement on Tariffs and Trade [GATT], but help lay a foundation for GATT negotiations.

I hope my colleagues will join me in this effort to improve food production in our Nation and the world.●

ABDNOR AMENDMENT NO. 1062

(Ordered to lie on the table.)

Mr. ABDNOR submitted an amendment intended to be proposed by him to the bill S. 1714, supra; as follows:

On page 459, between lines 18 and 19, insert the following new section:

STUDY OF UNLEADED FUEL IN AGRICULTURAL MACHINERY

SEC. . (a)(1) The Administrator of the Environmental Protection Agency and the Secretary of Agriculture shall jointly conduct a study of the use of fuel containing lead additives, and alternative lubricating additives, in gasoline engines that are—

(A) used in agricultural machinery; and

(B) designed to combust fuel containing such additives.

(2) The study shall analyze the potential for mechanical problems (including but not limited to valve recession) that may be associated with the use of other fuels in such engines.

(b)(1) For purposes of the study required under this section, the Administrator of the Environmental Protection Agency and the Secretary of Agriculture are authorized to enter into such contracts and other arrangements as may be appropriate to obtain the necessary technical information.

(2) The Secretary of Agriculture shall specify the types and items of agricultural machinery to be included in the study required under this section. Such types and items shall be representative of the types and items of agricultural machinery used on farms in the United States.

(3) All testing of engines carried out for purposes of such study shall reflect actual agricultural conditions to the extent practicable, including revolutions per minute and payloads.

(c) Not later than January 1, 1987—

(1) the Administrator of the Environmental Protection Agency and the Secretary of Agriculture shall publish the results of the study required under this section; and

(2) the Administrator shall publish in the Federal Register notice of the publication of such study and a summary thereof.

(d)(1) After notice and opportunity for hearing, but not later than 6 months after publication of the study, the Administrator shall—

(A) make findings and recommendations on the need for lead additives in gasoline to be used on a farm for farming purposes, including a determination of whether a modification of the regulations limiting lead content of gasoline would be appropriate in the case of gasoline used on a farm for farming purposes; and

(B) submit to the President and Congress a report containing—

(i) the study;

(ii) a summary of the comments received during the public hearing (including the comments of the Secretary); and

(iii) the findings and recommendations of the Administrator made in accordance with clause (1).

(2) The report shall be transmitted to—

(A) the Committee on Energy and Commerce of the House of Representatives;

(b) the Committee on Environment and Public Works of the Senate;

(C) the Committee on Agriculture of the House of Representatives; and

(D) the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(e)(1) between January 1, 1986, and December 31, 1987, the Administrator shall monitor the actual lead content of leaded gasoline sold in the United States.

(2) The Administrator shall determine the average lead content of such gasoline for each 3-month period between January 1, 1986, and December 31, 1987.

(3) If the actual lead content falls below an average of 0.2 of a gram of lead per gallon in any such 3-month period, the administrator shall—

(A) report to Congress; and

(B) publish a notice thereof in the Federal Register.

(f) Until January 1, 1988, no regulation of the Administrator issued under section 211 of the Clean Air Act (42 U.S.C. 7545) regarding the control or prohibition of lead additives in gasoline may require an average lead content per gallon that is less than 0.1 of a gram per gallon.

(f) To carry out this section, there is authorized to be appropriated $1,000,000, to be available without fiscal year limitation.

ABDNOR (AND EXON) AMENDMENT NO. 1063

(Ordered to lie on the table.)

Mr. ABDNOR (for himself and Mr. EXON) submitted an amendment intended to be proposed by them to the bill S. 1714, supra; as follows:

On page 459, between lines 18 and 19, insert the following new section:

EMERGENCY FEED ASSISTANCE

SEC. 1927. Section 407 of the Agricultural Act of 1949 (7 U.S.C. 1427) is amended by inserting after the fifth sentence the following new sentence: "Notwithstanding the foregoing provisions of this section relating to the authority of the Commodity Credit Corporation to make available to certain persons in certain areas during emergencies feed for livestock, the Commodity Credit Corporation (1) may make such feed available to such persons in areas in which feed grains are normally produced and normally available for feed purposes, but in which they are unavailable because of a catastrophe described in the fourth sentence of this section, (2) may make such feed available to such persons through feed dealers in the area, (3) shall make such feed available at a price not less than the price prescribed in the fourth sentence of this section, and (4) shall bear any expenses incurred in connection with making such feed available to such persons under this sentence, including transportation and handling costs.".

ABDNOR AMENDMENT NO. 1064

(Ordered to lie on the table.)

Mr. ABDNOR submitted an amendment intended to be proposed by him to the bill S. 1714, supra; as follows:

On page 231, strike out line 5 and insert in lieu thereof the following new section:

CROP INSURANCE COVERAGE OF WINTER AND SPRING WHEAT

SEC. . (a) The second sentence of the first paragraph of section 508(a) of the Federal Crop Insurance Act (7 U.S.C. 1508(a)) is amended by inserting "(including winterkill of winter wheat)" after "winterkill".

(b)(1) The Secretary of Agriculture shall conduct a study of the practice of offsetting the quantity of winter and spring wheat of a producer for the purpose of determining the amount of benefits due such producer under a policy insured under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

(2) Not later than 180 days after the date of enactment of this Act, the Secretary shall report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate on the results of the study conducted under paragraph (1), together with any recommendations for any legislation or regulations necessary to rectify any inequities identified in such study.

NOTICES OF HEARINGS

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MATHIAS. Mr. President, I wish to announce that the Committee on Rules and Administration will meet at 3:30 p.m., on Wednesday, November 20, 1985, in S-207, the Capitol, to consider legislative and administrative business items currently pending in the committee.

On its legislative agenda, the committee will be marking up Senate Resolution 204, authorizing supplemental expenditures by the Select Committee on Indian Affairs; Senate Joint Resolutions 214 and 215, providing for the reappointments of Carlisle H. Humelsine and William G. Bowen as citizen regents to the Board of Regents of the Smithsonian Institution; and an original resolution reporting a budget waiver for the National Museum Act.

Administrative business to be considered will be proposed amendments to the regulations governing mass mail; Government credit cards for official travel; the display of flags outside a Senator's personal office; status report on the procurement of a new telephone system of the Senate; and a pilot program to enhance the appearance of Senators' suites with home State art and artifacts.

For further information regarding this business meeting, please contact Carole Blessington of the Rules Committee staff at 224-0278.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. HELMS. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Tuesday, November 19, 1985, in order to mark up the following items: S. 209, S. 1134, H.R. 3384, S. 1440, S. 1047, and S. 1734.

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

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. HELMS. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Tuesday, November 19, 1985, to consider the following legislation:

Drug export reform legislation.

S. 1762, H.R. 2417, Health Maintenance Organization reauthorization legislation.

Pending nominations: Edward Curran, to be Chairman, National Endowment for the Humanities; Ford B. Ford, Chairman, Federal Mine Safety and Health Review Commission; et al.

S. 827, vaccine compensation legislation.

S. 1181, home health care block grant.

S. 1793, pediatric home care bill.

S. 1574, smokeless tobacco rotating label bill.

S. 1560, Health Planning Block Grant Act.

S. 1104, Health Planning and Resource Allocation Act of 1985.

S. 1566, Adolescent Family Life Program. Title X, family planning reauthorization.

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

SUBCOMMITTEE ON EDUCATION, ARTS, AND HUMANITIES

Mr. HELMS. Mr. President, I ask unanimous consent that the Subcommittee on Education, Arts, and Humanities of the Committee on Labor and Human Resources, be authorized to meet during the session of the Senate on Tuesday, November 19, in executive session, to discuss the reauthorization of the Higher Education Act of 1965.

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

COMMITTEE ON THE JUDICIARY

Mr. HELMS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, November 19, in order to receive testimony concerning S. 1676, Grand Jury Disclosure Amendments Act of 1985.

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION AND THE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. HELMS. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation, and the Committee on Banking, Housing, and Urban Affairs, be authorized to meet during the session on the Senate on Tuesday, November 19, to conduct a joint meeting to consider the nomination of Alexander Good, to be Director General of U.S. and Foreign Commercial Service of the Department of Commerce.

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

SUBCOMMITTEE ON BUSINESS, TRADE AND TOURISM

Mr. HELMS. Mr. President, I ask unanimous consent that the Subcommittee on Business, Trade, and Tourism of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on Tuesday, November 19, to conduct a meeting on the promotion of domestic tourism.

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

COMMITTEE ON ARMED SERVICES

Mr. HELMS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, November 19, 1985, in order to receive testimony on the organization and decisionmaking procedures of the Department of Defense and the Congress, and to consider routine military nominations.

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

ADDITIONAL STATEMENTS

THE PROFESSIONAL SOLDIER AND THE WARRIOR SPIRIT

● Mr. GOLDWATER. Mr. President, with the Senate and the House deeply involved in legislation and studies which will tend to help reorganize our military establishment so as to present

a more effective force, from time to time I have been inserting material in the RECORD which I think is interesting and deserving of reading by my colleagues in this regard.

Appearing in the fall issue of the Strategic Review, published by the U.S. Strategic Institute, is a very penetrating and interesting article written by Lt. Col. Donald Baucom, entitled "The Professional Soldier and the Warrior Spirit."

This article covers all aspects of the title but gets, more importantly to me, into the problems created by the growing number of civilians who are now working in the military establishment. In fact, there is one civilian for every two men in uniform. Because of the connection of this article with the subject of interest to the Congress, I ask that it be printed in the RECORD.

The article follows:

(From Strategic Review, Fall 1985)

THE PROFESSIONAL SOLDIER AND THE WARRIOR SPIRIT

(By Col. Donald R. Baucom, USAF)

(The author: Colonel Baucom is currently serving as a historian in the U.S. Air Force Office of History. He is a 1962 graduate of the U.S. Air Force Academy and holds a PhD in the History of Science from the University of Oklahoma. He has operational experience in the communications-electronics career field and has taught military history at the U.S. Air Force Academy, having also served on the Air War College faculty and as Director of Research for the Airpower Research Institute at Maxwell Air Force Base. His last assignment was as Editor of the Air University Review.)

IN BRIEF

The balance among the three archtypes of the professional soldier in the United States—the heroic leader, the manager and the technologist—has shifted relentlessly to the latter two. The shift has been prodded with the advent of the All-Volunteer Force. It is the consequence as well of a progressive civilianization of the U.S. defense establishment—manifest both in the replacement of military men with civilians and the displacement of military men from their traditional roles. Finally, it reflects an enthrallment with technology that seems to be aiming at the complete mechanization of warfare. If we are to have the military establishment needed to fend against an ever more dangerous global environment, we must urgently rediscover the focus of the military profession and find ways to restore the warrior-leader to the position of honor traditionally accorded him.

According to Morris Janowitz, the officer corps is composed of heroic leaders, military managers and military technologists. The heroic leader represents the warrior tradition of military service; he is the embodiment of the "martial spirit and the theme of personal valor." While the heroic leader generally sees military service as a way of life, this is not the case with the military manager, who tends to be concerned mainly with the practical, concrete aspects of warfare, such as how to mobilize a nation's resources for war. The military technologist's outlook is very similar to that of the military manager. Indeed, he is neither a practicing scientist nor a practicing engineer, but rather "a military manager, with a fund of technical knowledge and a quality for dramatizing the need for technological progress." Examples of each type of officer in the U.S. tradition are: Curtis LeMay, the heroic leader; George Marshall, the military manager; and Hyman Rickover, the military technologist.

A SHIFTING BALANCE IN THE MILITARY

The story of the American military profession during the first half of this century has been one of struggle between the military managers and the heroic leaders for control of the military establishment. But in the nuclear age, the rising importance of technology and the changing role of the military transmute the military establishment into a "constabulary force," in which the struggle between manager and leader tends to be resolved by a fusion of the two types into a single, hybrid role model.

To be successful, Janowitz maintained, this modern military establishment must be controlled by military managers, but its top leadership must include a "leaven of heroic leaders" whose primary responsibility is to keep alive the figher spirit that must permeate military organizations. This warrior spirit, in the words of Janowitz, "is not easily defined; it is based on a psychological motive, which drives a man to seek success in combat, regardless of his personal safety."

The dominant military managers share responsibility with the heroic leaders for sustaining the fighting spirit. The military managers, Janowitz wrote, must ensure that the military profession projects a martial image and must help the heroic leaders instill the warrior spirit in the next generation of young officers. As the most influential members of the military profession, the military manager also must see to it that the proper balance is maintained among military managers, military technologists and heroic leaders, for an effective military establishment requires the dedicated services of all three types of officers.

Janowitz, obviously, is dealing here with clear, black-and-white distinctions that are rarely found in the real world. Yet, his analysis has value, for before we can reasonably discuss the shades of gray that comprise the middle ground, we must define the ends of the spectrum with which we are dealing. Once defined, the extremes become vantage points from which to evaluate current trends affecting the American military profession.

Viewing the U.S. military profession today from the perspectives offered by the Janowitzan model of the officer corps, we can conclude that it seems to be losing the essential balance among the three types of officers that must be maintained under the overall guidance of the dominant military manager. The balance is being disrupted by several factors that are eroding the respect traditionally accorded the heroic leader within the military profession; with his decline comes a deterioration of the warrior spirit he embodies. These factors are the All-Volunteer Force, a civilianization of American military institutions and activities, an overemphasis on management, and an enthrallment by technology.

THE IMPACT OF THE ALL-VOLUNTEER FORCE

In keeping with the tradition of American civil-military relations, the All-Volunteer Force (AVF) isolates Americans from the standing military establishment they have distrusted since Seventeenth-Century English immigrants to the colonies brought with them a fear of Oliver Cromwell's New Model Army. Under the AVF concept, no one is forced to serve in the military: marketplace incentives are used to attract enough volunteers to sustain the military at the prescribed strength. While the AVF has isolated American society from the military, it has exposed many of the military's essential institutions to the eroding influences of our commerce-oriented, individualistic society.

To draw sufficient numbers of recruits to the AVF, the military adopted an advertising campaign that portrays the military as an attractive way of life. Advertisements that scarcely hint of the hardships of military life stress good times, adventure, travel, job training, job experience, pay and fringe benefits. As one TV commentator noted during an evening network news program: "The Army does what everyone who has something to sell does. It advertises, and it's difficult to tell whether it's maneuver time or Miller time."

The AVF recruiting campaign leads young people entering the military to expect conditions that correspond to civilian life. Recruits consider themselves party to a contract binding the military to give them the jobs, the training and the civilian-like life style they believe they were promised by recruiters and advertisements. All too often, military life does not live up to their expectations. Two things result: a high percentage of enlistees do not complete their first enlistment, and military establishments are forced to change in an effort to meet recruit expectations.

In its effort to keep recruits content, the Armed Forces have civilianized much of military life. The Army abandoned the early morning rite of reveille and began selling beer in mess balls and living quarters. Soldiers and airmen who still live on military bases seldom reside in open-bay barracks, and frequently in motel-like quarters with two or three people per room. A substantial portion of the new enlisted force is married and resides off-base. These latter changes tend to undermine the camaraderie that is an important bonding element among combat-ready soldiers.

In addition to undermining the concept of military service as a way of life focused on preparation for war, the AVF brings with it social problems that drain the energies of officers. Associated with the increased reliance on women under the AVF concept is the necessity for officers to deal with such matters as sexual harassment, pregnancy, joint spouse assignments and women assigned to jobs for which they may have insufficient physical attributes. Furthermore, there are the inescapable social problems associated with male recruits who come all too often from the lower socioeconomic strata of American society and tend to be poorly educated, have low mental qualifications and are at times alienated from the society they are expected to defend.

Having been forced to recruit like a business and therefore attracting people motivated by marketplace incentives, the military naturally drifts toward the management practices used by private industry. For example, flex time, job enrichment, participatory decisionmaking processes and coworker standards are some of the management concepts that enjoy at least some degree of support or use within the U.S. Air Force.

Hints that these problems and practices are detracting from the effective functioning of military organizations can be found here and there in our professional litera-

ture. In a "can do" organization, such as the military that stresses getting the job done regardless of obstacles, hints are likely to be the proverbial tip of the iceberg. How serious must a situation be for a commander of a ship to declare his vessel unfit for sea duty?

In the All-Volunteer Force environment, then, officers must devote more time and effort to coping with the AVF, and less time to the study of their profession and to the preparation of their units for war.

An officer who views his tasks primarily in terms of management and the motivation of industrial workers is not likely to be as frustrated by an atmosphere in which self-satisfaction as opposed to service is stressed, for modern management theory focuses on people who are motivated primarily by personal gain. But what of the heroic leader? Will he not feel alienated, perhaps betrayed, in an environment where service, sacrifice and a sense of duty are no longer emphasized? Will he not see efforts to cope with the AVF, and the AVF itself, as obstacles that hinder his efforts to make his unit combat-ready?

CIVILIANIZATION OF THE DEFENSE ESTABLISHMENT

Having discussed the trend toward civilianization of the military way of life under the influence of the AVF, we now turn to a second form of civilianization in which civilians replace or displace military personnel.

Today, the U.S. Defense Department employs about one civilian for every two military personnel in the regular Armed Forces. This widespread use of civilians turns the Department of Defense (DO) into an organization that attempts to achieve its purposes using two distinct groups of people with widely divergent value systems.

Generally, DOD civilians are governed by marketplace considerations. They are paid by the hour and must be paid overtime for work beyond the eight-hour day or forty-hour week. Many civilians are unionized, which means that at least some of their work conditions are defined in union contracts monitored by union stewards. On the other hand, military personnel are supposed to be governed by the military ethic which places service to their organization above personal gain. There are no limits on the duty hours of service members, and they are paid a flat salary, regardless of the hours they work. There are no military unions.

Unusual situations develop when these two groups are cast together in the same organization. At times a civilian and a uniformed service member will be working side-by-side, doing the same task but receiving different pay. Overtime tasks, frequently must fall to the military member, since funding ceilings often preclude paying the extra money for civilian overtime. There is also the interesting situation in which civilians, who have more relaxed standards for dress and appearance, are responsible for enforcing military standards on uniformed personnel who work for them.

Under conditions such as these, it is difficult to preserve a concept of military service as a way of life based on a sense of duty and a spirit of personal sacrifice for the good of the mission. Military personnel are in constant contact with civilians who work "eight-to-five" days with no disruption to their weekends. What do military men feel when they have to work on weekends? What thoughts pass through the minds of young soldiers and airmen who are subject to relatively strict military discipline when they note that civilians can have a union steward present when they are "counseled" for substandard performance? Do enlisted men accept the idea that compensatory time is a fair exchange for overtime work that civilian coworkers do not have to perform? How does one who considers himself a combat leader feel in an organization that is one-third civilian? How does he keep such a situation from eroding the military ethic which is central to his concept of military service?

While some civilians are physically taking the place of military men, others have been displacing military men in strategymaking and in the defense decisionmaking process.

INVASION OF ACADEMICS AND SYSTEMS ANALYSIS

This civilianization trend is largely the consequence of changes set in motion by World War II. Prior to 1945, military affairs were of little interest to civilian scholars and intellectuals. However, the advent of nuclear weapons to warfare and America's status as the only nation capable of opposing the expansionist drive of the Soviet Union, both hallmarks of the post-World War II era, inspired unprecedented interest in national security affairs in the civilian academic community. "Social scientists, economists, natural scientists, and mathematicians all began to apply their special expertise to the relevant dimensions of national security."

Civilians moving into the area of strategymaking met little resistance from professional military men. Most senior officers in the post-war period were heirs of a tradition that discourages men in uniform from taking an active part in the politics of formulating national policy; they thus tended to shy away from strategy-making and to concentrate on the execution of policies handed down from civilian superiors.

While academicians were beginning to monopolize the development of strategy—all the more so via the postwar proliferation of "think tanks" vying for government funds—systems analysts were winning important, if not dominant, roles in the DOD decisionmaking process. Systems analysis got its start in military affairs during World War II and steadily increased in importance, becoming a basic decisionmaking tool during the McNamara years, when the number of systems analysts employed at the OSD level increased fifteen-fold.

In the decisionmaking process, systems analysis can be used as an alternative to experience, which makes it especially valuable in such realms as nuclear war and the development of radically new technologies where experience may be lacking. To be sure, systems analysis is useful also as a complementary tool of analysis in matters such as conventional warfare, where experience is available and is largely the possession of the heroic leader.

Certainly combat experience and systems analysis are not mutually exclusive factors in the decisionmaking process. Yet, as has been posited by Lieutenant General Daniel Graham, USA (Ret.), himself a veteran of the high-level decisionmaking process, systems analysis, combined with management training, has become a primary path to the top for officers. General Graham has remarked that the key to promotion for senior officers is the ability to "shepherd a weapons program through the Defense bureaucracy, get it into the budget, and defend it before the Bureau of Budget and the Congress." Such ability, he wrote, involves considerable "skill in applying cost-effectiveness and systems analysis techniques."

The overall impact of these two forms of civilization—the replacement of military men with civilians and the displacement of military men from their traditional roles in strategy-formulation and defense decisionmaking, has been to undermine the authority and standing of the heroic leader. His judgment based upon combat experience is subject to challenge by systems analysts. His warrior ethos is eroded by constant interaction with civilians who permeate the defense establishment. The warrior ethos is being supplanted by the ethos of management.

LEADERSHIP AND MANAGEMENT: DIFFERENCES IN VALUES

Is leadership distinct from management? Members of the military profession have been arguing this issue, in one form or another, for years. The title of a 1975 article by General Lucius D. Clay tells us that "Management is Not Command." On the other hand, a 1979 Air Force publication informs us that efforts to distinguish among management, leadership and command are "usually a waste of time": management is a generic term that also subsumes command and leadership. Yet, the journal *Military Review* considered the matter of leadership sufficiently important to devote its entire July 1980 edition to the subject, and in the lead article General Edward C. Meyer, then Army Chief of Staff, stated: "Leadership and management are neither synonymous nor interchangeable."

What is the basic issue here that could provoke such divergent views? Could it be that the military managers who run our Armed Forces have failed to maintain the vital martial image of the military and the crucial balance among military technologists, heroic leaders and military managers? Could it be that those who see themselves as heroic leaders are responding to a perceived overextension of the influence of management?

It seems clear that there has been a substantial increase in the emphasis on management in the Armed Forces since World War II. The McNamara years stand like a watershed in this respect. During the period from 1961 to 1969, military and business structures became almost identical, especially at the upper organizational levels. In the case of the Army, one book states that it "moved ever closer to the modern business corporation in concept, tone, language and style."

The siren voices of management have resounded in the Air Force as well. The traditional inspection by the Inspector General has now become a "Management Evaluation Inspection." Terms such as battle management, battle manager, levels of management, resource management, weapons inventory, weapons systems and management by objective proliferate throughout the Air Force. Such management functions as budgeting and productivity improvement are pushed down to the lowest operational level—the traditional domain of the heroic leader—where they compete for the commander's time and energy, often at the cost of essential and time-honored command functions.

Quite frequently, when these matters are discussed, those who would distinguish between management and leadership are told that the issue is merely one of semantics—that there is no substantive difference between the terms. What this conveys is that the various schools of management have co-opted into their language paradigm the

terms traditionally used to describe command and leadership, making it linguistically impossible to distinguish between leadership and management. Thus, a good manager is defined as being also a good leader, and a good leader is required to be a good manager.

In fact, the linguistic difficulties may be the key to the underlying issue that fuels the debate. Words not only denote things and processes: they also carry connotations to which we all respond in one way or another. Furthermore, our words are indications of thought patterns that affect the way we perceive situations and the way we act in response to these situations. As psychologist Julian Janes has written: "Let no one think these are *just* word changes. Word changes are concept changes, and concept changes are behavioral changes."

Let us explore for one moment the different connotations of the two major words in the debate: lead and manage. To lead has clear connotations of influencing behavior by example, by being out front, by going before: to "lead the way, to go in advance of others . . . to be at the head of, command, direct." It is the old idea of the officer who is out in front of his men, literally in the case of the bomb group commander leading his group in its first attack on the enemy's home industrial base. In exercising leadership, the commander must at times compel his followers to undertake actions that may not be in their own best interest.

On the other hand, there are aspects of management that have clear connotations of manipulation, administration and supervision. The manager convinces people that they should do what the manager desires because it is in their best interest: the desired behavior may lead to rewards such as advancement, increased pay, higher status, etc. The difference is validated by the mental images derived from these connotations: while one can easily visualize a person managing a large organization from some remote central point, it is more difficult to picture that person leading this group from a remote location, for leadership implies proximity and visibility to those being led.

Surely, then, some distinction is at work between the general concepts of management and leadership. The two are both value-laden and have the power to evoke different emotions, different spirits. As the words of the various management schools and concepts come to permeate the military milieu and replace the more traditional terms associated with leadership and command, the temper of the military profession changes. The heroic leader like Patton looks at a difficult situation fraught with unknowns, such as the invasion of North Africa, and says: "Wars are only won by risking the impossible." The military manager examines his Lanchestrian equations, determines that the odds are strongly against him, and does not take the risk.

Unfortunately, the transition in the outlook of the U.S. military profession seems well advanced—a fact which substantially explains the increasing criticism heaped upon the profession. Steven Canby's words are typical: "The study of war has all but atrophied in the U.S. The best minds in the U.S. military have become managerial and technical experts; but they have not studied their own professional discipline."

Another indication of this shift in the balance between military managers and heroic leaders is a significant trend in the military awards and decorations policy. When this writer was commissioned in 1962, medals for heroism dominated the medals worn by our nation's military men. Six awards recognized battlefield heroism and combat services. There were only four decorations for meritorious service or achievement. While no new award has been added in recognition of combat feats, six new medals for outstanding achievements or service are now available to military personnel. There are now ten medals that one can earn for peacetime managerial-type accomplishments.

Unquestionably, our leaders were pursuing a worthy goal when they sought to provide more recognition for important peacetime achievements. Unfortunately, these new decorations have the unforeseen and undesirable effect of lowering the visibility and distinction of the heroic leader. If present trends continue, at some time in the future we may find that our most decorated military men never have seen combat.

TECHNOLOGY AND THE HEROIC LEADER

A major factor in the ascent of the military manager has been the steady increase in the importance of technology in warfare. Generally, it is the military manager who keeps the military abreast of technological changes. He tends to be less tradition-bound than the heroic leader and therefore more receptive to innovation.

America is a technologically oriented society. We have a long tradition of substituting machines for people in our production efforts. Moreover, our nation is deeply imbued with Western humanism which emphasizes the worth of the individual and the sanctity of human life. The increasing importance of technology in wars of the Twentieth Century, and the relatively low American casualty rates of World War I and World War II, could scarcely escape our notice.

In keeping with our national character, the general belief has taken root that machines should be substituted wherever possible for people on the battlefield, ensuring us of victory with minimum loss of human life. We tend to lose sight of the well-trained men of courage who must operate the machines in the hectic environment of battle.

Although we still vaguely remember that generalship is the key to getting men and machines to the right place at the right time, we seem bent on replacing generals with computer programs and data banks. Thus, the real thrust of computerized command and control developments seems to be the complete mechanization of warfare. Men are to be reduced largely to drones that convey the instructions of one machine, the computer, to another set of drones, operating other machines that fight the battles. Fighting men and their heroic leaders become largely superfluous in this approach to war.

The impact of this view of war obviously is to raise the stature of military technologists and military managers who are responsible for developing, procuring and sustaining the wonder weapons of war. The importance of warriors and heroic leaders, as we have noted, is diminished. Operating a console in an air-conditioned electronic listening post becomes equivalent to facing a T-72 tank with a hand-held missile.

There is a second and even more beguiling way in which modern technology has tended to undermine the heroic leader's status in today's military establishment. The advent of nuclear weapons has made it appear to many that war is outmoded and that military establishments exist only to deter war. As Bernard Brodie wrote some three decades ago: "Thus far the chief purpose of our military establishment has been to win wars. From now on its chief purpose must be to avert them. It can have almost no other useful purpose."

This "deterrence mentality" has led to a schism in the officer corps. A substantial number of officers, perhaps even a majority, believe that "peace is our profession"—that the military does exist only to deter war. This attitude contrasts sharply with the view of the heroic leader who continues to maintain that the military profession focuses on combat: in peace the soldier prepares for war, and in war he marches toward the sound of the guns.

While deterrence mentality calls into question the heroic leader's central place in our profession's social structure, the importance of the technology upon which deterrence is based raises the status and authority of the military technologist and the military manager. Nuclear deterrence is directly related to a given weapons complex, the so-called Triad of land-based, air-borne and sea-based nuclear systems. Obviously, for those who see deterrence as the primary mission of the military, the scientists, technicians and managers who ensure the continuing readiness of the deterrence force overshadow in importance the heroic leader who spends his time preparing his unit for what will be required should deterrence fail. When peace is your profession, those who would prepare for war appear outmoded and perhaps even dangerous.

PROTECTING AN ENDANGERED SPECIES

As a consequence of the post-World War II developments that we have discussed, the balance among military managers, military technologists and heroic leaders has been badly shaken. As these developments erode the status of the heroic leader and his warrior spirit, the function of the officer comes increasingly to be viewed in terms of managment and technical activities.

Sensing that it is losing its vocation which has traditionally centered on the heroic leader who is the master of the art and science of war, the military profession has sought to preserve its martial image by proclaiming the existence of the "fusion role model" predicted by Janowitz. As the Air Force personnel plan for 1975 put in: "The military professional is typically viewed in three roles—as a leader, manager and technologist—in optimal balance, providing for the well-being of our nation's defense posture."

But the fusion role model is not working. Its elements evoke behavioral patterns that are too disparate to be mastered effectively by the vast majority of officers. It is not the fusion role model but the realities of military service in the 1980s that are shaping the attitudes and actions of today's generation of young officers.

Only about 15 per cent of all members of the Department of Defense are engaged in uniquely military functions today. What advantage is there in belonging to such a minority when there are clear indications that success comes to the technical specialist and the manager who can effectively handle top-level staff responsibilities? Already within the Air Force there are indications that support functions have more prestige among junior officers than line functions. And a senior Pentagon aide has proclaimed publicly: "The era is over of flamboyant combat heroes rising to the top of the military. The military is no longer going to win the budget game through image and authority. The brass are going to win it by knowing their stuff and knowing how to present it."

It appears that the heroic leader is becoming an endangered species.

Given that the balance among military managers, military technologists and heroic leaders is vital to an effective military establishment, and recognizing that the balance has been undermined by post-World War II developments in the U.S. military profession, what actions might be consider to correct current trends?

Recruiting pressures of the All-Volunteer Force. The nation seems unlikely to return to a draft in the near future. Therefore, we must find ways to reduce recruiting pressures that undermine our ability to focus on warfighting attitudes and skills. Could these pressures be eliminated by establishing a civilian organization similar to the Selective Service System and charging it with the responsibility for recruiting? Such an organization would return local involvement to the process of procuring defense personnel and would take the Armed Services out of an activity marked by scandals and litigation that have tarnished the military's image in the post-Vietnam era, a delicate time in American civil-military relations.

Socialization of the Officer Corps. Can we do more to socialize the young men and women whom we bring into the officer corps? Are the curricula of our service academies appropriate, or have they become so inclusive of various academic disciplines that they have lost their focus on the profession of arms? Are cadets and midshipmen now more concerned with majoring in a marketable academic discipline than with preparing themselves for a lifetime of service in the profession of arms? Is Officer Training School long enough and does it include enough indoctrination into the customs, courtesies and traditions of the military profession? Do we demand enough of our ROTC training programs? Are senior officers devoting enough of their energies to "bringing along" the next generation of officers?

Language of the Profession. Should we not be more careful about the way in which we talk and think about the military profession? Why should we abandon perfectly good traditional terms like Inspector General Inspection just because replacement terms sound more modern and up-to-date? The use of military phrases and words like General Bennie L. Davis' "officership" could end the military's dependence on management terminology to describe the officer's duties and activities.

At least one effect of the wide use of management language has been a breakdown of the distinction between the military profession and civilian occupations. Using traditional military terms in describing military functions should help restore a sense of the military as a unique and special profession. Tradition can be overdone, but properly used it provides continuity with a rich past and a guide in an uncertain future.

The Prestige of Combat Decorations. Can we find some way to restore the prestige of combat decorations? Would it be possible to withdraw the more recently established defense awards for meritorious service and achievement and replace them with decorations like the Distinguished Service Medal and the Legion of Merit? Could we separate the combat-related decorations and their peacetime counterparts on uniforms—e.g., over the left and right breast pocket, respectively? Failing this, could we perhaps increase the precedence of awards for combat service so that the top four awards for valor (Medal of Honor, Distinguished Service Cross, Silver Star and Distinguished Flying Cross) would outrank all noncombat awards except perhaps the Distinguished Service Medal?

A New Approach to Civilianization. In an effort to restore and nurture a sense of uniqueness and service in uniformed members of the defense establishment, can we find some organizational pattern that separates DOD civilians and the military? One scheme that might be considered is a gradual civilianization of organizations that contain fewer military personnel than civilians. Conversely, in those organizations where the uniformed service members are in the majority, civilians would be replaced gradually by military personnel as the former retire and transfer. This process would have the effect of making civilian supervisors responsibile for function accomplishment through a civilian workforce and leave officers and NCOs with responsibility for purely military units. It would reduce friction between the military way and the civilian way, each of which is valid and appropriate within its own context.

Revival of the Line and Staff Categories. Can we find a way to revitalize the traditional distinction between line and staff officers? Perhaps we could include in the line officer category all aircrew members and those who serve in the combat branches and are likely to be involved in combat or close combat support. Staff officers would be the remaining officers, with the exception of chaplains, veterinarians, physicians, dentists and legal personnel, who would comprise a special third category.

Once the line and staff distinction is redrawn, various measures would be used to make service in the line more attractive and prestigious. Among the measures that might be considered are providing distinctive accoutrements for uniforms, granting special survivor benefits for line officers who die in the line of duty, and awarding one and one-half years promotion list service time for each year in a line position after the first five years of line service. Furthermore, only those who had served the first twenty years of commissioned service in the line would be eligible for twenty-year retirement. Finally, a selection process might be devised that would limit the number of staff officers permitted to transfer into line service. The idea of all of this is to make the line something of an elite corps: it would be difficult to enter and easy to leave.

There are hopeful signs on the horizon. Here are two such signs: For some time now, efforts have been underway to reform the curricula of the Professional Military Education schools at Maxwell Air Force Base. More emphasis is being placed on the art and science of war, especially at the Air War College. This effort is making headway and is receiving considerable support from the top Air Force leadership. In the U.S. Army, there continues to be a spirited dialogue over the importance of heroic leaders and the things the Army should do to nurture them.

But the hour is late, and Mars is a cruel and impatient master. If we are to have the military establishment that we need to cope with an ever more treacherous global environment, we must rediscover the focus of the military profession and restore the heroic leader to the position of honor we have traditionally accorded him.●

SOLZHENITSYN'S WARNING

● Mr. ARMSTRONG. Mr. President, it has been 10 years since the Reader's Digest first published an article by the distinguished Russian author, Alexandr Solzhenitsyn, "his analysis of moral distinctions between communism and capitalism."

As public attention is focused on the upcoming Reagan-Gorbachev summit conference, I think it is proper to call attention to this masterful piece again. If anything, the insights of this towering moral leader are more relevant today than when they were first published in December 1975. I hope that all Senators will take the time to read and reflect upon Solzhenitsyn's warning.

The article follows:

WAKE UP! WAKE UP!

(By Alexandr Solzhenitsyn)

Is it possible to transmit the experience of those who have suffered to those who have yet to suffer? Can one part of humanity learn from the bitter experience of another? Is it possible to warn someone of danger?

How many witnesses have been sent to the West in the last 60 years? How many millions of persons? You know who they are: if not by their spiritual disorientation, their grief, then by their accents, by their external appearance. Waves of immigrants, coming from different countries, have warned you of what is happening. But your proud skyscrapers point to the sky and say: It will never happen here. It's not possible here.

It can happen. It is possible. As a Russian proverb says: "When it happens to you, you'll know it's true."

Do we have to wait until the knife is at our throats? Isn't it possible to assess the menace that threatens to swallow the whole world? I was swallowed myself. I have been in the red burning belly of the dragon. He wasn't able to digest me. He threw me up. I come to you as a witness to what it's like there.

Communism has been writing about itself in the most open way for 125 years. It is perfectly amazing. The whole world can read but somehow no one wants to understand what communism is. Communism is as crude an attempt to explain society and the individual as if a surgeon were to perform his delicate operations with a meat-ax. All that is subtle in human psychology and the structure of society (which is even more delicate) is reduced to crude economic processes. This whole created being—man—is reduced to matter.

Communism has never concealed the fact that it rejects all absolute concepts of morality. It scoffs at "good" and "evil" as indisputable categories. Communism considers morality to be relative. Depending upon circumstances, any act, including the killing of thousands, could be good or bad. It all depends upon class ideology, defined by a handful of people. In this respect, communism has been most successful. Many people are carried away by this idea today. It is considered rather awkward to use seriously such words as "good" and "evil." But if we are to be deprived of these concepts, what will be left? We will decline to the status of animals.

FREEDOM'S TAX

But what is amazing is that, apart from all the books, communism has offered a multitude of examples for modern man to see. The tanks have rumbled through Budapest and into Czechoslovakia. Communists have erected the Berlin Wall. For 14 years people have been machine-gunned there. Has the wall convinced anyone? No. We'll never have a wall like that. And the tanks in Budapest and Prague, they won't come here either. In the communist countries they have a system of forced treatment in insane asylums. Three times a day the doctors make rounds and inject substances into people's arms that destroy their brains. Pay no attention to it. We'll continue to live in peace and quiet here.

What's worst in the communist system is its unity, its cohesion. All the seeming differences among the communist parties of the world are imaginary. All are united on one point: your social order must be destroyed.

All of the communist parties, upon achieving power, have become completely merciless. But at the stage before they achieve power, they adopt disguises. Sometimes we hear words such as "popular front" or "dialogue with Christianity." *Communists* have a dialogue with Christanity? In the Soviet Union this dialogue was a simple matter: they used machine guns. And last August, in Portugal unarmed Catholics were fired upon by the communists. This is dialogue? And when the French and the Italian communists say that they are going to have a dialogue, let them only achieve power and we shall see what this dialogue will look like.

As long as in the Soviet Union, in China and in other communist countries there is no limit to the use of violence, how can you consider yourselves secure or at peace? I understand that you love freedom, but in our crowded world you have to pay a tax for freedom. You cannot love freedom just for yourselves and quietly agree to a situation where the majority of humanity is being subjected to violence and oppression.

The communist ideology is to destroy your society. This has been their aim for 125 years and has never changed; only the methods have changed. When there is détente, peaceful coexistence and trade, they will still insist: The ideological war must continue! And what is ideological war? It is a focus of hatred, a continued repetition of the oath to destroy the Western world.

I understand, it's only human that persons living in prosperity have difficulty understanding the necessity of taking steps—here and now—to defend themselves. When your statesmen sign a treaty with the Soviet Union or China, you want to believe that it will be carried out. But the Poles who signed a treaty in Riga in 1921 with the communists also wanted to believe that the treaty would be carried out; they were stabbed in the back. Estonia, Latvia and Lithuania signed treaties of friendship with the Soviet Union and wanted to believe that they would be carried out; these countries were swallowed.

And those who sign treaties with you now, at the same time give orders for sane and innocent people to be confined in mental hospitals and prisons. Why should they be different? Do they have any love for you? Why should they act honorably toward you while they crush their own people? The advocates of détente have never explained this.

You want to believe, and you cut down on your armies. You cut down on your research. You eliminated the Institute for the Study of the Soviet Union—the last genuine institute which actually could study Soviet society—because there wasn't enough money to support it. But the Soviet Union is studying you. They follow what's going on in your institutions. They visit Congressional committees; they study everything.

NUCLEAR CHECKMATE

The principal argument of the advocates of détente is that détente is necessary to avoid nuclear war. But I think I can set your minds at ease: there will not be any nuclear war. Why should there be a nuclear war if for the last 30 years the communists have been breaking off as much of the West as they wanted, piece after piece? In 1975 alone, three countries in Indochina were broken off.

You have theoreticians who say: "The United States has enough nuclear weapons to destroy the other half of the world. Why should we need more?" Let the American nuclear specialists reason this way if they want, but the leaders of the Soviet Union think differently. In the SALT talks, your opponent is continually deceiving you. Either he is testing radar in a way which is forbidden by the agreement; or he is violating the limitations on the dimensions of missiles; or he is violating the conditions on multiple warheads.

Once there was no comparison between the strength of the U.S.S.R. and yours. Now theirs is becoming superior to yours. Soon the ratio will be 2 to 1. Then 5 to 1. With such a nuclear superiority it will be possible to block the use of your weapons, and on some unlucky morning they will declare: "Attention. We're marching our troops to Europe and, if you make a move, we will annihilate you." And this ratio of 2 to 1 or 5 to 1 will have its effect. You will not make a move.

A WORLD OF CRISIS

in addition to the grave political situation in the world today, we are approaching a major turning point in history. I can compare it only with the turning point from the Middle Ages to the modern era, a shift of civilizations. It is the sort of turning point at which the hierarchy of values to which we have been dedicated all our lives is starting to waver, and may collapse.

These two crises—the political and spritual—are occurring simultaneously. It is our generation that will have to confront them. The leadership of your country will have to bear a burden greater than ever before. Your leaders will need profound intuition, spiritual foresight, high qualities of mind and soul. May God grant that you will have at the helm personalities as great as those who created your country.

Those men never lost sight of their moral bearings. They did not laugh at the absolute nature of the concepts of "good" and "evil." Their policies were checked against a moral compass. They never said "Let slavery reign next door, and we will enter into détente with this slavery so long as it doesn't come over to us."

I have traveled enough through your country to have become convinced that the American heartland is healthy, strong, and broad in its outlook. And when one sees your free and independent life, all the dangers which I talk about indeed seem imaginary; in your wide open spaces, even I get infected. But this carefree life cannot continue in your country or in ours. A concentration of world evil, of hatred for humanity is taking place, and it is fully determined to destroy your society. Must you wait until it comes with a crowbar to break through your borders?

NO MORE SHOVELS!

We in the Soviet Union are born slaves. You were born free. Why then do you help our slaveowners? When they bury us in the ground alive, please do not send them shovels. Please do not send them the most modern earth-moving equipment.

The existence of our slaveowners from beginning to end depends upon Western economic assistance. What they need from you is absolutely indispensable. The Soviet economy has an extremely low level of efficiency. What is done here by a few people, by a few machines, in our country takes tremendous crowds of workers and enormous masses of materials. Therefore, the Soviet economy cannot deal with every problem at once: war, space, heavy industry, light industry, and at the same time feed and clothe its people. The forces of the entire Soviet economy are concentrated on war, where you won't be helping them. But everything that is necessary to feed the people, or for other types of industry, they get from you. You are helping the Soviet police state.

Our country is taking your assistance, but in the schools they teach and in the newspapers they write, "Look at the Western world, it's beginning to rot. Capitalism is breathing its last. It's already dead. And our socialist economy has demonstrated once and for all the triumph of communism."

I think that we should at last permit this socialist economy to prove its superiority. Let's allow it to show that it is advanced, that it is omnipotent, that it has overtaken you. Let us not interfere with it. Let us stop selling to it and giving it loans. Let it stand on its own feet for 10 or 15 years. Then we will see what it looks like.

I can tell you what it will look like. It will have to reduce its military preparations. It will have to abandon the useless space effort, and it will have to feed and clothe its own people. And the system will be forced to relax.

The Cold War—the war of hatred—is still going on, but only on the communist side. What is the Cold War? It's a war of abuse. They trade with you, they sign agreements and treaties, but they still abuse you, they still curse you. In the depths of the Soviet Union, the Cold War has never stopped for one second. They never call you anything but "American imperialists." Do I call upon you to return to the Cold War? By no means. Lord forbid. What for? The only thing I'm asking you to do is to stop helping the Soviet economy.

In ancient times, trade began with the meeting of two persons who would show each other that they were unarmed. As a sign of this each extended an open hand. This was the beginning of the handclasp. Today's word "détente" means a relaxation of tension. But it would say that what we need is rather this image of the open hand.

Relations between the Soviet Union and the United States should be such that there would be no deceit in the question of armaments, that there would be no concentration camps, no psychiatric wards for healthy people. Relations should be such that there would be an end to the incessant ideological warfare waged against you and that an address such as mine today would in no way be an exception. People would be able to come to you from the Soviet Union and from other communist countries and

tell you the truth about what is going on. This would be, I say, a period in which we would truly be able to present "open hands" to each other.●

AMERICAN HOSTAGES IN LEBANON

● Mr. SIMON. Mr. President, today, as we patiently hope and wait for good news to arrive from Beirut concerning the welfare of our American hostages there, we extend our thoughts, prayers, and support to Terry Waite in his mission of negotiation and peace.

I would like to bring notice to those individuals throughout the world who have offered their private and public assistance throughout this hostage crisis. Their compassion and concern has been of great support to the families of these men. Most recently, I received copies of letters written by third grade students from Tripp Elementary School in Prairie View, IL. They are letters written to the families of our hostages. The students have discussed the hostage crisis among themselves and with their own families. They are reminded daily by a yellow ribbon around a tree in their classroom. The yellow ribbon was used 5 years ago for the Americans held in Iran. They attempt to understand this complex international event, attempt to keep it in their minds and share their thoughts with others, lest the American hostages in Lebanon be forgotten. They have now communicated from their hearts to the families of these hostages. Their remembrance has a message for all of us.

Let each of us be assured that we are doing everything possible to facilitate the safe release of all of our hostages in Lebanon.

I ask that excerpts from these letters be printed in the RECORD.

The excerpts follows:

TO THE FAMILY OF TERRY ANDERSON

I am eight years old. I am learning a lot. I am sorry Terry is being held hostage, I hope Terry is being treated nicely. Do you miss him?—Melanie Johnson

I hope Terry is not sick or ill. Do you know if they will come back? Do you love him? I wish that he comes back safely and not hurt.—Pat DiMarco

I hope Terry comes back. Soon I will be big and probably I will be in fifth grade. I am sad that Terry Anderson is being held hostage.—Jennifer Johnson

TO THE FAMILY OF WILLIAM BUCKLEY

The reason I wrote to you is to tell you how I felt about the people in Lebanon being held hostage. I don't think it's fair that nice people should be treated like that. The most important thing I wanted to tell you is that I hope William Buckley comes home safely. I am thinking about you.—Nicole Martorano

He is a good man. Did you put a yellow ribbon on a tree?—Kevin Perkins

We have a yellow ribbon around our tree. I feel that it is unfair just because one person got out doesn't mean you should take down all of the ribbons. There are still six more! I feel real sorry. I think it's sad.—Bess Krichel

We study about the hostages so Americans won't forget about them. I hope William is freed soon.—Glen Walden

TO THE FAMILY OF DAVID JACOBSEN

I am eight and three quarters. I hope David will be freed soon. How are you? I hope he is being treated well. I will never forgot about David.—Bonnie Solomon

I hope David is freed soon. I feel sad about David being held hostage. I have one brother.—Dawn Piejda

I am studying about hostages in school. I am very sorry David is being held hostage. Is David nice? What does his family call him?—Ellie Spiezer

TO THE FAMILY OF THOMAS SUTHERLAND

I hope Thomas Sutherland is freed soon. Everything is going to be all right. I'm upset about the hostages being held hostage. If I had one wish it would be that everybody would be nice. And I want to know what would you wish for. Just tell your family I'm sad and I care alot. So tell your family don't be sad.—Maureen Elizabeth Spiwak

I'm learning about the hostages so that Americans won't forget about them. We hope Thomas is freed soon. I hope that he is not sick or ill. I wish he was home now.—Jason Polakow

I'm sorry your husband is being held hostage. I hope he is released soon. I like to play sports, I like soccer and baseball and bowling.—Scott Campbell.

TO THE FAMILY OF PETER KILBURN

I am a girl who wants to ask a lot of questions about Peter. I want to know why they had to hold Peter as hostage. Has Peter written you any letters?—Rachel Levin

I hope Peter comes back soon. My teacher, Mrs. Diamond has Peter's picture up. I hope they are treating him nicely.—Penina Frager

In the classroom we put a yellow ribbon on our tree. I am a straight A student, I like school, too. I hope Peter is freed soon. I hope he is not sick. Please write back to me.—Stacey Friedman

I am real sorry that he was kidnapped. I study about him. I think about the hostages at night. I thought that all the hostages would be freed.—Sunny Miley

TO THE FAMILY OF REV. LAWRENCE JENCO

Did you get to talk to Rev. Jenco? I hope he is not sick. I hope he is freed soon.—Adam Wolf

We hope he comes home soon. I'm sorry he is being held hostage. I hope he is well.—Jeff Imlah

We are studying about the hostages so that Americans won't forget about them. We hope Rev. Jenco is freed soon. I hope Rev. Jenco is being treated nicely. How do you feel about Rev. Jenco being held hostage?—Jori Leigh Brill●

ADDRESS BY SENATOR HUMPHREY BEFORE MASSACHUSETTS CITIZENS FOR LIFE

● Mr. McCLURE. Mr. President, my friend and colleague, Senator HUMPHREY, recently spoke before the Massachusetts Citizens for Life in Braintree, MA. Senator HUMPHREY's remarks get right to the heart of the abortion issue and I urge all my colleagues to read them. Mr. President, I ask that the text of Senator HUMPHREY's speech be printed in the RECORD.

The speech follows:

REMARKS AS DELIVERED TO MASSACHUSETTS CITIZENS FOR LIFE, BRAINTREE, MA

Thank you. We politicians from New Hampshire are not all that used to such a warm welcome in Massachusetts. The last time I spoke in your Commonwealth was at Harvard University and somehow there just wasn't that warmth in the welcome.

Thank you. We are neighbors. Indeed, New Hampshire once upon a time long ago was a part of Massachusetts as you will recall from your history, but we saw what was coming and . . . (Laughter). Do you blame us?

All kidding aside, we are more than neighbors in this room separated by an artificial boundary called the State border, but we are more than neighbors, we are allies. We are the soliders in freedom's army as a civil rights man from the 1960's proclaimed. We are the fighters for a lost cause that turned out to be not so lost after all. We were once the defeated few, too determined to know we were beaten, too desperate to know there was no hope. And so, we made a chance for ourselves and for the unborn and for our country, and we are changing the future. We are the people who put the lives of children first—ahead of party loyalties and ahead of political expedience.

And, therefore, it's no wonder some people don't like us. They say we don't know our place. But you know, that has always been said about those who prod America to live up to her ideals. They said it about the abolitionists who argued against slavery and who sheltered runaway slaves right here in Massachusetts. They said it about them. They called them troublemakers. They said they wouldn't leave a controversial issue alone. They made people feel uncomfortable. And, they said the same about those who insisted that the immigrants to these shores be allowed to live and fully take part in the American dream. They said it about those who protected the immigrants some decades ago, and now they are saying it about the men and women and the teenagers and the children who picket the killing houses of America as a means of drawing attention to what is truly going on inside those buildings.

They say it about us. But let them say it. Because they are wrong. We do know our places, we do know our places. And it is with the least of our brethren, as has been pointed out earlier. It is with those little children against whom the abortionists rage. That is our place with those little children. And if some think that we are unreasonable, let them know this—we are only as insistent as principle; we are only as demanding as justice; we are only as determined as love.

You and your counterparts across America stand in the best tradition of our country. You stand with those who shelter the fugitive slave and argued against the selling of human lives as property. You stand with those who defended the immigrants against discrimination. You stand with those who upheld our country's ideals by defying the powerful to save the weak.

There are some, I am sorry to say, in places of high privilege and positions of responsibility here in the Commonwealth and across the country who betray that tradition. They've turned their backs on con-

science and principle and come down four square for expedience. They say they are personally opposed to abortion.

Let me stop right there. Why in the world would anybody be opposed to abortion if it did not take the life of the human being. If the offspring of human beings were not human beings, why in the world would anyone be personally opposed to abortion. There is no reason whatever of any substance. And therefore, those who say they are personally opposed are saying in code "I regard it as killing a human being." And then, in the next breath they say, "But I'm not going to lift a finger to stop this hideous practice."

In some quarters that is labled a liberal attitude, a pluralistic attitude, and with all due respect and love for my brothers and sisters in politics, I label it as political cowardice.

I thought I might update you on the progress in the national legislature in seeking to restore the protection of the law to human beings before births, but I don't think this group needs too much updating. There is no better informed group of citizens in our country than those of the pro-life movement.

You have, in fact, one of the best legislative staffs and networks among all of the public interest groups in our land. And your stock in trade is the simple truth. Who did what? Who stood for principle and who stood for the easy way out? Who stood for life and who ran from the battle?

Those are the questions you have asked time and time again beginning from the dire early days right after *Roe* v. *Wade* when losing seemed to be a way of life. But things have changed and are changing all because of you.

Because of you the Hyde amendment today stands as a barrier to financing abortions through Medicaid.

Because of you abortion has been halted in the Indian Health Service.

Because of you the Department of Defense is no no longer in the business of abortion.

Because of you the Peace Corps no longer provides abortion to its staff.

Because of you the Legal Services Corporation is somewhat restricted in litigating in cases of abortion, but not yet enough; and I have an amendment that will come up next week that will finish the job if we can get it through.

Because of you the Federal Employees Health Insurance Programs no longer pay for abortions.

Because of you, President Reagan last year junked 15 years of misguided international policy with respect to family planning in his statement in Mexico City.

Because of you Communist China, which practices forced abortion, has been condemned by the House of Representatives for crimes against humanity.

Because of you funds for the U.N. Program for Population Activities is in serious jeopardy.

(You are going to get worn out applauding yourselves!)

Because of you the House of Representatives has a solid pro-life majority.

Because of you the United States Senate is moving out of the shadow of death.

Because of you even that last bastion of the abortion advocate, the Federal judiciary, is changing. Not in the attitudes of those who sit, but rather in the persons of those who are sitting. Or, if the Lord is willing, by the end of his second term, President Reagan will have appointed more than half of all Federal judges, and, we fervently hope, several members of the Supreme Court.

Because of you . . .

And it makes me think of Winston Churchill's mocking retort to the prediction back in the dark days of the beginnings of World War II that Hitler would very quickly ring England's neck like that of a chicken. And it reminds me that Churchill, after chalking up a few Western victories, victories for the Western Allies, gloated by retorting in turn, "Some chicken! Some Neck!"

Churchill could have had you in mind, and we, over these long and painful years could well have had in mind his marching orders: "Victory at all costs, victory in spite of all terror, victory however long and hard the road may be; for without victory there is no survival." And surely for without victory on this issue, there will be no survival for Western civilization as we value it.

And, as the scourge of Nazism ground into the dust millions of innocent lives, today in our country the abortion reicht grinds into the dust millions upon millions of innocent unborn babies.

Just two or three weeks ago, as you know, out in Los Angeles, there was at long, long last a religious service followed by a decent burial of the 16,000 unborn human beings, some as old as five months who were found pickled individually in containers within a moving van.

At long last those unfortunate human beings have been laid to rest with a decent burial. But they represent millions; in fact you can multiply by a factor of one million those 16,000 and come very close to the true number of this terrible holocaust. Millions unknown by name, unknown to most Americans save to those exploited women who hear faint cries in the night.

And today we covenant with those little lives, those 16,000, those 16 million whom we could not save. We covenant with them to do all that we can by law and by love to save their brothers and sisters, to save them from the suction, from the saline and the scalpel. We pledge to one another never to leave the battle until we have won. We know that however great our efforts may be, ultimate triumph must depend upon more than human strength.

But rest assured we shall have that. Rest assured we shall have that, for as Isaiah tells us he will not forget his children; each was carved in the palm of his hand. That gives us hope; it gives us faith and a certainty of ultimate victory. As we picket and pray, lobby and legislate, as we continue our work of the last dozen years which has begun to turn this death industry on its side, we are making progress. We are making progress in mobilizing America's conscience. We are making progress in the Congress, and it is only a matter of time before we win in the courts as well.

We are making progress. Our goal is to restore the sanctity of Jefferson's sterling words, "That all men are created equal and that they are endowed by their creator, and certain unalienable rights that among these are life." We shall not turn from that goal no matter what impediments may be thrown in our way, no matter what attempts are made to silence us.

Now let me tell you there are attempts being made to silence us in the courts to stop you from picketing and demonstrating. And now, just recently, as of this week in the Senate, there are now efforts being made to silence those of us in that Chamber who wish to speak out on this issue.

And you know, just as slavery is a parallel to abortion, there is a historical parallel from the terror of abolition that is linked up with what has begun to surface this week in Washington.

Let me tell you about that earlier parallel. One hundred and forty years ago, the Congress was besieged by petitions from all over the country. It wasn't all that far to go in those days, but from the entire country as it existed, the country was besieged by petitions.

You can do that, you know. You can lay a petition before the Congress.

And the Congress got so tired, the House of Representatives got so tired of being pestered by these pesty citizens who opposed slavery that the leadership instituted what became known as the "gag rule" in the House. No longer could these petitions be brought up for airing. Any such petition received would be laid upon the table, squashed.

Now that practice happened to anger a distinguished person from Massachusetts, John Quincy Adams, who has already been president, but who was now in the House of Representatives serving his State. And what angered Adams so much was that a majority in the House of Representatives simply refused to hear the pleas of the citizens of our country, refused to listen, absolutely refused to listen to the people of the issue of slavery. And that inept attempt by Members of Congress to evade the most important issue of the day backfired because many who had not expressed an opinion on the issue of slavery were drawn into the fray, so outraged were they at the underhanded tactics of the House of Representatives. And further, that practice, that "gag rule" demonstrated that slavery was more than an issue of selling human beings as property, more than a regional issue. It was an issue which threatened the democratic foundations of our country.

Abortion is the slavery issue of our day. And even as we sit here tonight, in the Senate, there is a move afoot to begin a filibuster each and every time a Senator out of conscience arises to offer an amendment or piece of legislation dealing with abortion.

This is something new and something dangerous and something which, like its precedent, threatens the democratic foundations of our Nation. The right to extended debate, that is to filibuster, is an old and cherished and valuable tradition in the Congress. It is part of the checks and balances which prevent abuse of one group by another. But when used in the fashion which has been proposed this week, it is something entirely different. It is not a case of extended debate against one measure. The plan now is to engage in filibuster every time a pro-life issue comes before the Senate. That is something entirely new. It is a cynical and dangerous use of the rules of the Senate.

It would seem that some in the Senate, those on the pro-abortion side, believe that there are two classes of Senators. Those who have a right to stand up and offer their amendments and those who should know their place and sit down and be quiet. There are those who are entitled to 15-20 minutes of debate and vote on their amendment and there are those who do not.

I am personally shocked and outraged by this new tactic, and I will not stand for it, nor will the other Members of the Senate who are on our side in this issue. And before the abortion advocates and their allies in

some parts of the media attempt to portray us as the ones who caused the problem and who hold up the important legislation, let me assure them that we are not playing politics. It is not we who propose to hold up the Nation's business, we simply seek and insist upon our right as equals in that body to offer whatever legislation our conscience may dictate and to secure a vote on that issue.

We reject the claims that we are the ones who are or might hold up the country's business.

We have work to do in the Congress. We will not be impeded by these scoundrels. We have work to do yet, much work to do in the Congress. It is high time that taxpayer funding of abortions in the District of Columbia, the Federal enclave which is fully under the authority and responsibility of the Congress under the Constitution, high time that public funding of abortion in Washington, DC., be brought to a halt.

It's tragic and it is disgraceful that the Capital of our Nation is also the capital of abortion in the Western Hemisphere. More human lives are snuffed out by abortion in that city than there are live births in the same place. This year the House of Representatives has tightened up language to prohibit to stop it completely and they've sent that bill over to the Senate and I have the privilege of shepherding that through as soon as we can get it up and past these people who are obstructing action on that bill.

But that's not all: A few weeks ago, Congress Jack Kemp stood the abortion lobby on its ear when he unveiled in the House a proposal to prohibit receipt of Federal funds by any family planning organization which is engaged in abortion referral. Just this week, Senator Hatch introduced a companion bill in the Senate.

And beyond that who knows what we might choose to do. Who knows what we might choose to do. Perhaps we will propose to outlaw through the imposition of Federal criminal penalties applied against abortionists themselves and their staffs for any abortion that is done for the purpose of sex selection, the ultimate in sex discrimination. And perhaps little girls should not be killed because they are girls, nor boys because they are boys, and perhaps we will use the commerce clause of the Constitution to prohibit the transport across the State lines of equipment and supplies used in abortion.

There are lots of opportunities. Let's let our opponents guess what they will be.

We are drawing in converts. One of the most famous came before you today, Dr. Bernard Nathanson. We welcome converts. We welcome them with love. We welcome them with commendation of having the courage like Dr. Nathanson to change his mind in the face of unfolding new evidence about the humanity of the unborn.

And love is an important tool in our hands because beyond the legislative agenda, beyond the judicial agenda, beyond overturning *Roe* v. *Wade*, we have yet an even greater challenge before us, and that is the challenge of healing our Nation.

But I need not tell you that. For it is you who have been at the forefront of sheltering women who need help and pouring out your love in so very many ways. You were there first. You were at the front lines.

Our pledge to one another is not ever to forget those tiny children who have perished. That is out pledge to one another; it is our ultimatum to the abortionists; and it is at last our solemn promise to those boys and girls who have gone home to God.

Thank you very much.●

TRIBUTE TO SIDNEY R. RABB

● Mr. KENNEDY. Mr. President, the death of Sidney R. Rabb in Boston last month has deprived the Nation of one of its greatest entrepreneurs and philanthropists. His passing leaves a void in the lives of all of us who knew him, and in the lives of countless others who may not have known him personally, but whose lives were touched by his good works and extraordinary compassion.

Sidney Rabb was a man of many uncommon talents. Born in 1900, he was literally a child of this century. In so many ways, he represented the best in our community and our country.

From modest beginnings in the North End, he and his family created one of the great commercial enterprises of the Nation. As chairman of the board of Stop & Shop, he was renowned as the "Father of the Modern Supermarket" for his extraordinary success in turning a small family grocery chain into a major diversified retail firm.

His skill as an entrepreneur was matched—and even exceeded—by his commitment and dedication to helping others. The child who received a gift of life through Sidney's Rabb's generosity at Beth Israel Hospital, and the young scholar who was able to complete his education at Brandeis University, are symbols of the thousands of young men and women who have hope for a better life today because of Sidney Rabb.

Beyond the public esteem in which he was held, I also have many happy memories of Sidney Rabb as a true and loyal friend of all the members of the Kennedy family. President Kennedy came to know him during his first Senate race in 1952, and he was a constant and valued friend through all of my brother's Senate and White House years.

Throughout his long career, Sidney Rabb maintained the unusual energy and vitality that were his trademarks. Always young, he proved the truth of Robert Kennedy's words that "Youth is not a time of life but a state of mind." Everything he touched he left better than he found it.

At this difficult time, our hearts go out to Sidney Rabb's wife Esther and his family. We mourn his passing, but we know that his legacy of excellence and compassion will live on in the hearts and minds of all who knew and admired him. A mighty oak has fallen in the forest—a bright star has disappeared from the heavens.●

BALTIMORE SUN ON FAMINE IN AFRICA

● Mr. KENNEDY. Mr. President, the Baltimore Sun recently concluded an outstanding series of articles on the famine relief effort underway in Ethiopia and Sudan. The result of three reporter-photographer teams that the Sun sent to the field for nearly a month, their articles report "the extraordinary effort to save lives against almost unimaginable obstacles"—to quote from the cover letter of the Sun's editor and publisher, Reg Murphy.

I believe Reg Murphy can take justifiable pride in the excellent reporting work of the Sun's teams. And the timing, Mr. President, could not be more appropriate—1 year after the major relief effort began in Ethiopia and Sudan.

It is important that we not allow time's passage to let the continuing food and relief needs in Africa slip from our view, because the needs are still great, and the longer-term programs for rehabilitation and development are greater still.

I commend the Baltimore Sun for bringing to us such a comprehensive report on both the successes and failures of the past year, and the challenges that remain to be met.

Mr. President, I would like to share these reports with my colleagues, and I ask unanimous consent that they be printed in the RECORD.

The material follows:

THE BALTIMORE SUN,
November 4, 1985.

DEAR SENATOR: Famine in Africa has been in the news for a year. In Ethiopia and Sudan, almost a million people have died of starvation and millions more have been threatened with death.

But if the problem has been monumental, so has the world's response. In the last year, more than $1 billion worth of food, transport and other relief has been sent to Ethiopia and Sudan, about half from the United States.

What happened to this outpouring of help? In perhaps the greatest example of giving ever attempted, the project's results are unknown.

To find out, the Baltimore Sun sent three reporter-photographer teams to Ethiopia and Sudan for nearly a month.

They found stunning successes. They also found distressing failure.

In a series of stories in The Baltimore Sun October 27-November 1, they told how civil war, politics, logistical problems and squabbling among relief agencies have cost thousands of lives.

They show, in stories and color photography, the extraordinary effort to save lives made against almost unimaginable obstacles.

It is such a compelling story that I thought it important to reprint in order to share it with you.

Sincerely,

REG MURPHY.

[Famine: Help Comes Slowly—Reprinted From a Series in the Baltimore Sun, Oct. 27-Nov. 1, 1985].

FAMINE AID'S SUCCESSES AND FAILURES

In the last year, Americans and others have sent more than $1 billion worth of food to the victims of famine in Ethiopia

and the Sudan, two African nations where hundreds of thousands of people have died of starvation. The calamity was unprecedented—and so has been the response. What has happened to the food Americans and the world provided in what has been called the largest famine-relief effort ever attempted? To find answers to that question, three teams of reporters and photographers from *The Sun* recently spent nearly a month in Ethiopia and the Sudan.

In Ethiopia, they covered more than 3,000 miles within the rugged nation, including both rebel-held and government-controlled sections of the war-torn Eritrea region. In the Sudan, they traveled from one end of the nation to the other, tracking relief operations through bitter desert territory.

In interviews with scores of Ethiopians, Sudanese and foreign relief officials, they found that the unprecedented relief effort has been marked by both stunning successes and dispiriting failures.

"The worst has been overcome," said Kurt Jansson, the top U.N. official in Ethiopia, where, as in the Sudan, recent rains have finally started to turn some parts of the once-parched country green.

But much more needs to be done. Civil war, politics, logistical problems and squabbling among relief agencies have seriously hindered the relief effort. Thousands of lives have been lost as a result of those obstacles, many of which might have been overcome with better planning and coordination.

As the huge African relief effort moves into its second year, the need for a well-run aid system is great: An estimated 8 million people in Sudan and Ethiopia continue to face the threat of starvation unless emergency food reaches them.

"A way of life is in utter jeopardy," said the Rev. Kiflemarian Fadega, an Ethiopian priest who is working to get food to areas where thousands have died.

IN ERITREA: WAR KILLS IF FAMINE DOESN'T

(By Timothy M. Phelps)

ORATA, ETHIOPIA.—Orange, gooey and smelling like kerosene, thick globs of napalm still smolder nine days after the attack.

Burned fragments of grain sacks are all that remain of one family's makeshift tent, the only survivor a 2-month-old baby. Fifteen-pound chunks of razor-sharp shrapnel litter the ground. A tin of American-donated cooking oil balances on the edge of a bomb crater.

This camp for Eritrean refugees from drought and war is an eerie ghost town. Its 7,000 inhabitants, mostly women and children, are all up in the mountains, cowering under rocks for fear that the planes will return. They come back to their huts only at dark.

The United Nations says the Ethiopian government is feeding 80 percent of the population of its rebelious northern province, yet the only ration these refugees get from Ethiopia is napalm and steel.

Their food is American and European grain shipped to Sudan and trucked across the border by the Eritrean Relief Association, the relief organization of Eritrean rebels.

"You know, Mengistu [Ethiopian leader Lt. Col. Mengistu Haile Mariam] says, "To finish the fish you have to dry the sea,' "says Yousief Tedla of the Eritrean Peoples Liberation Front, which charges that Colonel Mengistu is trying to depopulate Eritrea through starvation and military attacks on civilians.

People are no longer starving at this camp several hours' drive from Orata, one of the front's chief mountain strongholds, but refugees are still dying.

Nine people, including six children, were killed on an attack by Ethiopia's Soviet-made MiGs several weeks ago. Twenty-two more were injured.

"We were sitting inside the hut when the planes came," said 5-year-old Menet Habte, who stared expressionless, wide-eyed and uncomprehending, from her hospital bed in Orata. A plastic bag is doing the work of her intestine, which was severed by shrapnel. Her big eyes are haunting white rings of horror around the black center of war.

"I was sitting with my older sister, and my little brother was sleeping. There was a sound of jingling iron and it hit me," she said.

The child's mother was killed in the attack, and her sister also injured. Her brother is at the camp orphanage.

"The front line is 300 kilometers [180 miles] long. They can bomb it as they like," said Fesseha Gebrehiwet, an official of the liberation front whose gray hair and pain at the sight of the child make him seem twice his 31 years. "But not this camp.

"They know these are the future generations of the Eritrean people. They want to exterminate us."

Yemane Dawit, the 33-year-old director of the refugee camp, said four planes—two MiG-21s and two more advanced MiG-23s—attacked the camp at 9:30 in the morning. The terror lasted for 45 minutes, he said, as the planes fired rockets, dropped 28 demolition bombs and twice spread deadly napalm. There undoubtedly would have been many more casualties except that the camp's huts are scattered, with air raids in mind, over a large area.

The Eritreans have learned they can listen to the pilots by tuning their radios on the FM band. Mr. Yemane said the pilot of the first plane to appear that morning was heard to report that he had seen women and children and that some of the women had started running. Then the MiGs attacked in classic style, coming from different directions.

The radio conversations indicate that the Ethiopians clearly knew what they were attacking, Mr. Yemane said. Certainly, it would be hard to mistake this cluster of makeshift huts, many made of grain sacks in the unmistakable style of refugee camps, for a military installation.

When the camp was visited by a *Sun* reporter and photographer after the attack, there were only a handful of armed men and women among the 7,000 refugees, usually older men clutching Soviet-made Kalashnikov rifles as if they were of any value against the speeding jets.

The jets came back at noon, Mr. Yemane said, but did not renew the attack. At 3, they came back again and dropped 10 bombs. The refugees by then were all in hiding away from their huts, and the only casualties of the second attack were precious goats. Their charred remains still littered the ground.

Nine days later, the refugees were still in hiding, 7,000 people crouching like cave-dwellers under rocks covered with branches from thorn trees. In the valley below, their huts, the clinic, the nursery were all empty.

The 550 orphans in the camp were hiding behind boulders bigger than trucks. The absence of sanitary facilities in their makeshift hiding place was evident from the strong smell of human waste. About 50 children surrounded each of the foreign strangers, climbing up to their faces like the flies that stick to the children's eyes. The children, their heads shaved to prevent lice, push up the strangers' sleeves to see whether the skin underneath is also white.

Soon it is lunchtime. A boy of perhaps 5, wearing a shirt but no pants, offers one of the strangers his bowl of plain rice. This rice is the main meal of the day. For breakfast there is only tea and bread, for supper milk and bread. The eye of one little boy oozes with infection, attracting more than the usual ration of flies.

As is true of other Eritrean refugee camps, there is sufficient grain stockpiled to ensure that no one goes hungry, though there is not an adequate supply of medicine and supplementary foods, such as milk powder, that are necessary to ward off malnutrition. The bombing does not appear to threaten the food supply, which is trucked in at night.

The women, most of them with children, are scattered through the desolate narrow ravines above the camp, where nothing grows but cactus and thorn trees, and where the rocks seem to threaten a landslide at any moment.

Attacks on refugee camps are not unusual, according to the liberation front. Two weeks after the camp near Orata was attacked, another camp was attacked by MiGs and helicopter gunships in Senhit province, according to the Voice of Eritrea radio station, killing four and injuring 12. An American relief worker confirmed seeing some of the wounded.

The Eritreans and rebels in neighboring Tigray province charge that the Ethiopians also burn crops in rebel areas or confiscate them for military use. Much of relatively bountiful harvest expected to begin next month may be lost in this matter, they predict.

Bolstering the charges that the Ethiopians are willing to attack civilians as well as soldiers, a private American relief official in Khartoum, Sudan, said their staff members had confirmed instances of wells in rebel areas being poisoned with arsenic, allegedly by the Ethiopian military.

An Ethiopian pilot captured by the liberation front when his MiG was shot down told *The Sun* in an interview that it is the policy of the Ethiopians to shoot anything that moves. The pilot, who was interviewed in the presence of his Eritrean captors, said he never had explicit orders to attack civilian targets but that the distinction was difficult to make.

HALTING REBELS COMES BEFORE HALTING HUNGER

(By John Schidlovsky)

ASMERA, ETHIOPIA.—The Soviet MiG fighter jets—two, three, four of them—swooped down on the heavily guarded runway here quickly, lightly, like hawks setting on a ridge.

"They're staging a little show for our benefit," an official of Catholic Relief Services said with irritation as he and three American bishops sat waiting, in the heat of a small plane, to fly to a food-distribution camp.

The message sent to the bishops was symbolic. Here in Eritrea, the country's northernmost region, the Ethiopian government has far more important, and deadly, busi-

ness than smoothing the way for American visitors or feeding its hungriest people.

Using its 320,000-man army—the largest in sub-Saharan Africa—the Ethiopian government has been waging an intense military campaign against well-armed rebels in the northern regions of Eritrea and Tigray.

The intensity of the war illustrates the fact that despite a yearlong famine the Ethiopian government says has left 500,000 dead of starvation, the regime in Addis Ababa has put its military and political concerns far above famine relief.

"The number one priority of this government is ensuring its own survival. Second is winning the war in Eritrea. Relief is way down the list," said a veteran Western diplomat in the country's capital.

Even the Ethiopians agree.

"We are fighting terrorists," said Berhane Deressa, a deputy commissioner of the Ethiopian Relief and Rehabilitation Commission. "Like any government in the world, we have a duty to combat terrorism."

Government officials say the rebels, or "bandits," have prevented deliveries of relief food into remote areas. In some cases, the rebels have deliberately destroyed food aid, the government charges, and some Western relief officials confirm that charge.

"The rebels in Tigray have blown up some of our food trucks," said John Alderliesten, a Canadian working for World Vision, an American relief agency.

The rebels, for their part, maintain that Ethiopian authorities have sabotaged food deliveries in the northern, rebel-held areas. Each side in this Marxist-vs.-Marxist conflict has proof of wartime atrocities.

Whichever side is right, one thing is clear: The Ethiopian government's determination to put down the rebels has slowed efforts to bring food aid to famine victims.

As the relief effort goes into its second year, a host of serious logistical, political and organizational problems remains unsolved. There are too few working trucks. There is squabbling among relief agencies and a lack of trained Ethiopian aid workers. The country's precipitous terrain keeps food from reaching remote hilltop hamlets.

But above all, political factors have hampered food distribution. Some examples:

Food relief in the north has been subordinated to the war effort, now in its 24th year, against Eritrean rebels.

A small amount of food aid has been diverted to the army and, according to some foreign observers, to reward some urban residents for their political allegiance.

The Ethiopian government's relief agency has suffered from the regime's suspicion of, and antipathy to, Western relief workers.

Thousands of people have been resettled, some by force, in a government program to reduce famine pressure. Some vehicles intended for food distribution have been used instead to resettle people hundreds of miles from their homes.

At the same time that politics—in the form of the Ethiopian government's priorties—has affected food relief, the massive infusion of food aid has also shaped Ethiopian politics in a fundamental way.

"There's no question the relief operation has helped the government stay in power," said a Western diplomat.

Food relief, like everything else in Ethiopia, is distributed according to the priorities set by the government of Lt. Col. Mengistu Haile Mariam, a member of the group of officers that seized power in 1974 and undisputed strong man since 1977.

The most obvious example has been here in the north. For months, while the Ethiopian army readied and then carried out its offensive against Eritrean rebels, little or no food reached populations outside the region's main cities.

Last spring, the government was so busy unloading vessels with Soviet arms at the port of Assab that grain ships there were all but neglected. The United Nations lodged a formal protest with the government, which resulted in an apparent change in the priority.

Meanwhile, thousands of drought-affected residents in remote northern areas had little to eat.

"Multitudes have reached the point of perishing from hunger," said the Rev. Kiflemarian Fadega, a Catholic priest and relief official in Keren, an Eritrean town near the scene of recent fighting.

Only in the last two months has the government allowed two relief agencies—World Vision and Catholic Relief Services—to open food-distribution centers along with the Red Cross in the contested areas. Relief workers must travel with armed convoys to the centers.

Eritrean rebel leaders claim that Ethiopian authorities prevent some hungry peasants from reaching those feeding centers by operating checkpoints on the way to the centers to screen people for their political allegiances.

Those charges are denied by private relief workers, who have interviewed thousands of individuals.

"The government does not impede anyone from coming to the Center," said Brother Cesare Bullo, a Catholic relief worker from Italy.

Relief officials do say, however, that many peasants are reluctant to approach the government-run feeding centers because of fears they may be drafted into the Ethopian army or forcibly relocated. Some say simply that they won't go because "that is the enemy."

Critics of the Addis Ababa regime say it is nothing new for the Soviet-backed government to control food distribution. In urban areas, residents are organized into local citizen groups called kebelles. If a group's political zeal declines, so may the amount of food and other commodities the government allocates to its district.

"This government has always used food as a political weapon," said an African diplomat based in Addis Ababa. "It is doing the same with relief."

Despite such practices by the regime, Ethiopia's relief agency, the Relief and Rehabilitation Commission, wins high praise from nearly all foreigners involved in the huge relief effort—A $1 billion drive financed by dozens of nations and operated by 47 private relief organizations.

The commission, created 11 years ago, is described as filled with honest and hard-working officials who do a good job despite the government's military-oriented budget.

"Its track record is damn good," said Frank Carlin, director of Catholic Relief Services in Ethiopia.

But the commission, a relatively low-ranking body in the government, must fight a delicate, internal battle with Ethiopian military rulers who are wary of the commission's close involvement with Western relief workers.

"There are too many expatriates [non-Ethiopians] working in Ethiopia," said Tefari Wossen, a commission spokesman, echoing a growing concern of the regime. "Some are really not needed here."

Some Eritrean rebels have charged that the Ethiopian government has diverted relief food to members of the army. Foreign relief agencies—which distribute 60 percent of the food aid in Ethiopia—say there has been a minimum of diversion, far less than has occurred in other nations with military regimes.

"You can't stop those who have weapons from feeding themselves first," said one Western diplomat who has extensively toured the country. But he said only a "small portion" of aid has been commandered by the army.

The current Ethiopian government gets good marks from CARE, the relief agency that has monitored all of the food supplied by the U.S. government directly to the Ethiopian government. They say all 50,000 tons of the bilateral aid have been fairly and honestly distributed to famine victims.

"The donations to the Relief and Rehabilitation Commission were properly utilized," said E. Krishna, CARE's deputy director in this country.

Ethiopian authorities dismiss the allegations of diversion as fictions spread by the government's opponents.

"Those are politically motivated charges," said Mr. Berhane of the relief commission. Even with the drought last year, he said, Ethiopia harvested or purchased more than 5 million tons of grain, enough to feed 75 percent of its people.

"There is enough food to feed everyone in the urban areas and all the soldiers," he said. "The shortfall is only in the drought-stricken areas."

In Addis Ababa, certainly, there is no shortage of food. At the city's huge Mercato Market, the stalls are heaped high with vegetables, fruits, spices, eggs and chicken, as well as fragrances such as frankincense and myrrh.

At restaurants such as Castelli's, urban diners can choose from a wide variety of Italian pasta, cutlets, antipasto and cassata ice cream. For $30, one can buy a bottle of French or Italian wine.

Even for the vast majority of Addis Ababa residents who cannot afford such luxuries, there is plenty of injera, the flat, pancake-like bread on which heaping portions of wat, or stew, are served in a typical Ethiopian meal.

Not is there a critical food shortage in Ethiopia's lush southern and western regions, where coffee trees grow the beans that produce the nation's major cash crop.

It is there, in the regions of Ilubabor, Kefa and Walega, that the country has focused its efforts to resettle thousands of Ethiopians from the north—a drive that is perhaps the most significant way the government is using the famine for political purposes.

More than 180,000 families—more than half a million people—have been moved from the drought stricken areas of Tigray and Wello in what authorities say has been a voluntary migration to more fertile land. Government officials say the resettlement program is a humane way of getting peasants off worn-out land to more farmable areas.

Critics, including the American government, say the program has been conducted by force and has been used to depopulate areas in Tigray and Wello regions where rebels have sought civilian support.

"In general terms, resettlement is an excellent idea," said one Western diplomat, "but in implementation in Ethiopia it has been disastrous."

Relief workers say many peasants have left the resettlement areas when they found

there was no water and no health facilities at their new homes.

WESTERN AID DOESN'T SOFTEN MENGISTU

(By John Schidlovsky)

ADDIS ABABA, ETHIOPIA.—He is the most photographed of all Ethiopians. Only Marx, Engels and Lenin are more visible in posters around this city.

He is Lt. Col. Mengistu Haile Mariam, Ethiopia's ruler, commonly known in this mile-high capital as Colonel Mengistu, or, simply, The Chairman.

He is everything that counts in this African nation. The *Ethiopian Herald*, the government-run newspaper, makes that clear when it unfailingly refers to him as:

"Comrade Mengistu Haile Mariam, the General Secretary of the Central Committee of the Workers Party of Ethiopia, Chairman of the Provisional Military Administrative Committee and Commander-in-Chief of the Revolutionary Armed Forces."

Colonel Mengistu, whose anti-imperialist rhetoric has not paled despite $1 billion in famine assistance from the West, is the head of the PMAC, called the Dergue, the Amharic word for committee.

It is the Dergue that has held absolute power in Ethiopia since 1974, when Colonel Mengistu and other junior officers overthrew Emperor Haile Selassie. The emperor's tottering regime fell in the wake of a famine the emperor's government tried to cover up.

How has the Dergue stayed in power? Western food aid and Soviet weapons have probably helped the most. But there has been another factor.

"They're young, they want to get older, and they're brutal," said a Western diplomatic observer here.

That ruthlessness evidenced itself most in 1977, when the Dergue exterminated thousands of students, intellectuals and other political opponents in what became known as the Red Terror. Colonel Mengistu personally shot to death a member of the Dergue who opposed his hard-line policy. Since 1977, all urban opposition has been stifled.

It was that year that Ethiopia turned to the Soviet Union for military assistance against Somalia, which had invaded the Ogaden region in southeast Ethiopia.

With Soviet weapons, Ethiopia soon defeated the Somalis. But Soviet arms never stopped flowing into this strategically situated country. In the last nine years, Moscow has provided Colonel Mengistu's government with more than $3 billion in arms.

The Soviets, in turn, have settled into formerly American-manned military bases in Ethiopia and opened new ones. On the Dahlak archipelago, a group of islands in the Red Sea, the Soviets have set up a major electronic eavesdropping facility that lets them listen to traffic in the world's key oil-shipping lanes.

Meanwhile, Colonel Mengistu has used Soviet aid to build up Africa's second most powerful army (only Egypt's forces are larger). The army has concentrated its impressive firepower in the north, against rebels in Eritrea and Tigray.

In Eritrea, the government is fighting the 24th year of a civil war against Marxist secessionist rebels led by the Eritrean Popular Liberation Front. In Tigray, the army is fighting the smaller Tigray Popular Liberation Front, another Marxist group seeking autonomy for the region.

Critics say the Dergue is far too obsessed with fighting the rebels. At least 50 percent of the nation's budget goes for defense. Relief officials say more should be spent on development rather than on a war that has dragged on for two decades and may be unwinnable.

But even many observers who have no love for the Dergue say it is unfair to ask Addis Ababa government to ignore what it sees as its legitimate defense needs.

"How can you ask this government, or any government, to put its security needs below relief? If you do, you're asking this government to do things that no-government has done anywhere else," said one diplomat who has often been critical for the Dergue.

RUTS IN DESERT ARE ERITREA'S GRAIN LIFELINE

(By Timothy M. Phelps)

Brand new Mercedes trucks loaded with grain leave the ancient yellow ruins of Suakin, 40 miles south of Port Sudan, and head south into the desert. A red sun is setting over the Red Sea Mountains, for this convoy of mercy must travel at night to avoid attack by Ethiopia's Soviet-built MiGs.

It is an open secret that the trucks and the grain, both provided but not acknowledged by the United States, will cross illegally from Sudan into rebel-held territory in Eritrea, the contested northernmost region of Ethiopia.

They will arrive far too late for the thousands of Eritreans who starved to death while the United States tried to decide whether or how to provide transportation for its urgently needed grain. In fact, after 12 months of delay, the trucks are arriving when conditions in Eritrea are better than they have been for four or five years.

Yet there are still hungry people in remote regions, and without continued help perhaps a million more Eritreans would soon be starving again. So the huge green cargo trucks head down the main road, distinguishable by vestiges of broken pavement that form a kind of median strip for two tracks through the sand and by the utility poles, each of which has a big white and black vulture perched on top.

They follow, at least for now, the same route that a Sun reporter and photographer have just taken into and through Eritrea, the first journalists to tour the area since the end of two months of heavy rains—rains that disrupt food distribution at the same time that they bring the hope of food production.

ORATA, ETHIOPIA.—We turn off the so-called main road to Tokar and head west, then south again, on a track that is alternately hard and rutted or soft and deep with sand. Nothing grows in the stubbly desert but cactus and stunted thorn trees. Nothing moves through its nighttime but food trucks, our Toyota Land Cruiser and an occasional skeletal mouse the size of a peanut.

All traffic comes to a halt at the Eritrean equivalent of a truck stop. We sit on a stone bench under a round canopy, and a one-legged war veteran serves us sweet tea flavored with cinnamon, a plate of spaghetti, seven forks and a pitcher of sour beer made of fermented wheat. Then our Eritrean companions want to push on.

We have already traveled six hours through a desert still hot at night, but we have five hours to go before we are across the border into Eritrea.

First we must cross the Baraka River, one of the main obstacles for the cross-border operation that will deliver 36,000 tons of American grain and a like amount of European grain to Eritrea this year. During the rainy season just ending, grain trucks may be stuck here for days waiting for the water to go down.

In fact, a Toyota is stuck in the low but still muddy river ahead of us. But from the truck stop the Eritrean equivalent of a tow truck is summoned, a huge, very powerful Soviet truck captured from the Ethiopians that is used exclusively to pull other trucks through the mud. Our tow takes but a few minutes.

The road south is barely discernible, and several times our experienced Eritrean driver must stop to ponder the route. A bulldozer tries to push away the sand to uncover the hard Eritrean dirt that the empty grain trucks bring back with them to the Sudan. The Sudanese government not only does not maintain this road, it has asked the Eritrean to donate some of their dirt to other roads in the region.

At 2 a.m., a two-hour rest stop is decreed, and we stretch out our sleeping bags on the hard rock beside the road—desert sand is being replaced by desert rock as we approach the mountains of Eritrea, already etched into the horizon by brillant amber moonlight. Swarms of mosquitoes cannot keep sleep away.

First light finds us in a narrow mountain gorge, with hundreds of fighters encamped beside the road. (The Eritreans, who eschew ranks, titles and uniforms, insist that they are fighters, not soldiers.) We pass a caravan of a dozen camels, and they, too, are carrying grain for Eritrea.

By 5:30 it is clear daylight, and all traffic—food trucks and military vehicles—is pulling off to the side of the road under thorn trees. The drivers are busy covering their vehicles with tarpaulins and cut branches.

It is not clear—intentionally—when or even whether we have left the Sudan.

Our driver wants to continue to the Eritrean center at Orata but is told he must not, because the MiGs have become increasingly active even in the early morning and late afternoon hours.

A few weeks earlier, not far from here, two grain trucks were napalmed after they were caught at daybreak by Ethiopian MiGs, according to Eritrean and Western relief officials.

We spend the day in stone hut, perfectly shaped from flat stones like the most symmetrical of New England stone walls. Exhausted as we are, the flies, three per square inch, make it impossible to sleep.

At 10:30, as the African sun adds to the misery caused by the flies, there is a new and much more intense discomfort—the sound of MiGs. Apparently, they see nothing.

The evening takes us on a two-hour ride up and down a mountainside, with treacherous switchbacks overlooking drops of thousands of feet. The diver doesn't even slow down. The trucks too big for this road must drive up a riverbed, over rocks the size of basketballs.

It is a wonder, how this small would-be nation can be fed this way.

We arrive in Orata to the terrifying sound of airplanes and gunfire. It is well into the supposed safety of darkness, but the Ethiopians are not playing by the rules. They have recently started bombing at night from the slower Soviet Antonov, which is what attacked the Orata area just before we arrived. The gunfire is Eritrean antiaircraft.

Over the next two weeks, we are frequently frightened by the sound of MiGs and Antonovs, though the many dozens of buildings at Orata—including a 1,200-bed hospital—are so well camouflaged they are close to invisible from the air.

One night, as we stand on an open plain about to leave a nearby refugee camp, we hear the drone of an Antonov and trace its lights against the bright midnight stars. After a minute or two there is a series of bright red flashes in the distance followed by the sound of explosions.

The night bombing serves to slow down the steady tickle of food (and military supplies) into Eritrea because the grain trucks must drive as much as possible without headlights. But the bombing is haphazard and seldom effective, so the food keeps coming.

We are outside of Sheeb, a regional garage where Eritrean mechanics make spare parts for food and military trucks with tools made from Soviet bombs and rockets, watching food being parceled out on the edge of a refugee camp administered by the Eritrean Relief Administration, an arm of the rebel government.

According to American and European relief workers, the Eritrean agency and its counterpart in the neighboring and also rebellious region of Tigray are among the most efficient and effective relief orgainzations in the world.

Because of the fighting, these organizations are solely responsible for the distribution of food in their areas (unlike the Sudan, where 61 volunter organizations are at work).

The scene at the camp is more like a painting by Rembrandt than the image of near-riots of starving people now familiar in the West. A bearded Eritrean Relief Administration worker sits at a table overlooking a pile of grain and several hundred refugees, mostly nomads. The turbaned men in simple white cloth skirts or ropes wait patiently for their names to be called by the official, who reads by the light of a lantern from a list that includes the number of people in each man's family. Each portion is carefully measured out.

In Sheeb earlier that day, we interviewed four key officials of the relief agency, who sat around a slate table with legs made of shell casings for Soviet tanks.

"We say that the crisis is not over," said Gebremichael Menghistu, secretary-general of the agency. "It's true that this year the rains have been good. Having said this, it is important to bring to the attention of the international community that the situation in Eritrea is not the result of one or two years of drought and not simply a natural disaster."

It is five years of drought and 24 years of war that have created a problem that will extend into the foreseeable future, he said.

Though the rains have been more than good, the harvest that will begin in late November will not be so bountiful, Mr. Gebremichael predicted, because a quarter of the population, displaced by war and drought, was not around to plant; because many who did plant were too weak to plant very much; and because some of the seed, tools and oxen needed to plant were not available.

"A substantial section of the agricultural community was not in a position to farm their land," he said.

Mr. Gebremichael offered a "guesstimate" that at least a million of the 3.5 million Eritreans will continue to need assistance through 1986, meaning as much grain will be needed next year as got through to Eritrea this year.

Even now there are people starving in areas trucks can't reach, he said, but the 120,000 people in 31 camps and the many others receiving help in their villages have enough grain, though not enough medicine, cooking oil, milk powder and other foods needed to ward off malnutrition.

It is impossible, Mr. Gebremichael said, to estimate how many thousands of people have already died, because by tradition families do not make their losses public. Many of those who died would not have if the United States had moved more quickly to provide the trucks it first started talking about a year ago, he said.

Sources sympathetic to the U.S. position say the delay resulted from a combination of typical bureaucratic processing and indecision over whether to buy or lease the trucks.

"In an emergency, time is the most important factor," Mr. Gebremichael said. "We are talking about people facing starvation. For the Americans to say they have just delayed, I don't think it is true.

"We are talking about drought that was recognized by the international community in October 1984. So I leave it to your judgment.

Mr. Gebremichael and some Western relief workers think the United States was simply trying to use the threat of beefing up the cross-border operation as a means of pressuring the Ethiopian government to provide aid to the area.

"It is impossible to believe that if the State Department was really interested in getting trucks to any part of the world they wouldn't turn up the next day," said one Western relief worker. He said that private agencies had not provided trucks themselves because the United States had already promised to.

"This is not a football that can be kicked around."

The 65 new trucks from the United States and others arriving from Europe will boost the Eritrean Relief Administration's delivery capacity by 50 percent, enough to make dramatic improvements that can be sustained if the Western donors agree to renew their commitment of food for next year and if the war does not further damage the harvest, Mr. Gebremichael said.

But 12 hours after we left Eritrea, the Ethiopians invaded on three fronts, raising the possibility that much of this year's crop could be destroyed.

FIRST STRIFE, THEN FAMINE—AND NOW FOOD

(By John Schidlovsky)

HAGAZ, ETHIOPIA.—They've walked a day or more to get here, some leading their camels or donkeys, through the steep and parched hills of Eritrea.

They've trekked here for food—for survival in a drought-stricken war zone where government soldiers stand with rifles ready against attacks from rebel guerrillas.

"People have been eating wild fruits that only camels and goats eat," said the Rev. Kubrom Tzegai, a Catholic relief worker in this arid town of 6,000 people.

Here in Eritrea, the northernmost region of Ethiopia, the threat of starvation has humiliated the proud nomads who have walked hard, hot miles to get a small part of the million tons of food relief sent by the world.

Until two months ago, little or none of the food was getting through to this district. The reason: People here were victims of a double disaster—war and famine.

In one of the fiercest campaigns of a 24-year-old civil war, Ethiopian troops have been battling rebels of the Eritrean Popular Liberation Front for much of this year.

Now, following major government victories, Ethiopian authorities have allowed the Red Cross and foreign relief workers to open a half-dozen new feeding centers for victims caught in war zones in Eritrea and in Tigray, another region beset by civil war.

As a result of what is dubbed the "northern initiative," thousands of people previously cut off from aid are now being registered for famine relief, and food is beginning to arrive in trucks.

"The word is getting out to the people," said Frank Carlin, director of the Ethiopian office of Catholic Relief Services, which operates a new food-distribution center here.

Not everyone agrees.

Rebel leaders in Eritrea and Tigray accuse the Ethiopian government of doing nothing to feed the people who live outside government-held towns.

But a government-led tour of four new feeding centers on the fringes of rebel-held land found that a substantial effort apparently is under way to feed people who walk in from rebel territory.

"We now have 50,000 people at our center," said Henry Rudlinger, a Swiss representative of the International Red Cross in Idaga Hamus, a town in drought-stricken northern Tigray.

In Keren, a heavily fortified district capital a few miles from rebel-held area in Eritrea, thousands of people have begun receiving food at a new center set up by Catholic Relief and the Ethiopian government.

In all, relief workers say, they will now be able to feed 300,000 people through the northern initiative operated by U.S. relief agencies in Tigray and Eritrea.

Relief workers say the reason rebel leaders denigrate the northern initiative is simple.

"Our efforts are bolstering the government," said John Alderliesten, transport manager for World Vision, which runs a new feeding center in Tigray. "The rebels figure they would have won the war by now if we had done nothing."

Mr. Alderliesten and other relief workers say they have told Ethiopian authorities that much more needs to be done in the northern regions.

The United Nations and the Red Cross say food aid is now reaching 80 percent of the 2.5 million famine-affected residents of Eritrea and Tigray, but it is difficult for anyone to be sure.

"There are still huge areas we can't get into," said Pat Banks, communications manager for World Vision.

War is only one hindrance.

In Tigray especially, the Ethiopian topography is some of the most rugged in the world. Thousands of people live atop steep, ravine-creased mountains where there are no roads between villages.

Even when there are roads, there are too few trucks available to provide adequate deliveries.

"We have the road open, but the lack of trucks prevents us from reaching the people," said the Rev. Kiflemarian Fadega, a Catholic relief official in Keren.

The road the priest referred to is the main paved highway running from Asmera, the capital of Eritrea, west to the border with the Sudan.

In a major military offensive completed this summer, the Ethiopian army recaptured all the towns along this key road, including Barentu, which had been taken by rebels in the spring.

Among the prizes captured by the government: a 10,000-acre farm planted by rebel-led workers at Ali Ghidir, at the Sudan border.

Now, with government control firmly established, U.N. and private relief officials are pressing authorities to open additional feeding centers all along the road.

"There's a need for more distribution points along the road," said Kurt Jansson, U.N. assistant secretary-general for emergency operations in Ethiopia.

Mr. Jansson said Ethiopian relief officials have done as well as could be expected in getting food into Tigray and Eritrea. He says logistics, not politics, has kept food shipments out of some areas.

"There has been no deliberate attempt to deny food to people from rebel-held areas," said Mr. Jansson, who has just completed a year's assignment as the United Nations' top monitoring official in the country.

The United Nations has occasionally been criticized for reflecting the views of member governments in an effort to preserve neutrality.

Ethiopian officials concede that the war in the north has prevented food-relief deliveries. But they deny rebel allegations that the government has been unwilling to provide food to people in rebel areas.

"That is hogwash," said Berhane Deressa, deputy commissioner of the government's Relief and Rehabilitation Commission, which coordinates Ethiopia's food-aid effort.

Despite the government's protestations, foreign relief officials say Addis Ababa authorities have had to be repeatedly prodded to open even the few feeding centers now operating in the north.

"The government has done everything to make the process slow and to keep it under its control," said a Western relief official.

One example, he said, is that Ethiopian authorities often delay issuing foreign relief workers travel permits, without which they cannot move around the country.

Western relief officials have also attacked the Ethiopian government for being unwilling to try taking food under "safe passage" assurances through areas contested by Eritrean or Tigray rebels.

Guerrilla leaders say they have offered such passage for government food trucks. But authorities in Addis Ababa say they will not cooperate with "bandits," as they refer to the rebel groups.

Western diplomats say the Ethiopian government views a safe-passage agreement as an implicit recognition of the rebel groups, something Addis Ababa won't do.

"They won't even talk about it," said one foreign envoy based in the Ethiopian capital.

Some Western relief officials say they are sympathetic to Addis Ababa's protestations about the difficulties of trucking food to contested areas.

"The security concerns are very real," said Cameron Peters, transport director for Catholic Relief. "You can't send a truckload of food if you're going to lose not only the food but the truck to people who are trying to overthrow the government."

Because of security problems along roads in Tigray, much of the food that comes in to the region's main city, Mekele, arrives on transport planes.

A recent visit to Mekele—the scene of a huge refugee camp a year ago where thousands lay dying of starvation—showed how successful some famine-relief efforts have been.

"Last time I was here, there were 20 to 30 people dying a month," said Keith Sherer, a sanitary engineer with Catholic Relief who came to Mekele in April.

Since then, about 70,000 people have been judged well enough to return to their villages, where recent rains have turned fields green for the first time in years. Today, only about 2,000 ill refugees remain in Mekele.

Mekele is a success story—to a point. Although there is now plenty of food in Mekele's warehouses, the food is not getting out of Mekele into outlying towns as fast as it should.

In Adigrat, for example, a town about 75 miles north of Mekele, relief officials say they are desperately in need of food to distribute to 52,000 people who come for monthly rations.

"We are stuck for transport," said the Rev. Mesghenna Wolder, who has worked with famine victims for more than a decade in this part of Tigray, where famine is endemic.

Recently, a truckload of medicine reached Adigrat, where hundreds of malnourished children receive medical help. But Mr. Mesghenna was not cheered by the delivery.

"We need food. Without food, the use of medicine is useless," he said.

The priest led a group of visitors to a small stone building. Once an Adigrat school house, the structure had been converted to a food warehouse. On this day, only a few bags of dried milk powder remained.

"Three months ago, this warehouse was full," said Mr. Mesghenna. "Today, we are giving out the last of our food."

The situation was similar in Idaga Hamus, where hundreds of peasants had gathered for food rations.

"We are doling out the last grain today," said Cesare Bullo, a Catholic relief official from Italy, who works closely with Red Cross officials in the town. In a former farmers' hall, a few score bags of bulgur wheat remained, far less than what was needed.

World Vision and Catholic Relief officials say they expect to put into service dozens of additional trucks in the next few weeks. Trucks of the government's relief commission—half of whose 450-vehicle fleet is often out of order—now make most of the rugged trip along the road from Mekele.

Some of the trucks have fallen victim to war. Relief officials say guerrillas of the Tigray Popular Liberation Front have blown up some food-carrying vehicles.

The transport problem has frustrated relief officials who see the "northern initiative" as the best opportunity in months to distribute food to areas previously unreached.

"We're in a position to respond to new areas, because of the fluid situation on the road to Barentu," said Mr. Carlin of the Catholic Relief effort in Eritrea. It takes only 2½ days to haul grain from Asmera to Barentu, but not enough trucks are available, he said.

FOOD NEARBY; ERRORS HURT DISTRIBUTION

(By Tom Horton)

NYALA, SUDAN.—Food, tens of thousands of tons of it, was never that far away during much of the famine that has affected millions of people in this remote region known as Darfur, near the geographical center of the African continent.

Although one of the largest and most expensive food-aid operation ever mounted clearly helped to prevent the massive starvation once feared here in western Sudan, it also is clear that many people died even as abundant food piled up in Sudan's seaport and in storehouses and railyards.

Much of the tragedy could have been averted had things gone right at any of several critical junctures, beginning more than a year ago.

What happened illustrates a number of failures, miscalculations and inherent weaknesses in the international food-aid system—and also the large measure of plain bad luck that is all too easy to come by in a country that is the size of all the states on the U.S. Eastern Seaboard but lacks roads, fuel, communications and an effective government.

At the center of the issues raised by the relief efforts in Dafur has been the U.S. Agency for International Development, which in the fall of 1984 said it would ship enough grain to the drought-stricken western Sudan region to meet its total food requirements.

Crucial to AID's plan was the early shipment of enough food to create a stockpile in the west of 60,000 metric tons by June 1985, before the summer rainy season made transportation difficult to impossible.

The AID plan was ambitious, and it was a bit unusual because the agency usually provides food and other resources for international relief efforts but is not particularly geared to organize and run them, as it undertook to do in Sudan.

AID's entry resulted largely from frustration after several months of foot-dragging on the Darfur famine by the United Nations, whose World Food Program organization would have been the logical agency to coordinate famine relief there.

Top U.N. officials in Rome had consistently refused to acknowledge the building crisis in Darfur—a crisis that had been developing since crops there failed in 1983—despite four separate U.N. field missions to the area in 1984 and repeated, urgent pleas for intervention from U.N. officials in Sudan.

"Basically AID had to step in because the U.N. hadn't the guts," said Andrew Timpson, director in Sudan of Save the Children Fund, a British relief organization active throughout Darfur.

"The U.N. didn't even give the private groups moral support," agreed an official of the League of Red Cross and Red Crescent Societies with experience in western Sudan.

The allegations of inaction "are absolutely right. . . . Something more was called for," said Winston Pratley, the U.N. assistant secretary general assigned to Sudan in recent months to get his organization's relief efforts on a better footing.

"The problem is that we work with sovereign governments, and when Numairy [Gaafar el Numairy, the Sudanese president deposed in April] said no crisis in Darfur, then we didn't make a public appeal for aid. . . . We are more or less obliged to keep our mouths shut."

Nonetheless, by January 1985 the U.S. strategy of delivering grain to the western Sudan by a combination of rail and private trucking firm, contracted out through the Sudanese government, was "operating like clockwork" in the words of an AID official in Khartoum.

Then came a lapse of more than six weeks between grain ships entering Port Sudan. AID said it had elected to hold off scheduling more ships until it saw how its transport system would work.

During this time, boxcars that had been assembled in "captive trains" devoted entirely to hauling famine-relief grain became scattered around the country because they were not allowed to remain idle and wait for the grain.

That marked the early stages of what would become full-fledged deterioration of performance by the government-owned Sudan Railway Corporation.

By March, tens of thousands of tons of grain were once again flowing into Port Sudan, ready to be shipped under a second truck and rail contract similar to the first.

This time, however, more than a month would pass before the shipping contract could actually be signed. An early April coup in Sudan replaced President Numairy with a transitional military government headed by Gen. Abdel Rahman Siwar el Dahab.

"For weeks, there just weren't any buttons to push, and the rains were getting closer," an AID official in Khartoum recalled. AID would later be criticized for its heavy reliance in a country such as Sudan on local private enterprise to deliver food aid.

One example of how such reliance hindered the relief effort in the second grain delivery contract was a sticking point reliable sources said was much more specific than "just the coup."

A Sudanese businessman, Adam Yagoub Haroun, had unsuccessfully attempted both outright bribes, including one to an AID official, and use of his connections with the chairman of the board of Sudan Railways Corporations to secure both the first and second trucking contracts for famine-relief grain, the sources say.

Mr. Haroun, now in a Sudanese jail on unrelated charges, was excluded from consideration for the second contract, even though he was the low bidder. [The sources say his bid proposal called for AID to supply him with extraordinary quantities of fuel, which, it was feared, he would sell on the black market for a substantial profit.]

The new Sudanese government insisted that Mr. Haroun not be excluded, and his family's trucking company currently is a subcontractor on the grain contract, apparently performing without any problems.

By May, AID was nearing its last chance to make good on its famine-prevention stockpile in Darfur before the summer rains. By then, however, Sudan Railways inexplicably had almost ceased to give priority to hauling grain, despite several direct and well-publicized orders to do so from the new government.

Shipments of sugar and even substantial numbers of empty rail cars were arriving in Nyalla instead, the latter sent to bring livestock to market, some of which were being sold because the people of Darfur could no longer afford to feed them.

Large stockpiles of grain accumulated at Koste, the White Nile town where trucks brought the grain from Port Sudan on one of Sudan's few paved highways for rail shipment 600 miles west to Nyalla, the end of the track.

The rail failure in turn shifted an uncomfortably large burden onto the trucking contractor, a Sudanese-American company called Arkel-Talab. Like all trucking companies in Sudan, Arkel-Talab relied heavily on subcontracts with privately owned vehicles for large contracts.

Beginning in May, the heavy demand for trucks to haul more grain to the west and other famine areas of the country had begun to touch off an explosion in the prices demanded by drivers.

By June, prices had tripled, and the Sudanese trucking industry was in chaos.

"It was just totally out of control for a while. . . . We ended up bidding against ourselves for some trucks," an Arkel-Talab manager in Nyalla said.

By July, the rains had begun, and a big rail washout essentially ended any possibility of meaningful contributions from Sudan Railways for several more weeks.

Despite the presence of more than a quarter billion tons of grain in the port and tens of thousands of tons at various points along the railway to the west, Darfur would spend the next few months at the end of a tenuous lifeline consisting of as much grain as could be carried by planes and brought through the mud by trucks.

In a procedure that only now is winding down, planes from five European countries and the United States lift off with fuel, grain and other food and medical supplies from Khartoum airport for remote dirt landing stips in Darfur, operating dawn to dark, seven days a week.

From Darfur, the supplies are airlifted to even less accessible villages, seven days a week, by three powerful Boeing helicopters under contract to the U.S. government.

Air connections temporarily are so good that a few relief workers who are installing airport lighting systems commute daily between their rooms at the Khartoum Hilton and these remote spots.

Meanwhile, during the rainy season that is just now ending, truck convoys have continued to struggle across the trackless hundreds of miles from Port Sudan, sometimes making daily progress measured in yards, sometimes becoming hopelessly stalled for days by flooded wadis, or gullies.

This "cavalry riding to the rescue" aspect of the whole effort, famine relief workers in Sudan note, has attracted plenty of press, politicians and dignitaries from several nations, and spawned legends about the difficulty of relief work in Sudan.

"Think of it as trying to get enough daily food from New York to a few million people around St. Louis, and the roads end in New Jersey," said an official of AID.

These highly visible efforts of the last five or six months are widely acknowledged to have been a key factor in staving off the worst of the starvation feared in Darfur.

The irony, as many relief workers acknowledge, is that none of it—the planes, the helicopters and the convoys fighting raging rivers and glue-like mud—would have been necessary if not for all the delays before the rains began.

Even the much heralded step of sending U.S. helicopters to the rescue encountered a delay of almost three weeks in midsummer, when many villages had already exhausted their previous grain shipments.

AID initially had decided to send in the Army to run the helicopter operation, which was to require a contingent of more than 450 troops, from mechanics to cooks, to do the job.

It was then decided that would be contrary to U.S. policy of using private enterprise wherever possible, and a $12 million contract was signed with Columbia Helicopters, an Aurora, Ore., company that by all accounts has been doing an admirable job using fewer than 30 people.

In mid-August, a U.N. review of the status of the famine in Darfur blasted the AID effort as an example "that anything that could go wrong has done so."

The review said that as of mid-July there had been enough grain entering Port Sudan to feed all of Darfur for 10 months. The review made no reference to the earlier U.N. failure to react to the famine.

The consensus among relief workers in Sudan, including many U.N. officials, is that AID, whatever its mistakes, deserves a huge amount of credit for taking the initiative.

"If it hadn't been for them gearing up last December, January and February to start providing grain to the west, you could have seen millions dying out there," said Samir Basta, director of UNICEF in Khartoum.

"No one performed brilliantly in this operation, including us," said Mr. Timpson of Save The Children, "but AID was the only organization that even tried to prevent this famine."

Most of the critics and many AID officials also agree that in the early going, no one fully appreciated the sheer scope and complexity of trying to mount a relief operation of almost unprecedented size in one of a difficult continent's most difficult countries.

"To an extent, Sudan defeats us all," and AID official in the country said.

AID MONEY EASIER TO GET THAN TO SPEND

(By Tom Horton)

KHARTOUM, SUDAN.—"In a sense, we've missed the current relief effort here," said Charles Moed of USA for Africa, whose "We Are The World" record had raised nearly $50 million by May to help end hunger in places like Sudan.

John James, Sudan field director for Band Aid, whose Live Aid concert in July raised tens of millions of dollars to "feed the world," said, "It's proven a damn sight harder to spend it than to get it, assuming you want to be effective."

Both organizations, probably the two richest and most charismatic private relief organizations in the world as famine peaked in Sudan and Ethiopia, increasingly find themselves facing relatively unexciting longer-term investments as the best use of the wealth collected from hundreds of thousands of individuals.

The world will be best fed, it seems, not just through food, which has been abundant in the ports of Ethiopia and Sudan for months, but also through "infrastructure," "logistical support capability" and spare parts.

For example, Mr. Moed, director of field operations for USA for Africa, has just come from Ethiopia, where he has decided to recommend that several hundred thousand dollars be spent to improve facilities in the port of Assab, including clutch-housing assemblies so more forklifts can be operated.

He said that the first $7 million of the "World" recording's bounty is only now about to be used for projects in several African countries. An additional $17 million "will be in the pipeline by November," he said (about $600,000 has been spent in Sudan for emergency medical supplies). "Yes, it's taken too long," he said, anticipating the next question, "and you bet, we thought it would be quick and easy to spend.

"But you get out here [in May] and you're slowed down by the realization that plenty of food is here—the problem is moving it—and by the fact that there are about 500

people in town, all of whom have extensive experience with world relief, and all have different ideas on how to solve the problem."

Mr. James, a British farmer, said Band Aid, the group that administers the bulk of the proceeds from the Live Aid concert funds, "has not dragged its feet but the impression could well be that we did, because I think people felt they would send some money and save some lives next month. . . . It's understandable."

In fact, Band Aid did burst upon the Sudan famine scene last summer with an enthusiasm and brash confidence that it could solve grain transportation problems when the experts were struggling to get enough trucks to move food clogged warehouses to starving people.

The group quickly spent more than a million dollars for a fleet of used trucks that had been rejected as not worth rehabilitating by several established aid agencies and local trucking companies.

Not until three months later has Band Aid gotten many of the vehicles rolling, and critics note that none of the trucks is suitable for off-road transportation, the most needed kind.

"They came in with all this talk about cutting all the bull and red tape and getting right through to the people," said Winston Prattley, the top U.N. official in the Sudan relief effort.

"What they underestimate is the time and energy involved to carry through on anything in Africa," Mr. Prattley said, adding, "I don't blame them for their attitude that we are bloated bureaucracies, but you can't run a bloody thing without some bureaucracy."

Mr. Moed and Mr. James, in separate interviews, both acknowledged a dilemma often noted by established relief organizations: that groups such as USA for Africa and Band Aid could accomplish more if they were less distrustful of spending through relief programs already in operation.

"We all could have done more, sooner, if we had the trust to send cash," said Mr. Moed, whose group has worked through UNICEF in Sudan in trying to decide which specific projects to implement. "But on general principle, I take the view that the U.N. is top-heavy and overburdened with expensive bureaucracy."

"There are some things groups like Band Aid can do sooner on their own, but on many things it would be better if they trusted us more," said UNICEF Director Samir Basta, "because emergency relief is a constantly shifting target, where one week you need vaccine, the next food, one day in this place, the next day in another location. . . . ."

Mr. Basta noted that Band Aid decided several months ago to buy an expensive drilling rig to bring water to a drought-stricken part of Sudan, "and because they insisted on negotiating every last detail themselves, the damn thing still is not here. . . . We could have gotten it much quicker for them."

Mr. Basta does, however, concede that he is in awe of the rock group. "I have spent the last 30 years working to make the developed world confront the realities of the problems in Africa," he said, "and they have done that virtually overnight."

Mr. James said he thought Band Aid would use existing agencies to a large extent in its relief efforts. "It's a good thing to say to potential donors that all their money will go direct for aid, none on adminstration, but whether donors like it or not, you'd darn well better use someone's infrastructure if you want to accomplish much."

Band Aid, he said, is looking to invest much of its money in "three-to-five-year projects, with what I hope will be monitoring to make sure they are working. . . . Africa is so littered with the skeletons of schemes to feed the world."

Both Mr. James and Mr. Moed said that if their groups had attempted to move more quickly last summer, when fears of a massive famine in western Sudan were rampant, they might have wasted money, because it appears now that the situation was not as bad as was feared then.

"In a sense we have missed the relief effort and are now looking into helping with the recovery and longer-range projects," Mr. Moed said.

"My feeling is that there's going to be a negative reaction soon to the lack of immediate impact . . . people feeling the results weren't up to their expectations. It'll be up to wiser and cooler heads to put it in perspective.

THE MASS STARVATION THAT WASN'T

(By Tom Horton)

NYALA, SUDAN.—How many people have died because the United States and other nations failed to deliver grain soon enough to the 2.9 million drought-stricken people of Darfur, in western Sudan?

The minimum of grain needed to prevent widespread starvation here in this sprawling region was estimated by relief agencies at 1,000 to 1,500 tons a day as summer rains began making deliveries increasingly difficult in July.

Scarcely more than 500 tons a day were getting in, and distribution of that to villages was poor during more than two months of heavy rains that followed.

By that standard, there should have been massive starvation—but that did not happen, according to relief workers, including those with extensive field experience.

Partly, they say, that reflects an overestimate of the actual grain needs. Chris Eldridge, Sudan director for Save the Children Fund, U.K., acknowledged that "frankly, agencies like ourselves always feel more comfy overstating than risking an underestimate."

Also, even relief officials with long experience in Africa say they have gained new respect for the resilience of the people of Darfur, a harsh land even in good years. In many cases, the people subsisted on wild foods and by methods such as breaking into anthills for the grain stored by ants.

Without actual death statistics from the thousands of isolated villages scattered over a region as large as France, the best attempts to estimate famine-related casualties usually are extrapolated from nutritional surveys of children under 5, the most vulnerable age group.

A draft copy of a nutritional survey of one region of Darfur taken by a Centers for Disease Control physician from Atlanta states that as of August:

"The best estimate of drought-related mortality for the last year is 100,000 to 150,000 deaths . . . [Malnutrition] has arisen primarily due to the inability to bring in sufficient food stores prior to the rainy season."

That estimate is similar to others developed by UNICEF in Khartoum for internal use—no one really has the confidence to make an official pronouncement of deaths, UNICEF officials say.

Other relief officials familiar with Darfur note that the Centers for Disease Control's figures were based on a survey of about 4 percent of the region and in an area that included large numbers of refugees from across the border with Chad, who are in much worse shape then most of the locals.

SUDAN RAILROAD IS UNEQUAL TO RELIEF TASK

(By Tom Horton)

KHARTOUM, SUDAN.—The telegram was sent by Sudan Railways to establish shipping priorities to the far western region of Darfur, where widespread starvation was feared if thousands of tons of U.S. grain already in the country did not arrive quickly, before the summer rains began to hinder transport.

"First priority to Nyala [the railhead in Darfur]—sugar," the telegram said. Any excess capacity after that, it continued, should be allocated to grain.

Not only were enormous quantities of sugar shipped west, for sweets for the upcoming Moslem holy days of Ramadan, but westbound cattle cars were sent empty over the 600-mile rail line linking Nyala to the rail center of Kosti, even as grain destined for Darfur's famine-stricken population piled up in storage there, dozens of witnesses say.

The cattle cars, which could have carried grain, were being sent west to bring back livestock that was being sold in large quantities because people in Darfur were no longer able to feed them.

When grain did move west, relief workers charged with distributing it from the railhead in Nyala say, the trains often carried considerably less than was manifested.

"Some days they were saying 1,000 tons and we were getting 300 to 600 tons," said Andrew Timpson, director of Save the Children Fund, U.K., for Sudan.

"I'm convinced it was not theft so much as bald-faced lies by the railroad," Mr. Timpson said.

Similar charges abound concerning shipments of vital fuel sent by the railroad for trucking and flying grain from Nyala to hundreds of village centers around Darfur.

Some of the strongest criticism of the U.S. Agency for International Development's failed plan to stockpile 60,000 tons of grain in Darfur before the rains is that AID made the railway such a key element of its transportation plans.

The critics mostly concede they have the benefit of hindsight. Even so, numerous people with long relief experience in Sudan say they did not find the railroad's poor performance during the famine surprising.

Sudan Railways Corp. has a history of corruption, inefficiency and mismanagement. The World Bank, the main source of outside capital for the chronically unprofitable railroad, has cut off all investment for more than two years because the Sudanese refused to replace most of the railroad's current management with European experts.

That exacerbated a physical decline in rails and rolling stock that has been going on for years, causing the railroad's transport of all commodities country-wide to slip from 3 million tons to 1 million tons annually.

The emergency grain the corporation was being asked to transport to Darfur and to other famine-stricken areas of the country amounted to an unexpected burden involving perhaps 15 percent of the railway's total capability.

Though it is a part of the Sudanese government, under the Transportation Ministry, the railway also is the country's largest and by far most powerful union, with more than 35,000 employees. (The World Bank says that number needs to be trimmed by a third for efficient operation.)

As a result, Sudan Railways proved nearly impervious last spring to the new military rulers' direct orders to carry more grain west.

AID, after an initial satisfactory experience with the railway in shipping grain to Darfur in November 1984, projected that the railway could average 900 tons a day to Nyala—a total of 81,000 tons, half of all Darfur's estimated needs—in the 90 days before heavy rains made overland access difficult.

But during April, the month the generals took over the government, the railway "hardly operated at all," an AID offical said. In May and June, fewer than one train in three entering Nyala was carrying the desperately needed grain.

By early July, some of the heaviest rains in history had begun a series of washouts of the rail line that would continue to render it largely ineffective until the end of the rains last month.

AID officials in Washington and Khartoum are as critical of the railroad's operation as anyone. They say that even before the current famine operation, AID had found "all sorts of hokey-pokey going on" in a multimillion-dollar project it had with the railway.

They continue to defend their decision to rely on it, however, saying it was the only effective way to transport huge quantities of food across hundreds of miles of practically roadless terrain.

A news conference, attended by a large contingent of dignitaries, was held recently at the Khartoum airport to celebrate the 10,000th ton of grain airlifted to Darfur since a six-plane "air bridge" supported by five European nations and the United States began flying in June.

What the air bridge, flying dawn to dusk, seven days a week, had carried in four months, an AID official noted, could be matched by the railroad in a week to 10 days.

Additionally, rail transport to Darfur costs about $70 a ton, compared with more than $800 a ton by plane. Transportation costs by helicopter, which AID used as a last resort in Darfur in August after the rains came, work out to nearly $4,000 a ton.

Trucking, which must be done most of the way to Nyala and beyond by off-road vehicles that carry only about eight tons apiece, costs three to five times more than the railroad.

Perhaps more critical, it would have required about 2,000 extra trucks to replace the railroad's part in AID's transportation scheme for Darfur.

Sudan's private trucking capacity already was stretched to the limit by the combination of normal commerce and the hiring of well over 1,000 trucks by Arkel-Talab, the Sudanese-American transport company with the main contract for hauling grain to the west in conjunction with the railways.

In June and July, Arkel-Talab found itself the center of a controversy as rail transport crumbled and relief agencies desperately struggled to get grain west before the rains.

The company was criticized for preventing other groups, such as the United Nations and Save the Children Fund, U.K., from obtaining U.S. grain to haul to the troubled west.

Company officials note that their contract through the Sudanese government to haul AID grain did not allow them to turn over grain unilaterally to anyone else.

AID officials agree and say they "actively resisted" attempts of other groups to form their own trucking convoys. AID says that only fostered more competition for trucks, further complicating the ability of the main contractor, Arkel, to obtain enough transportation. (Eventually, grain was turned over to other groups for small convoys to the west.)

Arkel officials say they were concerned as early as January about the strains such a massive aid operation would create on trucking capacity. They say they told AID officials in Washington then "to spend $20 million and import about 200 off-road trucks," a suggestion AID at the time rejected.

More recently, 140 trucks have been imported by Arkel to speed up grain deliveries, but they have been sitting in customs at Port Sudan for weeks because of Sudanese government demands that Arkel put up a bond for what the company terms an "outrageous and unaffordable" percentage of the trucks' total cost. The government says the bond is designed to guarantee that the trucks are exported after the relief operation ends.

Some critics say such hassles could have been expected. Winston Prattley, the top U.N. official in Sudan, faults "AID's insistence that everything be done with private enterprise . . . [which] works well some places, but not in the Sudan."

AID officials say that in theory and with hindsight, it might have been well for an agency such as the United Nations simply to bring in large quantities of trucks (the United Nations says it could have bypassed the kind of customs difficulties that beset a private contractor such as Arkel), but the United Nations never has been able to muster more than a small fraction of the imported transportation that was needed.

As for Sudan Railways, it is ironic that AID's desperation for the railroad eventually to pull its weight has become a bonus for the railway, despite its consistently dismal performance.

In August, long after everyone in the relief business in Sudan had written off the railway for the remainder of the rainy season, AID shipped in 10 new locomotives for Sudan Railways at a cost of about $9 million.

Sudan Railways did not begin to use any of the locomotives on the haul to Nyala, however, until a few weeks ago, when it was ordered to do so by AID, U.S. officials in Sudan say. At least one locomotive reportedly was being used to deliver military supplies.

"There was simply no correlation between those new locomotives and the railway's delivery of grain to Darfur," a source close to the U.S. operation in Sudan observed.

Earlier in the year, AID had pumped into the railway $3 million in spare parts that railway officials had "suggested" would ensure better delivery of grain.

As with the locomotives, however, the spare parts appear to have had little impact in speeding up response to the immediate crisis.

An official of Sudan Railways, in an interview, said sugar and empty cattle cars were hauled to western Sudan "only when there was no grain available."

According to all other accounts, however, grain was available during May and June at the major rail center of Kosti, from which trains run to Nyala.

HELP MEANS GOING FROM CRISIS TO CRISIS

(By Tom Horton)

NYALA, SUDAN.—He has heard of an airship, the answer to the famine here perhaps—a marvelous high-tech adaptation of a blimp under development by a British firm and the U.S. Navy, says Mike MacRay.

"Do a hundred-fifty knots, use a quarter the fuel of an aircraft, lift the tonnage of dozens of trucks, set the food aid down anywhere. You bypass the need for roads, bridges, airports, trains that don't work. . . ." he says.

Forgive Mr. MacRay his flight of fancy. Like most people who work for long in Sudan, he longs to bypass everything about doing business in this country, described by a U.S. Embassy official as "reeling like a drunken sailor from crisis to crisis—political, economic, military, famine. . . ."

Mr. MacRay is a field general on the front lines of the famine—a manager here for Arkel-Talab, the trucking firm responsible for distributing the bulk of U.S. relief aid sent in the last year as successive droughts withered crops in Sudan in one of Africa's remotest inhabited areas.

The headaches of the last few days have been typical of the relief effort. The chronically unreliable train rolled into Nyala with a welcome thousand tons or so of grain for Arkel to truck to hungry villages.

The train wasn't unloaded, however (and wouldn't be for days to come), as a battle over the manifesting of the load ensued among U.S. aid officials back in Khartoum, the railroad and the Sudanese government.

Mr. MacRay hardly paid attention. He was busy trying to make sure the three U.S. helicopters flying grain out of Nyala to remote villages from dawn to dusk did not run out of fuel.

The copters were running low, and as often happens in Sudan, the nation's only major airport, in Khartoum, was flat out of gas. "We're going out flying, looking for some in Port Sudan or somewhere," came the message from the U.S. transport plane in Khartoum that has been airlifting fuel daily to Nyala.

A sizable tanker truck coming from El Fasher over a rough but passable dirt road should have solved the problem. El Fasher was only 10 hours away; the problem was that the truck had been coming for two days now.

A helicopter pilot reported seeing the truck parked along the highway, driver lying underneath it, rubbing his stomach. He seemed hungry, the pilot said, "so we gave him a can of tomato juice and he drank it."

A day later, with the copters down to a few hundred gallons of fuel, another scouting report had the truck parked not too much closer to its destination. The driver said he had been poisoned by the tomato juice.

In Nyala, there was a spirited discussion of the driver's condition. Did he need medical attention? More hearty fare than tomato juice? A pay increase to get him moving?

"Two-by-four is what he needs," muttered Mr. MacRay as he headed out the door. He found the driver, fired him on the spot and installed a replacement. The helicopters kept flying.

The incident didn't stop there, however. Overnight, a small U.N. helicopter had

landed, seeking fuel to evacuate sick people from some remote villages in the famine area.

Its pilot said he had flown it all the way from Switzerland in four days and that the United Nations had promised him the U.S. Agency for International Development would let him have fuel. Please, he needed it right now.

An AID official in Nyala had heard nothing from the United Nations, whose relations with AID over the handling of famine relief here have been strained, at best.

Mr. MacRay was incredulous: "How can the U.N. send a guy out here to the end of the earth without providing fuel?"

The United States would be callously costing lives if it refused to fill his tank, the helicopter's Swiss pilot charged.

If he wanted to play the game, the AID official retorted, how many lives did he think he would cost if he caused the grain deliveries to stop for lack of helicopter fuel?

And so it goes (AID finally gave him the fuel) with trying to mount one of the largest relief efforts in history—moving more than a million tons of U.S. grain, and the fuel to distribute it, throughout Sudan in the last year.

"The bottom line about this whole operation," said a U.N. employee in Khartoum, "is that everyone involved is automatically in over their heads when they come to Sudan."

Few would argue with him. This is a country with crushing foreign debt, no petroleum reserves and no money to buy fuel—cabs in Khartoum get five gallons every third day and sometimes run out in midfare.

It is a place with telephone systems which, even when they work, are rendered less than effective by a total lack of published telephone directories. And Khartoum, a capital city with a population of more than a million, has few street names or house numbers.

The "brain drain" of trained Sudanese is so severe that two-thirds of all the Sudanese doctors trained in recent years work outside Sudan, and money sent back from Sudanese working abroad has surpassed cotton as the leading source of foreign exchange.

The government was overthrown in April by a transitional military council whose day-to-day survival is openly questioned, and increasing guerrilla activity constantly threatens a full-blown civil war between the Moslems of the north and the southerners, who follow a variety of Christian and tribal religions.

The government also must cope with more than a million refugees from Ethiopia, Uganda and Chad.

On top of all that, there are only a few hundred miles of all-weather roads in a country the size of all the states along the U.S. Eastern Seaboard.

Bland terms such as "physical infrastructure" and "logistics" assume vivid meaning to those who would try to move more than a million tons of aid rapidly across large distances.

Relieving the famine is so much more than a matter of just sending food to Sudan. Also needed is reliable transportation; importation of the fuel to keep it running; spare parts to maintain it, including tires, which can be shredded by just one trip to the remote western provinces; and a private radio system, because there are no phone or telex connections between Khartoum and most other Sudanese cities.

But what is hardest to come by in Sudan is the management expertise needed to run a large-scale logistics exercise such as the current relief effort.

"The donors of food aid tend to be expert at raising money and other resources, but tend to be weakest on infrastructure and logistics, which is exactly where Sudan is weakest, too," says a European railway consultant working on the Sudanese relief effort.

A big factor in Arkel-Talab's winning the grain-delivery contract in Sudan was its countrywide communications and management network and expertise. Like most of the major actors in the food effort, however, it had little experience in famine relief.

AID's experience has been mostly as a donor of food and other resources, rather than in actually managing an operation to the extent it has done so here.

Save the Children Fund, a British relief organization that has the contract to get the grain moved out to its final destinations in small villages, has been largely involved with the heath side of famine before now.

"We have often asked ourselves what we are doing in this type of operation. . . . We mainly got into this distribution because AID asked us, and no one else was available. . . . Call it moral blackmail," said a Save the Children official.

The distribution procedure is so complicated that even when everything is ideal—which is just about never—the journey of a sack of grain from dockside to village can take a few weeks.

A typical journey might see grain unloaded from a ship at Port Sudan, trucked by an 18-wheeler several hundred miles to the White Nile town of Kosti, then loaded onto a train.

After a 600-mile rail journey to Nyala, it is loaded again onto "suq lorries," or market trucks, that can take it over rutted dirt tracks to larger villages.

Mr. Macray notes that it is not unusual after dispatching such trucks from Arkel's yard in Nyala "to see them down in the market two days later, lining up passengers, because that is really where drivers make their money. . . . You just don't have control over it."

Finally, the grain is carried to even smaller villages by hand, by camel and by donkey.

It also seems to be the nature of things in Sudan that they always take longer to complete than anyone bargains on, which can create some embarrassing situations.

In Nyala, in the yard of one of the several houses taken over by Save the Children's expanding operations here, sits a large, new military life raft, apparently just constructed as a last-ditch effort to ford the rivers that have prevented overland hauling of grain during the rainy season.

The problem is that the rainy season is ending. "I'm afraid it's a bit of a white elephant," one of the relief workers said of the raft, and a few days later, a full-fledged military assault craft intended for the same purpose finally arrived—a month or more after it would have been any real use.

THE LAND ITSELF SEEMS TO FIGHT RELIEF EFFORT

(By John Schidlovsky)

ELI DAR, ETHIOPIA.—The full silver moon cuts through the Danakil Desert night, illuminating even the black, volcanic cinder cone behind us.

Suddenly, up ahead, there is a commotion. Ethiopian militiamen, carrying Soviet-made AK-47 assault rifles, run past us on the road. Our truck grinds to a halt, aglow in the desert moonlight.

As we peer forward, we see an accident. Two trucks, both headed west, have collided on the steep, cliff-hugging road, blocking all traffic.

It is one of a half-dozen truck accidents we have seen in the five hours since we drove out of Assab, the port city on the Red Sea, and entered the scorching Danakil.

In temperatures above 100 degrees, Robert Hamilton, a Sun photographer, and I have been riding through the Danakil wasteland atop a truck hauling 20 tons of American wheat to famine areas in Ethiopia.

We have climbed aboard the 800 bags of grain on this Flat tractor-trailer to see first-hand the difficulties of transporting food across Ethiopia, an East African nation with one of the most rugged terrains in the world.

In the last year, about one million tons of food have arrived in Ethiopia. Yet only about 600,000 tons have actually been distributed to the people in need.

Why? Political and bureaucratic snags have slowed Ethiopian food distribution. The Marxist regime in Addis Ababa has often placed military priorities above famine relief. A civil war in the north has prevented food from reaching thousands.

But that is only part of the picture. During three weeks of traveling more than 2,500 miles inside Ethiopia, we encountered a wide array of physical and logistical obstacles to food distribution.

Some of the worst impediments:

The Danakil. Lying between Assab port and Ethiopia's famine-ridden highlands, this blazing desert is part of the Great Rift Valley that stretches 4,000 miles from Syria to Mozambique. The desert, four times the size of Maryland, is a truck graveyard for many grain-filled vehicles.

High terrain. In Ethiopia's worst-hit famine areas, you are never out of sight of a mountain. Most of Ethiopia's 42 million people live in the highlands, and many live up to two day's walk from a paved road or large town.

The lack of infrastructure. Rural airstrips, if they exist, are often no more than bumpy fields of rough gravel that can chew up plane tires. In the countryside, roads are steep, narrow and unpaved. Electricity and telephones are a luxury.

A lack of trained truck drivers and vehicle spare parts. Many drivers are not familiar with the shiny new trucks arriving in Ethiopia. Half of the country's truck fleet of 6,000 vehicles is out of order.

"At no time have we ever had more than 50 percent of our trucks operational," said Berhane Deressa, a deputy commissioner of the Ethiopian Relief and Rehabilitation Commission.

Trucks are crucial. Airplances can, and do, take some food from Assab into Ethiopia's interior. But the heavy, C-130 transport planes are expensive to operate, and they can't land in steep, hillside villages that cling to the side of precipitous gorges.

Of all the transport means used in the Ethiopian food distribution system—planes, ships, camels, donkeys and human backs—trucks are the lifeblood of this anemically-developed, famine-ridden nation.

How many trucks are allocated to food distribution? According to United Nations officials, the Ethiopian government has reserved 70 percent of its 6,000-vehicle fleet for relief. In addition, private voluntary agencies have about 500 trucks, and the

Ethiopian Relief and Rehabilitation Commission (RRC) has some 450.

But many of these are not working. And, now, as we sit in the Danakil atop an RRC truck hauling wheat from Washington state, we see two more trucks put out of commission.

The accident has happened just east of Eli Dar, a nondescript desert village 100 miles west of Assab. For five hours, we have bounced atop the truck as it passed through sandstorms and lava fields. Now, just before stopping for the night, we are witnessing a loud debate among drivers on how to unsnag the two trucks.

"Back it up!"

"Move it forward!"

The suggestions spill out in various languages: Amharic, Tigrinya, and in the local Afar language of the desert people.

The Ethiopian soliders, who have appeared from one of the many checkpoints along the road, do little to solve the problem. One of them fills out an accident report by moonlight.

At last, after nearly an hour's discussion, the trucks are separated. We resume our journey. Twenty minutes later, we reach Eli Dar and are devouring a meal of spaghetti and beer.

By 9 p.m., under a star-dotted African sky, we are asleep. We are dusty, exhausted and sunburned. But at least we have a fairly comfortable bed—800 bags of American wheat.

At 5 a.m., we are on the road again. Our driver, a 37-year-old man named Taddesse Dibaba, is anxious to take advantage of the early-morning coolness.

"He's got at least 40 more hours of traveling," our government-assigned escort, Gaetane Archaw, tells us when we ask how long a trip this truck will make.

Mr. Taddesse (Ethiopians are usually addressed by their first names) is driving from Assab to Addis Ababa, where this load of grain will be stored for future distribution.

It is a 480-mile trip, but we—apparently the first journalists to follow a food truck on its journey from Assab—are riding along for only 220 miles. We plan to get off the truck in Mille, a village where we will take a bus to Kombolcha, a central warehousing point where we have an appointment with an American relief worker.

Mr. Taddesse is anxious to complete his trip. If he reaches Addis Ababa within three days, he will have one day to spend with his family in the capital city before having to turn around and drive back to the port.

On our first day we had made good time, reaching speeds of 50 mph along flat stretches of road just west of Assab. Mr. Taddesse, dressed in green cut-offs, a yellow-and-orange T-shirt and rubber sandals, raced his new truck with the aplomb of a 15-year professional driver.

"He is a very good driver," exulted Mr. Gaetane, happy to be making the hot journey as quickly as possible. Overhead, flocks of yellow pigeons and solitary hawks streaked past us, racing in the desert wind.

The Danakil had provided evidence that not all drivers are as skillful as Mr. Taddesse. Among the wrecks we passed: a truck carrying bales of cotton; a truck hauling food; a truck carrying boxes labeled "schoolbooks" in Russian letters.

What hazards might have caused these mishaps? We would never know exactly, but we had some good hints.

"Sandstorm," said Bob early that first day, pointing to the ugly, yellow cloud to our south that seemed on an ominous collision course with us.

Sure enough, within minutes, the whipping, blinding storm had enveloped the truck. As our driver sped through it, Bob and I, exposed on top, burrowed our heads in the bags of grain, I promised never to laugh at an ostrich again.

Now, on our second day aboard the truck, it is 6 a.m. and getting hot fast. We have come to the Danakil salt flats, the forbidding white fields that lie below sea level, deposits of lakes that washed this land millions of years ago.

Along the way, we pass an overturned grain truck just off the road. Hundreds of bags of wheat are spilled into the desert. There is no sign of the driver. We speed on.

As we roll through the Danakil, the harsh lava fields give way to sandy, brown desert. An occasional acacia tree sticks ups to provide a little shade, its green top stretched upwards like a storm-whipped umbrella.

Now we begin to see some life in the desert. Over here, three ostriches stare at us, as dumbly as we stare at them; over there, a half-dozen camels amble gracefully towards a small water hole.

The camels belong to Afar tribesmen, the tough nomads whose goat and camel herds have been decimated during the 1983-1984 drought. Some Afars, proud desert dwellers, have suffered the indignity of fleeing to the highlands to escape starvation.

At 9 a.m., under a piercing blue sky and scorching sun, we are stopped at a military checkpoint. A dozen trucks are lined up, being searched by soldiers.

We see another reason why grain trucks are delayed crossing the Danakil.

"They are looking for smuggled goods," Mr. Gaetane, our government guide, tells us.

Many Danakil travelers, we are told, making a living smuggling goods from nearby Djibouti, the independent port-city nation on the Red Sea. Electronic items, French perfumes, silk scarves and other clothing fetch handsome prices on the black market in Ethiopia.

Some relief food is also smuggled.

"During the night, when the drivers are sleeping, thieves may steal some bags of grain from the trucks," Mr. Gaetana says. "They'll take these to Addis and sell them."

The search of our truck is perfunctory, and by 11 a.m., we have reached Mille, where we climb down from Mr. Taddesse's truck. It has taken us 14 hours of driving (22 hours in all, with our overnight stop) to cover the 220 miles from Assab. We've been lucky—no flat tires, no mechanical problems.

At Mille, we board a bus for the 80-mile journey to Kombolcha. We are told it will take five hours, since now we must make the steep climb into the Ethiopian highlands.

The climb up the escarpment is slow and tortuous, the bus gears grinding in steady complaint. We pass several grain-bearing trucks, reduced to traveling 10 mph on the steep uphill grade.

By 2 p.m., we have reached our first highland town, Bati. For the first time in two days, we see green fields, the result of recent rains that have ended Ethiopia's worst drought. Corn, wheat and sorghum now cover fields that were bare in 1984.

"A year ago, this was the site of the worst famine," says Mr. Gaetane.

At last, at 4 p.m., we reach Kombolcha. This town, centrally located in famine-ridden Wello Province, is the site of an important new truck depot and truck-maintenance facility being organized by the United Nations, the Ethiopian government and World Vision, a private relief agency.

More than 200 new trucks—paid for by the U.S. government and the music promoters who put together the Live Aid and Band Aid concerts—will be based here. The vehicles will bring food from Assab and take it to famine-ridden villages north of Kombolcha.

John Alderliesten, transport manager for World Vision, says the truck repair facility is urgently needed. The terrain in this region is hard on trucks.

"Up in Tigray," he says, referring to the war-torn region just north of Wello, "about a quarter of all relief trucks have been lost either going off roads or hitting land mines."

Ethiopia's need for secondary roads is as urgent as the need for trucks. We see this in Chaffa, 20 minutes from Kombolcha, at a food distribution camp run by World Vision. Here villagers have walked up to a day from their mountain homes to load dry rations onto their camels and donkeys.

"There is no road to their villages yet," says Mr. Alderliesten, a Canadian who once ran a truck company in southern Sudan.

But there has been a start in building such a road. And it's a start that symbolizes both the large hopes and immense needs of Ethiopia:

For a few hundred yards, the road, made of jagged, yellow rocks, heads bravely in the direction of the mountains. Then, abruptly, it ends. A muddy swamp begins. After that, the Ethiopian highlands, unmarked by any works of man, take over again.

TONS OF FOOD PILING UP AT ETHIOPIAN PORT

(By John Schidlovsky)

ASSAB, ETHIOPIA.—It's as seedy a town as you'll ever find. Its main streets, lined with brothels, are known informally by the names of venereal diseases.

The turquoise waters of the Red Sea, lovely to look at from under the shade of a palm, swarm with sharks.

The heat is crushing. Even the flies seem dispirited as they crawl over a table where two Soviets sit gloomily swilling watery beer in the 100-degree heat.

This is Assab—boom town of 40,000 along the humid coast of Ethiopia. Here 2,000 port workers unload ships filled with emergency food aid sent in the last year to relieve Ethiopia's famine. But despite Assab's sizable work force, despite the impressive energy of laborers in this otherwise lethargic town, there is a huge backlog of food piling up along the docks here.

More than 100,000 tons of emergency food—enough to feed 5 million Ethiopians for a month—remains in Assab, awaiting transportation into the famine-ridden interior highlands of this rugged country.

Assab's problem, as it has been for more than a year, is a lack of trucks. Port authorities swear there are 200 trucks in Assab; but a recent tour around this compact city revealed no more than half that number.

"The congestion in Assab will not be relieved before the end of the year," said Kurt Jansson, the U.N.'s assistant secretary-general for emergency operations in Ethiopia.

In the next six weeks, Mr. Jansson said, a new fleet of trucks based in Kombolcha will help clear Assab's docks of grain that now towers 30 feet high in places.

Assab is one of three ports used for Ethiopian food aid shipments. Massawa, to the north, and Djibouti, to the south, handle smaller amounts of grain.

Each day, about 3,000 tons of food leaves Assab by planes or trucks. Relief and government officials say the figure should be higher—about 4,000 tons a day.

"We need tractors, cranes and more trucks," said Bayou Mengistu, the deputy manager of port operations at Assab for the Ethiopian government.

Earlier this year, U.N. officials complained that the Ethiopian government was ignoring vessels with relief aid, in favor of unloading Soviet weapons from military vessels docked at Assab.

"They were preparing for the offensive in Eritrea," said one private relief agency official who asked not to be named. Government troops have, in fact, waged an intensive assault on Eritrean secessionists over the summer.

In response to the U.N. complaint, the Ethiopian government promised to reserve at least three of Assab's six berths for ships with relief aid. By all independent accounts, the government has lived up to its pledge.

"They do give relief priority," said Hans Pederson, 38, a Danish port captain who has been monitoring operations in Assab for the U.N. for the last three months.

At times, the government has taken extra pains to give relief aid top priority.

Mr. Pederson, an 18-year maritime veteran, said he has seen Ethiopian officials move military ships out of the port to make room for arriving grain ships.

And Mr. Jansson said the Ethiopian government has given priority to using its Assab-based trucks for food distribution, often at the expense of the country's other needs.

"There's a load of pig iron at Assab waiting to be trucked into Addis," he said. A number of new buildings in the capital are facing construction delays as a result.

Certainly, the scene at Assab on one recent day confirmed that relief food gets priority. Of the six berths, four had ships bearing grain.

Under a bright sun and intense heat, more than a half dozen gangs—each with 245 men—were unloading the Aramis, Girogis and the Wanderer, three ships that had brought more than 40,000 tons of wheat into port. Another crew was unloading a barge that had wheat from another vessel, the Sam Houston.

In May, an international outcry arose about food "rotting" on the docks after a freak rain shower in Assab spoiled about 9,000 tons of grain.

But there has been no rain and no spoilage since then. Most of the grain stockpiled in Assab is now covered, although port officials say they need to build more warehouses.

There has been some pilferage of grain at the port. But all observers say the amount of theft here is minimal.

"Most other African ports wouldn't have the backlog problem because the food would be stolen," said Cameron Peters, a logistics specialist with Catholic Relief Services.

Assab's port fees also compare favorably to those charged at other African ports, say relief workers. While some agency officials have complained about erratic fees charged by port authorities, most say the $12-per-ton average fee charged here is not unreasonable by African standards.

While most of the grain leaves Assab by truck, thousands of tons also go by planes, such as the C-130 transport plane piloted by George Dunn, leader of Squadron 30 of the British Royal Air Force.

On a recent day, on a dirt runway just north of Assab, Captain Dunn supervised the loading of 20 tons of wheat that he and his crew would fly to Mekelle, a major distribution center in Tigray Province. The plane would make three such flights that day.

"It's a bit hard on the tires," said Captain Dunn, stripped down to his shorts on the steaming runway. Flat tires are common, and plane crews carry several spares with them.

Once airborne, the RAF plane flew low over a dormant volcano in the Danakil Desert. Nearby, a lake glimmered, more than 300 feet below sea level.

Loadmaster Dave Porter, who has toured feeding camps in Mekelle, said he was glad the crew had received its three-week assignment to Ethiopia.

"I've seen the end result, so now I know why I'm doing this," he said. "It's a very worthwhile job."

WILL TODAY'S LESSONS HELP IN NEXT CRISIS?

(By Tom Horton)

KHARTOUM, SUDAN.—"Better luck next time" may seem a macabre sentiment in the context of famine relief, but here in Sudan and across much of a continent whose ability to feed itself actually is declining, continued infusions of food aid are a virtual certainty.

An if any consensus can be found among the international aid agencies here, it is that there must be better ways to deal with the next crisis than the massive but flawed relief effort of 1985 that saw people starving months after their need was recognized, even as abundant grain flowed into the country's port in one of the largest food-aid operations in history.

The immediate crisis that affected 2.9 million people in western Sudan is ending, as roads dry out at the end of the rainy season, railroad washouts are repaired and delivery of grain becomes easier.

But relief experts caution that the greening of the Sudan's crop lands following the excellent rainy season is by no means the end of food problems here.

Scarcely any of them believe the Sudanese government's forecast of a record 4 million-ton grain harvest in the next few months to be anything but "the most total optimism."

There is evidence that areas of the western Sudan had spotly or nonexistent rain during the growing season, and recent surveys have shown continued poor, or even declining, nutritional status among children in some of those areas, despite the relief effort of the past 11 months.

One good harvest will not make up for the last several years of drought that has ravaged livestock herds and people's cash reserves, displaced many people from traditional lands and perhaps ruined some lands to the point that they ought not even be resettled again.

In addition, tens of thousands of Chadian refugees, driven both by political unrest and hunger, have formed semi-permanent camps in western Sudan, and they are largely people still in pathetic condition—though relief grain is now getting through to them—with no immediate prospect of growing their own food.

Based on estimates of a 2.6 million-ton harvest—a good one, but not great—the U.S. Agency for International Development thinks Sudan will still require close to half a million tons of food aid, mostly grain, in the next 12 months, making it again one of the world's largest recipients of relief.

One relief official here recently suggested in some seriousness that "maybe what we need for places like Sudan is a Red Adair of famine," referring to the Texan whose crews stand ready to swoop in and take control of runaway oil spills, fires and related disasters anywhere in the world.

A skeptic said the money in famine relief could never attract the kind of enterprise the oil business does. The relief official replied that relief expenditures here in the last year, including the value of the grain donated, exceeded half a billion dollars. "I think for a few percent of that, Red might just do it," he said.

The suggestion may have been fanciful, but it nonetheless touched on a major lesson underscored by everyone's experience here. No one in the international community was equipped to respond rapidly with experienced, comprehensive management of a major relief effort in the difficult circumstances almost endemic to places such as Sudan.

A lack of consensus on relief among the major aid groups in the Sudan caused representatives of rock music groups, when they first came here several months ago looking to spend millions of dollars they had raised, "to back off . . . bewildered at all the conflict," according to a relief official who has worked closely with them.

The United Nations might have been expected to assume the coordinating role through its World Food Program, but its reputation has suffered badly here.

Despite urgent warnings from its people in the field since mid-1984 that a crisis was imminent in the western Sudan, U.N. higher-ups either would not or could not muster any meaningful relief action until the last few months.

After it became clear that the United Nations was not responding, the U.S. Agency for International Development injected mammoth resources in the form of food and eventually, after the usual transportation systems failed in the July-September rains, threw into the breach helicopters, planes and even new train locomotives to keep some grain flowing westward across this vast, trackless country.

Critics of AID all give it credit for jumping in and preventing substantial starvation when no one else, including the governments of the European Community, was responding to the clear crisis after crops failed for the second year in a row.

But the critics also note that AID, which usually contributes food and other resources in such crises but is not really geared for running major relief operations, made some serious mistakes in Sudan:

Its decision to use private enterprise for the relief effort led it to rely heavily on a local trucking industry, which ultimately led to chaos in the Sudanese trucking industry as demand built for literally thousands of extra trucks and drivers jacked up prices. In August, the government had to begin commandeering trucks to haul AID grain.

It counted for too long and too heavily on a notoriously corrupt and inefficient government railroad, which had been in physical decline for several years, to deliver large quantities of grain.

It contracted most of its food deliveries through the Sudanese government, which was overthrown in a coup in April and was succeeded by an almost equally shaky and probably less effective transitional military government.

AID says that such arrangements are standard procedure in friendly countries

such as the Sudan. Continuing, non-emergency AID projects generated income for Sudan that it used to pay for the grain deliveries.

"We wanted them involved as closely as possible. . . . It's their country," an AID spokesman in Washington said.

However, in addition to the hiatus in grain movements caused by the April coup, the presence of the Sudanese government in the relief contracts considerably lengthened the time taken to negotiate transport to the west, and it limited AID's flexibility in adjusting to changing relief needs, critics maintain.

Also, AID is faulted by relief workers in the western Sudan for failing until the last month to put any full-time personnel in the field there to keep apprised of the problems that frequently cropped up.

An example of such problems, they say, is contained in an Oxfam survey showing that from March to May too much of the U.S grain going to the western Sudan went to urban dwellers there, while the rural residents, who were even more needy, received relatively little food.

One independent logistics expert hired to supervise part of the international relief effort suggested that a number of AID's problems could be traced to "trying to manage a feeding operation costing in the hundreds of millions of dollars with basically only three people in its Khartoums office full-time."

AID officials closest to the relief effort in Sudan, while saying of their critics that "hindsight is a wonderful thing," nonetheless say there are some important things they would recommend doing differently next time.

"Transportation has to be guaranteed before you put any emergency commodities into a country. . . . Don't [count on] the availability of local transportation," an AID official said.

The official also said, in essence, that he would not recommend relying again on the Sudanese government in any large-scale relief operation.

That sentiment, echoed frequently by relief workers for many agencies here, is indicative of a troubling paradox as more and more developed nations send aid to Sudan: The fastest way to help solve Sudanese problems often seems to start with telling the Sudanese, in effect, to stay out of the way.

The World Bank, for example, has cut off all funds to the Sudanese national railway corporation until it agrees to replace most of its inefficient management with Europeans.

A top Red Cross official in Khartoum calls the phenomenon "the recolonization of the Sudan," noting that private relief and development agencies in Sudan have proliferated, from about a dozen to more than 60 in one year.

The list of organizations working to help the Sudanese include the full complement of established groups such as CARE, Oxfam and Save the Children (both U.S. and British), as well as the Moral Majority Foundation, Vegetable Outreach, Green Deserts, Help the Aged, GOAL (a league of Irish sportsmen) and dozens of others.

"What is happening in my own country?" a top Sudanese relief official bewildered asked a U.N. official recently, referring to the expansion of the relief effort.

"It's out of control, and we're having lots of problems figuring out what to do about it," an AID official said. "A lot of them came in when the Ethiopian refugee crisis was at its peak [there are more than 400,000 refugees in Sudan], and when it leveled off, they sort of spread out all over the place."

Meanwhile, some more immediate issues await decisions.

Helping Sudan recover from the devastating famine, even assuming predictions for a good harvest come true in the next two months, "will take a greater amount of aid than all of the past year's," said Winston Prattley, assistant secretary general in charge of Sudanese relief for the United Nations.

An important decision that has to be made soon is whether to keep shipping relief grain from abroad to meet the estimated 400,000-ton need of the hardest-hit Sudanese.

Though it is actually considerably cheaper to ship U.S.-produced grain from Kansas to Sudan that it is to buy locally grown grain, there is a fear that doing so could depress Sudanese agricultural markets because many areas of the country, including many farmers who are struggling to recover in the western Sudan, should produce a significant surplus for sale this year.

It may well be better for Sudan if aid donors buy grain from areas producing surpluses and move it within the country to needy areas, "but that sort of program could cost as much as $200 million, and the question is whether Western governments will pay it," Mr. Prattley said.

A second touchy issue will be dealt with soon at a meeting of relief organizations in Sudan: the question of permanent relocation of part of the western Sudan's population, forced from its traditional lands by the long drought and encroaching desert.

"There is just a real question whether some of that land can ever support life again, and it doesn't make sense to set people back up there if they can't last," said Andrew Timpson, Sudan director for Save the Children Fund, U.K.

Some of the relief effort already has turned to spending for road improvements, railway repairs and airport upgrading—the kind of improvements in transportation that could prevent a recurrence of this summer's frustration.

Still unresolved as another year—and probably more major relief and recovery operations—begin in Sudan is who, if anyone, will take a leadership role. There are rumors that AID is ready to turn over its major role in running the western Sudan feeding effort to the United Nations, which clearly would like to assume control, but AID officials say no decision has been made.

SQUABBLES KEPT FOOD FROM QUICK DELIVERY

(By John Schidlovsky)

ADDIS ABABA, ETHIOPIA.—It was a simple problem. But not too simple to botch and leave thousands of persons hungry.

The problem was this:

Catholic Relief Services, an American group that distributes the largest amount of food aid in Ethiopia, had several tons of food stored in the Ethiopian city of Asmera and no trucks to move it to its feeding centers.

World Vision, the second-largest American relief group, had 20 trucks on hand but no food to take to its centers.

Sounds simple to solve, right?

Wrong.

"We offered to move the food for CRS, but they said 'no,'" said Pat Banks, a spokeswoman for World Vision.

"That food was geared for our programs," said Frank Carlin, the director of Catholic Relief in Addis Ababa. "If we disrupt its flow, we're going to disrupt our pipeline."

Eventually, the food was delivered when Catholic Relief's trucks finally arrived.

But the recent incident, and the delay it caused, served to demonstrate how thousands of Ethiopian famine victims can also be the victims of squabbling among 47 relief organizations that operate in this East African nation.

The incident also underscored basic questions about the Ethiopian relief effort: Who's in charge? Who coordinates famine relief?

Those questions are critical now. Officials are embarking on the second year of distributing relief in Ethiopia, the scene of Africa's worst famine, where an estimated 6 million people still face a continuing danger of starvation.

Ostensibly, all Ethiopian famine relief is in the hands of the government's Relief and Rehabilitation Commission, an agency set up soon after Ethiopia's Marxist rulers overthrew Emperor Haile Selassie in 1974.

The commission is experienced in famine relief. It was created to deal with the 1973-1974 famine that left at least 200,000 Ethiopians dead of starvation, according to most estimates.

"We are much better than any other Third World nation as far as relief distribution," said Berhane Deressa, a deputy director of the commission.

But the commission is only one part of the story of this famine, in which an estimated 500,000 Ethiopians have perished, according to government estimates. In a disaster of this size, the Ethiopian agency simply does not have the ability to coordinate logistics.

Much of the coordination is done by a relief agency "army" of more than 1,000 foreigners—Americans, Europeans, Australians, Canadians and others—who work full-time on famine relief in 47 relief agencies known as NGOs (non-governmental organizations).

Such agencies employ thousands of Ethiopans who work as administrators, secretaries, drivers, doctors, agriculture-development experts, translators, public relations specialists, logistics experts and in other capacities.

In addition to the NGOs, there are 11 U.N. agencies involved in famine relief in Ethiopia. They are under the supervision of an assistant U.N. secretary general, a job vacated just last week by Kurt Jansson.

Mr. Jansson, a 69-year-old Finn who is retiring, has been criticized by some observers for being too soft on the Ethiopian government, despite his occasional chastisement of it for not being sufficiently humanitarian in its relief efforts.

The United Nations, said Mr. Jansson, cannot coordinate the Ethiopians' own efforts at famine relief.

"Our task is to monitor food distribution, to help the RRC get food to those in need and to coordinate and direct the U.N. agencies involved," he said.

The NGOs have millions of dollars of food and equipment at their disposal. Some comes through private donations; Catholic Relief, for example, has raised more than 850 million in donations for African famine relief in the last year.

But most of the aid the NGOs handle—including all of the million tons of emergency food—is paid for by governments, led by the United States, that have contributed $1 billion in food aid to Ethiopia.

The private agencies' role in distributing food is a useful one for foreign government donors, such as the United States, which has accused the Ethiopian Marxist regime of using food for its political ends. The agencies act as a buffer between governments.

But relations between the American government (the Agency for International Development, known as AID) and the relief agencies are not always cozy. In recent weeks, Catholic Relief officials have sharply critized AID for projecting reduced levels of famine assistance for 1986.

"The moment you cut the food, the nutritional levels go down and people start dying like flies," said Mr. Carlin of the Catholic group. "We'll be back to those death figures we had earlier this year."

Officials of AID—whose auditors have started an inquiry into whether Catholic Relief has properly spent its Africa funds—say the American government will continue to pay for one-third of all Ethiopia's emergency food aid needs, far more than any other single nation. If that need declines in 1986, so will the American share.

At their best, the largest relief agencies—such as CARE, Save the Children, Catholic Relief, Oxfam, World Vision—provide badly needed relief expertise that the Ethiopian government doesn't have.

But at their worst, the agencies are mini-empires that jealously guard their territorial rights in Third World nations and worry too much about pleasing their donor constituents.

Ethiopian authorities complain of too many NGOs in their country.

"We have reached a point of diminishing returns," said the relief commission's Mr. Berhane. "The more NGOs there are, the less effective they are becoming."

Agency officials say the Ethiopians want to limit the number of foreign organizations for political reasons.

"They would like to control what we do. They would like to have things a lot more restrictive," said one Western relief official, who asked not to be quoted by name.

Foreign relief workers are careful not to offend their Ethiopian hosts publicly. The Ethiopian government controls how many work permits and travel permits and NGO may obtain. The government also controls access to roads and airstrips in remote, famine-stricken areas where the NGOs operate.

Ethiopia was never totally colonized in its long history, though Italy occupied it briefly in the period leading up to World War II. This historical independence is often mentioned by officials who say the influx of foreigners into the country is demeaning.

"There has always been a suspicion of the foreigner in Ethiopia," said Mr. Berhane. "It has been a reason why this country has maintained it independence for hundreds of years."

Mr. Berhane said some Ethiopians are offended by the foreign relief workers' condescension.

"Some come with a colonial mentality, others with a touch of racism, in their outlook. Others come with a sort of Tarzanic mentality, only to discover there are no pygmies here. Some of the Christian volunteer types can be self-righteous."

Mr. Berhane said foreign relief workers should be permitted to do technical jobs for which there are not enough qualified Ethiopians.

"But why bring in American secretaries, or drivers, when there are thousands of unemployed Ethiopians who can do this work?

Despite the Ethiopian government's growing uneasiness about the large number of foreigners, officials concede there is no way its relief commission could distribute the massive relief aid without foreign help.

"We need more trained manpower, more medical people, more computers. Communications has been our big problem; we have no radio-links with our field officer," one said.

With 17,000 part-time employees, the relief commission's annual budget is about $40 million. World Vision has 450 workers in the country, Catholic Relief 273; together they have more than twice the government commission's budget to spend in Ethiopia.

"Private organizations are necessary because we bring so much more than just food," said Mr. Carlin of Catholic Relief. "We bring funds for transportation, administration and some outreach into development."

The Western agencies have also brought a small amount of political fresh air into the closed-door. Marxist atmosphere of Addis Ababa.

"People on the street know that the Russians are not sending food, but the Americans are," said a Western relief offical. "The government isn't as polemical against the United States as it was even a year ago."

In the office of Tefari Wossen, the relief commission's public relations director, *Doonesbury* cartoons about press coverage of the Ehiopian famine festoon the walls, Mr. Wossen has become an expert in the needs of Western media and relief officials.

"For the last year, we've had practically an opendoor policy to the world," he said. "This international aid will not be forgotten by the people of Ethiopia."

CHURCH AGENCY FACES CHARGES OF BUNGLING

(By Vernon A. Guidry, Jr.)

WASHINGTON.—In the last year, Catholic Relief Services, the largest American charity working to feed the hungry in Ethiopia, has reaped unprecedented millions in contributions—and unwanted controversy over how the money has been spent.

CRS, a long-established, global arm of the Roman Catholic Church in the United States, has been praised for its efforts on the ground in Ethiopia, even by its critics.

But a former employee has accused CRS policy-makers at its New York headquarters of bungling the job of providing emergency food aid with the unexpected bonanza of contributions, with the result that Ethiopians starved.

CRS Deputy Director John A. Swenson, the charity's man in Washington, calls the accusation, "absolutely false and, in the context of human life, monstrous."

Nevertheless, that accusation and others concerning the management of the charity are not being dismissed by the National Conference of Catholic Bishops, to which CRS is ultimately responsible.

The conference has set up a committee of inquiry under Cardinal John Krol, the archbishop of Philadelphia, hired the accounting firm of Arthur Young & Co. to audit CRS, brought in outside legal counsel for advice and set about interviewing 40 to 50 past and present employees.

The committee is to report its findings publicly Nov. 14 in Washington.

The committee is also looking into complaints that CRS inproperly used so-called recipient contributions from those receiving food aid in other African countries for administrative expenses CRS incurred in Africa.

The charity has had a program in Ethiopia for years. When the full impact of starvation was brought home to the American public by television accounts in October 1984, CRS stepped up its solicitations in this country. The result has been an outpouring of more than $50 million.

CRS's chief accuser is James P. MacGuire, who worked for the charity in Burundi in the late 1970s. He is now an executive for a publishing firm in New York and the unofficial spokesman for past and present employees of the charity who are unhappy with its conduct.

Mr. MacGuire's main charge is that CRS had those millions in bank and investment accounts earlier this year, it balked at paying what the critics concede were large amounts to move food from Ethiopian ports inland to starving tens of thousands.

The food involved in the current controversy was supplied, by the tens of thousands of tons, by the U.S. government, which routinely pays the cost of shipping such food aid to ports in the recipient country.

The host government is expected to move the food inland to the hungry. In Ethiopia, the government lacked the means and, some charged, the will to feed its starving rural people. The job was taken on largely by private, voluntary organizations. CRS heads a coalition of such organizations in Ethiopia.

When CRS made its application for increased U.S.-supplied food, it also asked the U.S. Agency for International Development, which administers such aid programs, to pick up the cost of inland transportation.

CRS officials say that AID officials originally indicated the costs would be covered by the government but later adopted a guideline of splitting the costs 50-50 with the private organizations. CRS pressed for the whole amount.

It is here that Mr. MacGuire says CRS failed. The charity, he charges, was willing "to let people stay without food rather than expend the funds contributed specifically to offset starvation."

As evidence, he offers a copy of a cable that was sent to CRS headquarters in February from the chief of CRS's program in Ethiopia, Frank Carlin.

The cable told New York CRS officials that because the dispute with AID had not been settled, there was no alternative to curtailing the program. "The resulting death rate would be catastrophic," the cable warned.

It went on to say that the coalition of private organizations working to feed the hungry was in jeopardy, "as are the lives of several hundred thousand people."

The cable urged that funds earmarked for longer-term development projects be used to finance inland transportation. "Will not CRS lend us the private funds immediately while [New York] negotiates with [AID]?" the cable asked. "I realize a decision must be made to suspend our development program, but the situation is so critical and the plight of the people so pathetic, that this decision is recommended."

Mr. MacGuire says that "the death rate was indeed catastrophic, and CRS responded far too slowly."

In New York, Lawrence Pezzullo, executive director of CRS, says he does not recall that particular cable but says, "I could give you 10 others that are similar."

The magnitude of the hunger problem and the question marks about financing were "getting nerves strained all over the place. That explains why you get cables

from the field saying. 'My goodness, what will happen next?' " he says.

More important, Mr. Pezzullo says, "We never allowed in any instance foodstuffs to be held up for failure to pay in-land transportation costs. We always advanced those funds. That is documented. . . . There was never an attempt to hold back. In fact, we were going as fast as we could."

AID officials, assert, as well, that the transport cost issue did not delay food. Mr. MacGuire centers his criticism of CRS, not AID.

Of the $50 million plus in contributions received, CRS has earmarked approximately $30 million for Ethiopia, and $20 million for the rest of Africa. Of the $30 million for Ethiopia about $20 million is scheduled to go to longer-term aid in health, agriculture and similar projects. Critics have faulted this split, chiefly on the grounds that the emergency need was so great that it should have claimed a higher priority.

Mr. Swenson, of CRS's Washington office, says longer-term aid, projects of up to about two years' duration, was appropriate for CRS money, particularly since legislation and other factors made if difficult, if not impossible, for the U.S. government to engage in long-term development in Marxist-led Ethiopia.

"We felt the best kind of contribution we could make was to assume these [development] costs with our own funds and ask the U.S. government to take on the emergency program which they had agreed to support." Mr. Swenson said.

Mr. Swenson says CRS has spent $8.6 million in Ethiopia and has earmarked about $19 million for longer-term projects. Of the longer-term money, about $7.6 million has been advanced for inland transportation, and CRS has been told by AID that it will be reimbursed for that amount.

Corrine Whitaker, a policy analyst with Bread for The World, a Washington lobby concerned with food-aid issues, says. "We had concerns about it because our feeling is that monies procured ought to be spent. But their intent is to spend on development and recovery projects, which take longer to program than food and transport."

The recipient contributions, often just pennies but not insignificant to those in African poverty, are solicited to give recipients a feeling of participation in the program. Some people within CRS oppose them generally, even beyond the question of whether they should be used to defray administrative costs.

"How could we justify collecting funds from the poorest of the poor to pay operating expenses of a agency of the wealthiest Catholic conference in the world?" asks Peter Strzok, a former CRS official in Africa.

U.S. LAW EATS AID FOR AFRICA

(By Stephen E. Nordlinger)

WASHINGTON.—One day last spring an American-flag ship, the Spirit of Liberty, sailed out of Corpus Christi, Texas, for the Sudan. The ship was laden with 36,000 tons of sorghum for that famine-ravaged nation in Africa.

At almost the same time, a Liberian-flag vessel, the Five Islands, left the same port for the Sudan. It was carrying 14,000 tons of wheat.

The American-flag ship charged $78.45 a ton for the trip and the Liberian ship charged $29.03 a ton, according to figures published by the *Journal of Commerce.*

The U.S. government was prohibited by law from acting like a typical shipper. It was required to use the Spirit of Liberty as well as the Liberian ship—at an additional cost of $1.8 million for the shipment.

The cost difference would have provided about 115,000 people with a pound of food a day for three months, according to a rule-of-thumb analysis by the Agency for International Development, which manages the emergency food donation program.

"To the extent that transportation costs are increasing, less money is available to provide food," said Robert H. Sindt, an Agriculture Department official involved with supplying food to Africa.

The so-called "cargo preference" law dating back to 1954 that subsidizes this country's merchant fleet forces the government to ship half of government-sponsored cargo in the much more expensive American-flag ships.

According to the Agriculture Department and AID, that will cost $60 million this year, triple the cost in 1984.

A large part of the government's spiraling expense can be traced to the fact that government-sponsored food donations to relief organizations in Africa more than doubled—from 800,000 tons last year to 1.8 million tons this year.

According to AID officials, the $60 million that is going to cover cargo preference this year could have provided a pound of food a day for three months to 3.8 million persons.

The requirement to ship in American bottoms keeps the rates higher than they would be otherwise for the limited number of U.S. ships that qualify for cargo preference, according to government officials.

The rates are being buoyed up at a time of a worldwide slump in shipping charges which has severely depressed the rates of foreign-flag ships.

"It is a captive market, so they [U.S. ship operators] are rolling out anything that can float and jacking up the rates," said John Baize, vice president for government relations at the American Soybean Association. His organization opposes the cargo preference law.

So attractive has the expanding Food for Peace program become to U.S. ship operators that some old vessels have been mustered into service to carry the subsidized cargo to Africa. Once the cargoes have been unloaded, the ships have been scrapped overseas.

Subsidies were provided to cover the cost of round-trip voyages even though these ships never returned, according to a new report on the cost of transporting Food for Peace commodities by the General Accounting Office.

Edmund T. Sommer Jr., counsel of the Council of American Flag Ships, a trade group, said that Congress in providing funds for the Food for Peace program recognized that cargo preference "costs a little bit of money" and included funds in the famine-relief budget to cover this expense.

An official of the U.S. Maritime Administration, which oversees rates charged by American ships, said one reason the American-Flag freight costs have been escalating stems from the long delays faced by vessels unloading in the poorly equipped African ports.

These waits have added especially to the transportation expense of American bottoms because of their relatively high operating costs. The large loads carried by U.S. ships add to the costs because port facilities in Africa cannot easily cope with the big shipments.

The charges caused by the delays have taken funds out of the pool available for relief food.

Government figures show that the costs of American-flag ships, on average, have jumped this year compared to 1984 from $108 a ton to about $120 a ton on bulk grains and from about $120 a ton to $135 a ton on packaged process grains.

An AID official said a check of shipping charges did not indicate that American-flag companies were engaging in price-gouging because of the increased demand for famine-relief food shipments.

Rather, this official said, the delays in unloading cargoes have added significantly to the higher cargo preference costs.

The government began the cargo preference subsidy on national security grounds to insure that an American merchant marine fleet would be available in an emergency.

Most of the cargo preference bulk fleet is composed of tanker and dry-bulk carriers. But a 1984 report by the Congressional Budget Office on military useful vessels said:

"Large tankers and dry-bulk carriers . . . are among the least-useful ship types for military support."

A LONG WALK, A LITTLE SHADE—AND FOOD

(By K. Kenneth Paik)

UM DUKHN, SUDAN.—Some walked for days and some for weeks. They all came from beyond the distant hills of Chad seaching for food. Thus began a new life—to eat, sleep and wait, then wait again for more food to come.

No one had much to carry but himself. They finally came to a place where there was food and a place somewhere at the end of the world to build new homes.

A home site can be a circle or a square, depending on one's fancy. They dig a few holes where some sticks can be placed upright and bent at the top. Then tie them all together and put some burlap sacks or some grass over them.

The place provides a patch of shade that offers protection from the harsh sun and 120-degree desert heat. It is a new home. New life begins every day for thousands crossing the border into Sudan. The relief groups and Western visitors call rows of these huts a refugee camp.

In such camps, people—thousands of them—are learning to stay alive. They don't know why and how, but they know that as long as grain continues to come from a place called America, they can stay alive. No one knows what he will do if it stops coming. No one actually thinks about it.

At last food came. The help came slowly, and for many it was too late. With benefit of hindsight, there was blame enough for everyone, and the cost was thousands, hundreds of thousands of human lives. But for the survivors, life must go on. It isn't nurtured and celebrated. It just goes on.

In a country where 200,000 infant deaths a year is considered normal by officials of UNICEF, life must mean more than just existing. As many as 500,000 children may have died last year in Sudan.

Some relief officials say these people survived a lot longer than anyone expected. They lived on ants and wild vegetation they could find in the desert. When they no longer could find ant hills and vegetation, they simply died. The ones who didn't, walked and walked and started new homes.

For miles there is nothing, no sign of vegetation. This waste of desert along the border

with Chad became home for the desperate who came to live—rather, to stay alive. They'll rub a handful of sorghum at a time between two rocks, a milling process that has been going on for as long as anyone can remember. Milled grain is made into paste, and a bowl of it is a meal.

Beyond the rows of huts lies the infinity of nothing and the dream of food. A mother with an infant strapped on her back lingers around a makeshift graveyard, just mounds of sand. There is no tombstone, no grave marker. Those who didn't make it, returned to the sand. She, perhaps, also buried a loved one.

Some of the saved children are curious about journalists dropped from a helicopter. They are as curious and playful as children anywhere. Bless them all. I took pictures of them with my camera and they of me with their memories. After all, life must go on.●

SPEECH OF THE HONORABLE ANNE ARMSTRONG

● Mr. LUGAR. Mr. President, I would like to have the following speech by the Honorable Anne Armstrong, former Ambassador to Great Britain, printed in the RECORD. This speech is important and timely in addressing perhaps the most important topic at the Reagan-Gorbachev summit taking place today, strategic deterrence.

The speech follows:

STRATEGIC DETERRENCE: REVIEWING THE FUNDAMENTALS

(The Honorable Anne L. Armstrong, Presented to the Pittsburgh World Affairs Council)

In a few weeks, President Reagan will be meeting the Soviet ruler, Mikhail Gorbachev. Preparing for their discussions has become a major growth industry in Washington, D.C., just as reporting and commenting on these preparations have for the national news media. The extent and vigor of all this activity seems encouraged, rather than diminished, by the fact that the exact agenda for the discussions appears still to be in the process of being shaped.

But at this forthcoming meeting, whatever else remains to be decided, the subject of strategic arms is sure to loom large.

According to Soviet propaganda, U.S. defense programs are carefully crafted by fiendishly clever warmongers. If Mr. Gorbachev believed any of that, he is probably confused by the public debate in recent months. The headlines have been dominated by the high prices paid for tiny wrenches, flying toilet seats, and nuclear-hardened coffee pots. There has also been intense argument over what to do with a submarine under the terms of SALT II—a treaty that we never ratified, that the Soviets have already violated, and that is due to lapse in a few months. And finally, what must have really rocked him, my old friend Cap Weinberger actually cancelled a major weapons program!

All this is meant in strict fun, of course. There is certainly no place for fraud or waste. The American people do take strategic arms agreements seriously. And Cap—"the Knife"—has always had a keen eye on getting full value for the dollar.

But it can be a problem, under the pressures of day-to-day events, to keep the big picture in mind. It is also because of these events, particularly the ongoing arms negotiations, new defense programs, and the impending Presidential meeting with Gorbachev, that this is no time to lose sight of the fundamentals.

And so I think it would be well, today, to review the key elements that have shaped our defense policy over the past half-decade, the basic objectives that our current programs are designed to achieve, and their prospects for building a more secure future.

This year marks the fortieth anniversary of the first atomic explosion. With the development of nuclear weapons, and the means to shoot them quickly around the globe, the world became a much more dangerous place. For the first time, entire societies could be destroyed with very little warning and without ever losing a battle.

In short order, the whole basis of the national security problem had changed drastically.

The overriding concern must be that these weapons never be used again. But that is not something that we in the United States can determine by ourselves.

Other governments, other philosophies, other psyches and personalities also control nuclear arms. We must try to ensure that they never see an advantage in launching a nuclear attack—not in the calm of day-to-day affairs, not in the stress of crisis, not in the heat of conventional war.

And there is more. We know from history that wars have begun not only as the result of cold calculation. Mistakes of all sorts—miscalculations, misrepresentation, mischance—have played major roles.

One is reminded in this regard of the American analyst who confidently predicted in early 1973 that Egypt would not attack Israel. The reason seemed compelling to him—Egypt knew that it could not win. A few months later, of course, Egypt did attack. The analyst insisted that his earlier prediction had been perfectly correct—after all, Egypt did not win!

And so to preserve peace we must do more than aim at deterring deliberative, like-minded people.

The message is that nuclear weapons might be used despite our best efforts and intentions. If they are, it is vital that the first use does not escalate uncontrollably. In a brilliant study he did several years before becoming our Undersecretary of Defense for Policy, Fred Ikle looked into how nations had gotten embroiled in major wars. He found that, throughout history, governments have found it remarkably easy to get into wars, yet, having done so, almost impossible to stop them.

In short, if deterrence fails initially, we must have the means to restore it, to ensure that a holocaust is not automatic. We cannot afford to think of nuclear deterrence as though it were an "all or nothing" proposition. The use of one, or a few, nuclear weapons would, like the first ring in Dante's Hell, be horrible. The use of several more, like the eight deeper rings, would be Hell's own Hell.

These, then, are the stark fundamentals of our national security problem. The fate of Americans can be determined by decisions made in Moscow, not Washington. We can influence Moscow's decisions, but we cannot control them completely. And both Washington and Moscow could possibly become victims of a terrible application of Murphy's Law—that anything that *can* go wrong someday *will* go wrong—with horrific consequences.

The United States has approached these problems in different ways over the past three decades, as it has been persuaded by different ideas about diplomacy and technology. But our success in deterrence, of course, depends not on what persuades us, but on what persuades the Soviets. And understanding them is a daunting task. Churchill, you know, found Russian policy to be "a riddle, wrapped in a mystery, inside an enigma."

Churchill thought, however, that he might have pierced the veil. "Perhaps," he went on to say, "there is a key. That key is Russian national interest." Unfortunately, as he found out quite quickly after Yalta, Soviet views of Soviet interests are often not what we in the West think they ought to be.

Churchill was hardly the last to make this error. In many ways, SALT I and related negotiations during the 1970s tell much the same story. Americans became persuaded by a particular view of how deterrence might be achieved. They were further persuaded that this theory, called "mutual assured destruction," was the right formulation to look after Soviet interests as well.

No matter if the Soviets seemed to think differently. With persistence, it was argued, we could teach them how they should perceive their interests. Sure enough, after a few years we had an agreement, and surely that meant, at long last, that the Soviets saw the world of nuclear weapons in the same terms as we.

Or did they?

A few people in the West said they did not, and those people were right. Through succeeding years, it became ever more clear that Soviet military programs were sharply opposed to the official U.S. theory of nuclear weapons.

The American theory said there was no such thing as strategic superiority. Once we felt sure we could destroy Soviet cities with a retaliatory strike, there was no point to building more weapons. Building "too many," in fact, would make us more insecure, because the Soviets might think we were threatening their capacity to retaliate. They would then build more weapons, we would have to respond, and a dangerous arms race would have been started.

That was the U.S. theory. In practice, Soviet nuclear forces relentlessly got larger, and larger, and larger. The Soviets built bigger nuclear weapons, more different kinds of nuclear weapons, more reliable and more effective nuclear weapons. They not only rejected American theory, they also ignored American practice. As Harold Brown testified to the Senate when he was Secretary of Defense, "When we build weapons, they build; when we stop, they . . . continue to build."

We might consider the years from 1967 to 1979 to be the "SALT era"—the time from when the negotiations on SALT I began until the draft SALT II Treaty was shelved by the Senate. During this period, according to informed estimates, the Soviets increased their arsenal of nuclear weapons more than five-fold.

In contrast, I might mention, the U.S. arsenal peaked in 1967 and has decreased—in numbers and megatonnage—since. Today we have only two-thirds as many nuclear weapons as we did in 1967, and only one-quarter of the megatonnage we had 25 years ago.

Other Soviet programs were also quite worrisome. They worked very hard on civil defense—much more than we ever did. A separate, special effort to protect over 175,000 key party and government personnel cost them tens of billions over several years—a continuity of government program that long predated ours and is far more am-

bitious. They never relaxed their extensive air defense programs, investing their National Air Defense service with a precedence higher than all others except the Strategic Rocket Forces and the Ground Forces. They extended war into space long ago, testing a system to attack low-flying satellites more than a dozen years before we did. They deployed, then improved and extended, an ABM system around Moscow and spent billions in continuing efforts to develop laser and other "exotic" technologies to use in defense against ballistic missiles.

It is particularly instructive that their programs for defense against ballistic missiles stayed far more vigorous than ours. We signed a treaty with them in 1972 which limited the deployment of anti-ballistic missile systems. It was said at the time that this Treaty truly proved that the Soviets agreed with us on our theory of mutual assured destruction. As it turned out, the Soviets actually saw the treaty as a tool to help them win the strategic competition. By signing it, they protected their ability to attack our ICMB's. At the same time, they could press relentlessly on their own extensive and varied programs for strategic defense, while those of the U.S. withered.

The result is that the Soviet today enjoy formidable options for deploying widespread ABM defenses that are not matched by the U.S. The whole thing was rather like the Hollywood producer and the starlet who both went to the altar, he for matrimony, she for alimony—the two sides entered the agreement on divergent strategic assumptions.

How divergent were they? Enough that the Soviets were quite willing to violate the treaty by building a huge radar at Krasnoyarsk, in Siberia. Of course, we made provision for verification. But verification can only help us find violations; it cannot prevent them. I find it particularly chilling, but starkly revealing, that the Soviets went ahead with building that radar knowing full well, beyond a shadow of a doubt, that it could not long remain hidden from the U.S.

So, did the Soviets agree with the earlier American theory? Hardly. They, much more than we, took seriously the possibility of a "day after." They trained and equipped their forces, and protected their leaders and key industries, accordingly. Their outlook, to say the least, consistently reflected a thoroughgoing determination to build forces to fight and *win* wars under many different possible circumstances—even nuclear.

In short, the Soviets rejected the American theory that security could come from mutual vulnerability. From their point of view, they had a better theory—the Americans would stay vulnerable, while the Soviets would not.

This story, and the many additional chapters that I have not recounted here, is of course now quite familiar. It was one of the many ways during the "SALT era" that we thought we knew about Soviet interests—and we were wrong. The U.S. was also wrong in its rosy expectations about the effectiveness of trade, visits, and conversations in building peace, and wrong again about the power of international declarations to make the Soviets more inclined to observe basic human rights.

On these and related subjects, the United States seemed to have reverted to the diplomacy of an earlier, and to our eyes simpler, day. Sir Harold Nicholson could then recommend this advice to British diplomatists when dealing with certain governments: "Do not waste your time in trying to discover what is at the back of [their] minds . . . concentrate all your attention upon making quite certain that [they are] left in no doubt whatsoever in regard to what is at the back of *your* mind."

Nicholson's counsel may have had its place in an earlier world. Today, there could hardly be more dangerous advice for Americans trying to order their nuclear relations with the Soviet Union. What is at the back of the Soviet mind counts a great deal indeed. When we have ignored it, or assumed that we could simply convert it to our way of thinking, our security has suffered.

As Chairman of the President's Foreign Intelligence Advisory Board, I have to tell you that we still know far too little about Soviet thinking on issues of nuclear war and peace. How do they assess our strengths, their own, and the overall condition of the strategic balance? What security objectives have they set, and how do they hope to achieve them? What conditions would they see as offering realistic prospects for building a stronger basis for peace? Can they, in fact, think in such terms? And if not, what pieces of their thinking can we use to influence them in the right direction?

The nature of the differences between the Soviet and American views, and the reasons for them, are critical subjects for American intelligence and defense planners. But I raise them here to emphasize their implications for American efforts in deterrence and negotiations.

After all, the issue is not, as budget-cutting Senators are fond of asking our military leaders, whether we should want to trade our military posture for the Soviet one. Instead, the issue is whether, in light of the Kremlin's way of thinking, we can reasonably expect our defense posture to influence the Soviets in the ways we hope. The events of 1940, after all, proved that French confidence in the strength of their Maginot Line was fully justified. There was a great error, however, in their theory of what the German reaction would be to it. The Germans simply went around it.

I would say, then, that there was at least one signal accomplishment of the "SALT era." Namely, we began to see the importance of understanding the minds of our adversaries. Doing so led, inevitably, to changes in American policies.

The first order of business had to be extending and strengthening the American deterrent. We had to ensure that our capabilities had the desired effect on the Soviets in their own terms. That meant that we needed forces that the Soviets would understand clearly as being capable of denying Soviet plans and objectives.

Vulnerabilities had to be corrected, lest they tempt Soviet escalation in some future crisis. Our staying power had to be improved, so that the Soviets could not plan to disarm us effectively by merely outlasting us. And we had much to do to ensure that our forces are at all times controlled by properly constituted authorities, even during a nuclear war. That, in turn, compelled major investments to ensure that our leaders can communicate with our forces under all circumstances. We also had to sharpen and re-shape our striking power.

All of this is included in the President's Strategic Modernization Program, now in its fourth year. As it progresses, our security grows stronger, and not only because deterrence is stronger. Modernization has also made it less likely that an American President might find himself compelled to escalate a nuclear confrontation for fear of losing important operational capabilities—the "use it or lose it" problem. It has brought us forces that can stay on alert for protracted periods, without in any way being on a "hair trigger." It has brought us safer weapons, with lowered risk of accident and increased assurance that they will destroy only their precise targets. And it has brought us better warning and response systems, so that the President has more time to seek confirmation, review his options, and make prudent decisions.

Strengthening our deterrent involved other forces as well. The Soviet deployments of SS-20 missiles compelled us to modernize NATO's nuclear forces. And our conventional forces had to be strengthened, to make it less likely that the President would have to consider the possible use of nuclear weapons during a crisis.

These programs, and the many others involved, have all come a long way in the past four years, and they must continue. There are sure to be recurring arguments over particular spending priorities, and funding for some major systems will probably lurch along from year to year. But the fundamental case is so compelling, the imperative so clear, that the basic effort must be continued. There is simply no substitute for a strong deterrent force, and there can be no relaxation from striving to improve it however we can.

Still and all, even our best efforts along these lines cannot lead us out of what remains, at root, a terrifying situation. The kind of deterrence that we've known for a generation leaves us, like Susyphus, condemned to an unceasing struggle of the damned against relentless opposing forces.

In March of 1983, the President pointed the way out of that struggle, toward getting the national security rock planted securely on top of the hill. In establishing his Strategic Defense Initiative, the President took concrete steps that, for the first time, could bring real and fundamental changes in the basic issues of national security in the nuclear age.

In his speech, the President challenged and focused the creative energies of the American scientific and defense commuities. Not all supported the President's initiative quickly or without reservation—and that is as it should be. It takes time to examine and digest proposed changes in basic habits of thought and parlance that have developed over twenty-plus years. Some, even when they have taken this time, will conclude that the global terrorism of mutual assured destruction still offers a safer path to peace. Others, using an almost primal intuition, will be convinced that "it" will not work, whatever "it" may eventually prove to be. And there will be no lack of serious debate over directions, dollars, programs, and priorities. But all this, as most often happens in our systems, is most likely to ensure that our future defenses will be both technologically robust and endorsed by the public over the long term.

The President's speech also provided an occasion for creative energies of a different sort. Senators in public hearings grilled Defense experts as to what would happen if the Soviet attacked while the President was in the shower. And, of course, there was the "Star Wars" nickname, which conjured up images of R2D2 in orbit, armed with a giant laser flyswatter.

Others were more earnest, but to me nearly as silly. Some continued to turn

common sense inside out, by explaining endlessly how strategic defense will make us less secure. For their part, the Soviets, with their patented straight faces, insisted that U.S. strategic defenses were actually an aggressive program to attack the Soviet Union preemptively.

And then there were the specialists who asserted credentials in both economics and strategy by carefully suggesting that SDI might turn out to be acceptable, if, after a long period of research, it seemed possible to build a system that all by itself is both cost-effective and fully survivable. If we depended on those criteria for all our decisions, I don't think we'd even have Swiss Army knives.

The Soviets, on the other hand, don't think that SDI is silly at all. To be sure, they'll take whatever propaganda line they think will best stop SDI dead in its tracks. But they do so because they, above all, know what this program means.

First, with the U.S. getting serious about defenses, the Soviet approach to deterrence—we stay vulnerable, they do not—comes up empty.

Moreover, the Soviets know that strategic defenses will be part and parcel of the U.S. military posture overall. They will have to judge the effectiveness, and survivability, of the U.S. defenses within the total context of strengths and vulnerabilities on both sides. No single point of comparison, this measure with that countermeasure, can determine an absolute outcome here, any more than it an for tank battles or, for that matter, football games. Indeed, the Soviets probably know this better than we do. They have always evaluated the merits of their programs and weapons in a broader strategic setting, and they know that even imperfect, "leaky" defenses, can make it very difficult to design an attack plan in which they can have high confidence.

Finally, the Soviets take "Star Wars" very seriously because they have terrible problems with the American approach to technology. The American scientific and defense research and development communities do not work like Soviet ones do. Namely, the Soviet approach works very poorly; the American one quite well. Confronted with remarkable challenges, the Americans cannot be counted on to fail. And while they are about it, they will most likely develop systems that reduce our dependence on nuclear weapons—for defenses, and for offenses, in space and on earth. And as the U.S. solves more than more pieces of the strategic defense puzzle, the Soviet approach to strategic power becomes less and less competitive. As that happens, their own strategic calculations are likely to drive the Soviets, whether they want to or not, toward joining the U.S. in forging a new security relationship on the basis of mutual assured survival.

So: Where do we stand? Fundamentally, I think, on a solid basis for a more secure future.

True, there is tough going ahead in Geneva. But we have the right objectives, and we have a better understanding of the Soviet approach. Sooner of later—the sooner, the better—the Soviets will see that they can only gain by getting serious. We are prepared to negotiate with them, to work jointly to ward a more stable and safer strategic future. We are not prepared to yield them continuing strategic advantage, nor will we accept rhetoric and posturing in place of serious arms reduction.

At the same time, we are embarked on programs that could transform the current horrifying basis of strategic deterrence. The dictates of our political heritage, our military history, and our moral values all compel us to seek security by protecting people, not by holding them hostage.

And we will continue to lower the risk of catastrophe by building the strength of our deterrent posture. Most importantly, we are taking care to ensure that it deters the Soviets, rather than Americans transfixed, looking in mirrors.●

NOVEMBER 19—A DAY OF SOLIDARITY IN SUPPORT OF SOVIET JEWS

● Mr. CHILES. Mr. President, today I would like to call to the attention of my colleagues this day, November 19, 1985, as a Day of Solidarity in Support of Soviet Jewry. Announced by Leon Dulzin, chairman of the World Conference on Soviet Jewry, this day of solidarity comes at a most opportune and significant moment: The summit meeting in Geneva between President Reagan and Soviet leader Mikhail Gorbachev. Jews and non-Jews around the world are participating in this important event, which expresses not only the hope that the Geneva summit might open new doors to the over 400,000 Jews wishing to emigrate from the Soviet Union, but also the confirmation of our continued concern for Soviet Jewry.

We are all familiar with the plight of Soviet Jews, and it is clear that since Mikhail Gorbachev took office, the condition of Soviet Jews has utterly deteriorated. From 1968 to 1979, the number of Jews emigrating from the Soviet Union steadily increased, peaking at 51,320 in 1979. In 1980, that number was 21,000. In 1981, 9,500. In 1982, less than 2,700 Jews were permitted to emigrate, and in 1983, it was half of that, at 1,300. Finally, in 1984, 896 Jews were allowed to leave, marking the lowest level of emigration in the history of the movement. This year, the statistics are the same. At a virtual standstill, the number of emigres so far this year has leveled at approximately 800. With over 400,000 Jews wanting to leave the Soviet Union, there is no evidence that the situation is changing.

The situation is worsening due to the increasingly harsh and indifferent treatment of Soviet Jews seeking to emigrate or study their language or culture. Jews are harassed, victimized, and labeled as outcasts or "parasites." A recent report by the National Conference on Soviet Jewry cites over 150 known cases of search, arrest, and imprisonment of Hebrew teachers and Jewish activists from September 1984 to August 1985. Anti-Semitism and the general suppression of Jewish culture increase dramatically while some 10,000 "refuseniks"—Jews having been denied exit visas—await permission to leave. Just one example among the thousands of refuseniks is Ilya Vaisblit, whom I adopted along with his wife and son this past spring. Now suffering from multiple sclerosis, Ilya has expressed his fear that, as he puts it, "there is not much time left." He first applied for permission to emigrate in 1973, 12 years ago.

The Helsinki Final Act, the Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights all guarantee the freedom of people like the Vaisblits, famed Jewish activists Anatoly Shcharansky and Ida Nudel, and thousands of other Jews to emigrate on humanitarian grounds. Nevertheless, Soviet officials continue to elude discussion of and deny responsibility for the blatent human rights violations in the Soviet Union. It would be naive to think that this Day of Solidarity in Support of Soviet Jewry would effect a change in Soviet policy, and perhaps overly optimistic to hope from the summit the same result. Yet what is crucial is that we let the Soviet Government and the Jewish refuseniks know that we continue to care. This is the message which this day of solidarity is sending, and, with hope, this message will be clearly and firmly imparted to the Soviets in Geneva. Now is the time.●

ARMS CONTROL

● Mr. HARKIN. Mr. President, the significance of the President's strategic defense initiative is difficult to overestimate. Regardless of one's position on the subject, it is clear that SDI will be key to the upcoming discussions on arms control between President Reagan and Mikhail Gorbachev.

On the first day of the United States-Soviet Summit in Geneva, I recommend to my colleagues an insightful study commissioned and published by the Stanley Foundation, "Arms Control and the Strategic Defense Initiative: Three Perspectives."

This study examines the impact of the strategic defense initiative on arms control negotiations, the reasons for Soviet preoccupation with SDI, and our NATO alliance's concern about the President's proposal for a space-based defense system.

The three perspectives are presented by distinguished experts on Soviet politics and arms control. Contributors to this study include: Former U.S. chief arms negotiator Paul S. Warnke and his former associate at the Arms Control and Disarmament Agency, David Linebaugh; Jerry F. Hough, professor of political science at Duke University and staff member of the Brookings Institution; and Stanley R. Sloan, specialist in U.S. alliance relations at the Congressional Research Service.

I commend the Stanley Foundation for its preparing this important study. The Stanley Foundation is an Iowa-

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based nonprofit organization that encourages study, research, and discussion of international issues contributing to a secure peace with freedom and justice.

Mr. President, I ask that this study be printed in the RECORD.

The material follows:

ARMS CONTROL AND THE STRATEGIC DEFENSE INITIATIVE: THREE PERSPECTIVES

SOVIET INTERPRETATION AND RESPONSE

(By Jerry F. Hough)

"If we are to understand the emphasis that the Soviet Union has placed on SDI, a key factor to keep in mind—perhaps the key factor—is the domestic political one and especially the requirements of economic reform."

A NEW DILEMMA FOR NATO

(By Stanley R. Sloan)

"For the next few years the European-US dialogue on defense strategy and arms control seems likely to be defined in terms of the strategic defense concept and particularly what SDI implies for the current strategy of extended nuclear deterrence for Western Europe."

BREAKING THE DEADLOCK

(By Paul C. Warnke and David Linebaugh)

"Vigorously pursuing defensive technologies without strong limits on offensive weaponry simply threatens to provoke simultaneous offensive and defensive arms races that would leave the world with more nuclear weapons and less security than before."

SOVIET INTERPRETATION AND RESPONSE

(By Jerry F. Hough)

The Soviet Union has made the Strategic Defense Initiative (SDI) the center of its arms control diplomacy. While negotiations are being conducted in Geneva on SDI, intermediate nuclear forces, and strategic weapons, the Soviet Union has insisted that they be linked; it has stated flatly that progress on limitation of SDI is the prerequisite for success anywhere else.

To the United States, the Soviet focus upon SDI seems somewhat bizarre. A wide range of Americans have criticized SDI as being unworkable and vulnerable to countermeasures, and even its supporters have found it difficult to advance a coherent and convincing case for it. In a speech to the Republican Party of California in August of 1985, President Ronald Reagan, noting that critics had called the project unfeasible and a waste of money, asked, "Well, if that's true, why are the Soviets so upset about it?"

PERCEPTIONS OF THE THREAT

There are several possible answers to the mystery of the Soviet focus upon SDI. One is in the military realm itself. From the Soviet point of view, a purely military case can be made that SDI is more of a threat to the Soviet Union than its US critics suggest.

First, of course, even if SDI does not work out as a comprehensive system, the research-and-development work on it will surely have other military applications. Conventional war is moving in a computerized direction with guided shells and the like and the various types of work on miniaturized computers and beams is quite likely to feed into the conventional weapons systems of the future. Both before he was removed as head of the general staff in 1984 and afterwards (still under Konstantin Chernenko), Marshal Nikolai Ogarkov said in the Soviet press that nuclear weapons are essentially unusable. Before he was removed, in an article he wrote for a Soviet journal, he drew the logical conclusion that future wars are likely to be decided by conventional weapons and weapons based on "new physical principles." He warned that the West is making major advances in these realms and that SDI research is part of that Western effort.

Second, military officers are paid to think in worst-case terms, and if SDI really does work, it would leave the Soviet Union totally vulnerable. Since it might be too late to do anything if a breakthrough occurred, the weapon system has all the characteristics needed to arouse vague but strong anxieties about the future. This is particularly so in the Soviet Union where there has long been a strong tendency to exaggerate US technological capabilities and where the fear that the United States might pull it off is correspondingly greater.

Third, the apparent unworkability of SDI as a comprehensive defensive system paradoxically raises the very worrisome question: Why is the United States going ahead with the program? If the proclaimed mission of the program seems so implausible, then what is the hidden agenda? The Americans are a pragmatic people, and surely they would not be spending all that money unless they had something in mind.

The real answer to this question is probably that the pragmatism of the United States should not be exaggerated and that the ability of the United States to waste money in the defense field should not be minimized. Americans, however, seldom explain crazy Soviet defense programs as Soviet craziness but instead search for a rational—and ominous—explanation. There is no reason to suspect that the Soviet psychology is any different on such matters.

If the Soviet Union seeks an ominous explanation for SDI, one is readily available, at least if is feared that the United States is pursuing a war-winning strategy and is contemplating a possible first strike at the beginning of one. The scenarios that make SDI seem particularly utopian are those that begin with a Soviet attack. If the Soviet Union expands the number of warheads and missiles, if it camouflages its warheads with dummies, even the destruction of a high percentage of Soviet rockets permits those that penetrate the defense to do unacceptable damage. If, however, the war begins with a US first strike and space defense is used to mop up the Soviet retaliation, the scenarios become more plausible. Then the number of Soviet rockets to shoot down would be far fewer, and the United States would have control of timing and be on the alert.

From this perspective, SDI looks particularly ominous to a Soviet worst-case analyst. It is not only that space defense might be militarily significant in a US first-strike scenario but also that SDI might serve as proof of a US first-strike strategy and intention, for no other rational military explanation really suffices. Americans may think such reasoning extreme, but they should not forget that they have assumed a Soviet first-strike strategy aimed at US Minuteman missiles because there seems little other rational military explanation for the size of the large Soviet missile.

In any case, to the extent that SDI is taken seriously at all from a military point of view—and military men are paid to take military actions of the other side seriously—it absolutely destroys any Soviet incentive to accept any reduction in the number of offensive missiles or warheads. If space defense cannot conceivably be 100 percent foolproof in the foreseeable future, if a certain percentage of Soviet missiles will get through, why should the Soviet Union increase the effectiveness of US space defense and simplify the task of US planners by reducing the number of Soviet rockets to be shot down in case of war?

DIPLOMATIC CONSIDERATIONS

The problem with the military explanation for Soviet emphasis on SDI is that arms control agreements have never succeeded in controlling technology that seems to have a chance for success. Conceivably, the Anti-Ballistic Missile Treaty resulted in some reduction in the level of spending on anti-missile defense, but antiballistic missiles were not a live possibility in the seventies. Research continued, and the money that ws poured into multiple warhead (MIRVed) missiles, into cruise missiles, into the space shuttle, and so forth went in large part into guidance systems and computer-related capabilities that ultimately are relevant to antiballistic missile development.

If the Soviet Union thinks that the United States is serious about SDI for military reasons, why should the Soviet Union think that the Reagan administration—or any post-Reagan administration—will limit itself in a defense realm affording real payoff when it has a major technological advantage? That has never been the case in arms control. Why should it be so when the United States is in the early research-and-development stage and when the research-and-development work is so closely related to advanced civilian work? Even if SDI is officially reduced somewhat, the research money is likely to go into areas that ultimately will contribute to space defense. (For example, fusion nuclear research is closely related to SDI beam research—a fact that explains why those same people who lobbied in airports for civilian nuclear power are now so strongly in favor of SDI.)

A second explanation for the great Soviet emphasis on SDI is diplomatic calculation. The campaign to prevent installation of the US Perishing II and cruise missiles was an abysmal failure. If the Soviet Union is going to play in the arms control game simply for propaganda reasons, it needs something.

From the diplomatic point of view, the SDI issue has certain advantages, at least in Europe. The question of US commitment to the defense of Europe in the case of nuclear attack has always been a source of anxiety, and SDI suggests the possibility that the United States in thinking of building a shell around itself that would allow it to be entirely isolationist. Moreover, Europeans worry about US technological superiority; SDI threatens to increase it and perhaps even to stimulate a brain drain from Europe to the United States.

Yet, the issue can be looked upon in another way in Europe. If the United States did have an effective shield, it would be easy to use its nuclear weapons in defense of Europe. In fact, it would have no reason not to do so. In addition, those who want an improvement in European technology may think that SDI will prove a stimulus. Finally, SDI still looks quite unworkable in the foreseeable future, and Europeans have no trouble understanding that the United States does crazy things for nonominous reasons. As a practical matter, it is hard to believe that a space defense that will not be effective for decades at best will arouse the

same strength of emotions as US missiles actually installed on European soil that increase the danger for Europeans in time of war. To repeat, even in that latter ideal case, the peace movement was not successful.

In the United States, the Soviet campaign against SDI arouses even less support. The freeze movement legitimated the notion of a utopian ideal that freedom from the tyranny of nuclear weapons and deterrence is possible. In a sense, President Reagan simply took this main issue of peace movement and made it more realistic by substituting SDI technology for freeze negotiations. (In fact, one suspects that this was the real reason for SDI as the president looked forward to the 1984 campaign.) The critics' derisive labeling of SDI as Star Wars may well have backfired, for the theme of the movie *Star Wars* was a struggle in which technology in the form of friendly robots and speed-of-light acceleration for space vehicles was vital for survival against a dark and evil empire.

Indeed, the Soviet campaign against SDI is probably counterproductive in the United States. If the Soviet Union acted unconcerned and simply ridiculed the notion as a waste of money, natural budgetary pressures would bring the program under control. The more the Soviet Union criticizes the program, the more difficult it is for an American to say that it is ineffective, and the easier it is for supporters of SDI to say that a vote against it is a vote for the Soviet position. The president's question posed before the California Republicans was extremely effective.

Although the Soviet Union had few good options after the failure of the intermediate nuclear forces negotiations, a strategy of focusing on a combination of first-strike weapons (for example, SS-18s, MXs, Trident warheads, and Pershing II missiles) might have been more effective in mobilizing the Western arms control community. It certainly would have been more effective in forcing the community to face up to real issues and to help the United States think about how its actions look to others.

DOMESTIC POLITICAL CONSIDERATIONS

Americans are aware that domestic political considerations are a crucial element in US foreign policy, but they assume that foreign policy and defense considerations determine 100 percent of Soviet foreign policy. In reality, domestic factors have always been intimately connected with foreign policy in the Soviet Union, for the fundamental domestic question in the country is the relationship to Western institutions and values. A person's position on this question has often had a decisive impact on his foreign policy position. The interconnection is even closer today when the crucial question on the domestic agenda is the degree to which economic reform will introduce market mechanisms and will integrate the Soviet Union into the world economy. If we are to understand the emphasis that the Soviet Union has placed on SDI, a key factor to keep in mind—perhaps the key factor—is the domestic political one and especially the requirements of economic reform.

Serious economic reform that gives the Soviet Union the ability to export technology—and that is what is required—is politically extremely difficult to achieve. Many Westerners would say that it is impossible for any Soviet leader. Whatever the ultimate success of reform, however, the Soviet technological lag has such drastic consequences for the Soviet military, for the Soviet foreign policy position, and, consequently, for politicial stability that any intelligent younger general secretary will attempt it. In fact, General Secretary Mikhail Gorbachev has been talking incessantly about the need to bring Soviet technology up to world levels. He recently asked rhetorically, "Are we not turning too sharply?" His answer was direct. "No . . . a different, calmer approach would not suit us. The time dictates that this is exactly how we must act."

Hence the difficulty of economic reform should not lead us to some a prior assumption that Mr. Gorbachev will not attempt it. Rather, it should lead us to understand that he has a a difficult political task and must subordinate other goals and policies to the imperatives of his first priority. This is perhaps even truer of foreign policy than other domestic policies.

Serious economic reform has a number of foreign policy imperatives, or at a minimum, a number of foreign policy steps would be highly beneficial for reform. Unfortunately, from the point of view of the Soviet leaders, they tend to be mutually contradictory. First, a foreign threat is always extremely useful to justify heavy sacrifices, and economic reform will require many sacrifies, especially in social policy (more wage inegalitarianism, more job insecurity, and a reduction in food price subsidies). Second, since reform requires a harsher social policy and growth requires investment, an increase in military spending or even the maintenance of the present level of military spending at the expense of consumption and investment is very counterproductive. Third, reform requires an attack on the massive protectionism enjoyed by Soviet industrialists—subjecting them to foreign competition both in the domestic and the foreign markets—and this in turn requires an opening of the Soviet Union to world markets and ultimately to the outside world in general.

The basic problem with the foreign policy imperatives of economic reform is that the threat that helps to justify the sacrifices undercuts the other two requirements. If a sense of the danger of war is created, this will create pressure for higher military expenditures, especially for weapons procurements and readiness. Moreover, historically in the Soviet Union, the foreign threat has been associated with a garrison state mentality and a closing of borders to the West, not an opening of them.

Two answers suggest themselves to this dilemma. First, the old Gromyko bipolar policy of focusing on relations with the United States could be reversed, and a far greater differentiation could be made between the United States and Western Europe and Japan. The United States could be used as the threat and the opening to Europe and Japan as the way to guarantee access to the world's economy. Second, attention could be focused on a long-term threat rather than a short-range danger of war. In that way, pressure for readiness and procurements expenditures could be minimized, and pressure for research-and-development expenditures in high technology realms could be maximized.

In terms of this dilemma, SDI is a godsend for the Soviet leadership. It is absolutely no threat to the Soviet Union in the next decade or two, but it poses a potentially enormous danger in the distant future. The steps needed to meet it are precisely those that Gorbachev wants to achieve with economic reform: the raising of Soviet technological capacity. In a country that is backward in its computerization, the first step required for national defense is enormous research and development in this realm. The Soviet leaders can say that negotiations will never control the US program—and they are right on this—and that national defense absolutely depends on the sacrifices and efforts required for economic reform.

From this perspective, the great advantage of focusing on SDI in arms control is that it has resulted in a stream of articles in the Soviet press, not the foreign press. These articles never say that SDI will not work but tie the program in with a US first-strike intention. The message is quite clear-cut, and it is drummed in incessantly: US technological advantage threatens national defense. The implicit message is also clear-cut: The Soviet Union must catch up in technology. Gorbachev has been making this implicit message explicit and has been linking reform with the theme of patriotism.

If this analysis is correct, there is every reason to be pessimistic about arms control negotiations so long as they stay on the present path. Former Foreign Minister Andrei Gromyko, like many US Presidents, liked arms control agreements for their own sake. His interest was in the reduction of tension and the prevention of a superpower confrontation, and he liked the atmospheric effects of agreements that suggest a reduced immediate danger of war, and he cannot play successfully to the Europeans if his rhetoric towards the United States is too harsh. Basically, however, the last thing that he needs are atmospheric agreements that give the Russian people the sense that the conflict with the United States is dying down and that agreements are solving the SDI problem.

If Mr. Gorbachev is driven solely by domestic considerations, he will keep an SDI bargaining position that, as in the summer of 1985, is hopelessly unrealistic in order to guarantee that no agreement can emerge. However, especially since it does not appear that President Reagan will accept tight controls on testing, the general secretary may think it safe to move to a more accommodating position. If he could be very forthcoming in his proposals and could count on the United States to reject them, he could achieve all of his domestic objectives (indeed, even better than before) while making a major propaganda gain in the West. And, of course, if President Reagan does accept such proposals, Mr. Gorbachev can claim a victory that his predecessors were never able to achieve.

If Mr. Gorbachev really does change policy towards Europe and really begins opening the country to the West, the more fundamental task will be to try to explain to the American people that the Manichean image of a struggle between good and evil was always a heresy and that it is particularly dangerous when we are faced with an adversary who is beginning to play a sophisticated geopolitical game. A country that always thought that international relations were illegitimate except for interventions based on moral reasons, as in World War I and World War II, will have to learn how to handle the combination of cooperation and conflict that is inherent in normal international relations. Unless this is learned, the dominant position that the United States achieved when the Soviet Union was giving it a relatively mild challenge may be quickly eroded.

A NEW DILEMMA FOR NATO

(By Stanley R. Sloan)

In the past few years the NATO alliance has faced and survived a major political crisis provoked by a decision intended to enhance the credibility of its policy of nuclear deterrence. Ironically, the allies emerged from this controversy only to confront a new political challenge posed by a concept which, according to President Ronald Reagan's original claim, would seek eventually to do away with the policy of nuclear deterrence.

In December 1979, the allies decided to proceed with a dual-track approach: to modernize NATO's intermediate-range nuclear forces (INF) while simultaneously seeking to negotiate limits on such forces with the Soviet Union. The United States began deploying Pershing II ballistic missiles and ground-launched cruise missiles in December 1983, and the Soviet Union walked out of arms control negotiations in Geneva in protest. The East-West debate which preceded the initial deployments became a contest for the hearts and minds of Western Europeans. Within the West, the issue became part of a larger struggle between competing concepts of how best to deal with the Soviet Union.

The initial INF deployments brought both debates to an apparent end without settling the central issues. Now, many of the same issues which troubled the NATO alliance in the INF controversy have resurfaced in the discussion of President Reagan's Strategic Defense Initiative (SDI) which seeks ideally to replace nuclear deterrence with a future defense against nuclear missiles. Before the alliance finds itself further divided over SDI and its implications for NATO strategy and arms control, it might be useful to reflect on the lessons of the INF experience and their implications for the SDI debate.

THE 1979 DECISION AND THE ALLIANCE

The 1979 dual-track decision was designed to be perfectly consistent with the stated objectives and strategies of the alliance. The decision was intended to enhance deterrence against Soviet aggression and to reassure Europe about the US nuclear guarantee.

The missile deployment attempted to deal with conflicting US and European perspectives on deterrence. In response to the US requirement for credible nuclear options, it sought to provide more flexible nuclear systems. These systems, however, given their ability to strike Soviet territory, could be seen as strengthening the link between the European theater and the strategic nuclear standoff—in response to the European requirement for extended deterrence with the hope of transposing the stability at the strategic level to the theater level.

According to the decision's rationale, deterrence for Europe would be strengthened because the Soviet Union, in contemplating any attack on Western Europe, would be forced to calculate that the West might respond by striking Soviet territory with the new systems. In using the systems, the West would know that the Soviet Union might respond by striking US, not just European, targets. Therefore, both sides would be aware that hostilities in Europe might escalate rapidly to a strategic exchange.

This logic was no foolproof guarantee of extended deterrence. The US president could, in theory, decide not to use the new systems in case of a Soviet attack and could even choose to lose them rather than invite strategic retaliation. That decision, however, would have to be made much earlier in the conflict than might previously have been the case. The new deployments therefore would compress the time in which the Soviet Union could advance through Western Europe without risking a nuclear strike on Soviet territory.

Given the linkage rationale for deploying the new weapons, there was no magic number of missiles which had to be deployed or, for that matter, left deployed after an arms control agreement. The deployment in either case would have to be sufficiently large to guarantee (in combination with other factors such as mobility) survival of enough weapons to remain a serious option in a crisis. However, it need not precisely balance similar Soviet systems in Europe, such as the SS-20 missile system which Moscow was deploying in substantial numbers around its European periphery.

The arms control track of the decision also had a very specific purpose. It brought the decision in line with the Harmel Formula (originated by Belgian Foreign Minister Pierre Harmel) of defense and détente policies accepted as NATO policy since 1967, providing an arms control component to balance the deployment plan. It undoubtedly was clear to the allies that they might need to demonstrate their interest in arms control in order to defend the deployment before their publics. The arms control initiative, however, could do something which the deployment would not accomplish on its own. Only if there were an arms control agreement with the Soviet Union to limit intermediate-range nuclear systems could the West restrain the extent of the SS-20 threat to Western Europe.

Why, when the INF decision seemed so well designed to serve the strategy of extended deterrence, did it ultimately provoke in Europe fear of nuclear war rather than produce increased reassurance that war would be deterred? The answer lies in the fact that the viability of extended deterrence rests on three pillars: the weapons themselves, a credible strategy relating the weapons to the purpose of the alliance, and political confidence that the weapons and the strategy will make it less rather than more likely that war will occur. The same general criteria will also determine whether SDI ultimately divides or unites the alliance.

Historically, the United States has tended to place greater emphasis on the weapons and the strategy for their use than on the political context for their deployment. Europeans, on the other hand, have attributed relatively greater importance to the political context, believing that wars usually are "about something," the product of conflicting political interests rather than spontaneous, unexplainable events.

As a consequence, extended deterrence does not work unless its political pillar is as reassuring to Western Europe as its weapons and strategy are threatening to the Soviet Union. For the INF decision to augment extended deterrence, its arms control track had to be just as credible and effective as its deployment track; the same rule likely holds true with SDI.

THE FAILURE OF INF ARMS CONTROL

Even under the best of circumstances, it would not have been easy to negotiate an arms control agreement limiting intermediate-range nuclear systems. As it happened, the negotiations were doomed from the start by the general deterioration in US-Soviet relations which had begun in the years immediately prior to the NATO decision and which quickened in its wake.

The Soviet invasion of Afghanistan, only two weeks after the NATO 1979 decision, provided a rallying point for the critique of Soviet global intervention which had been building in the United States for a number of years. The critique had already been a major factor in the failure of the US Senate to ratify SALT II. The invasion effectively killed the treaty just as the United States entered an election year.

Ronald Reagan, after defeating Jimmy Carter in the 1980 elections, set U.S foreign policy on a new course. President Carter had already begun a defense buildup, which the Reagan administration promptly accelerated. Just as importantly, the Reagan administration came to office infused with great skepticism about arms control based on a perception of unrelenting Soviet antagonism toward US interests. The administration put arms control on a back burner and concentrated on developing its defense program.

Almost six months passed before the administration announced its willingness to negotiate on the INF systems and an additional five months before it adopted a negotiating position. The famous zero-option proposal, announced by President Reagan on 18 November 1981, called for the total elimination of all Soviet intermediate-range nuclear weapons in return for cancellation of NATO deployment plans.

In retrospect, the zero-option proposal made sense only as a ploy to gain a short-term advantage with European public opinion. It made little sense in terms of NATO strategy. If no new US intermediate-range missiles were deployed, the principal purpose of the 1979 decision to reinforce linkage to US strategic weapons would not be served. It made no sense in terms of an arms control proposal. Given the fact that Soviet intermediate-range weapons were designed at a minimum to balance British and French nuclear forces, and those of the Chinese as well, Moscow would not be willing to destroy them all and receive only cancellation of the scheduled US deployment in return. In other words, the proposal seemed bound to be nonnegotiable, and even if it had been acceptable to Moscow, it would have failed to serve the intent of the original decision.

The Soviets were no more conciliatory, never accepting the legitimacy of the West's desire to strengthen extended deterrence through deployment of the new systems. Moscow argued that there was already rough parity between East and West in such systems, counting British and French forces in the West's totals. Moscow was never willing to sanction new US deployments in an arms control accord.

The unveiling of the zero-option negotiating approach helped, at least temporarily, to abate concern about the administration's attitude toward the possible use of nuclear weapons. The administration's rationale for the position, however, provided little real consolation for Europeans whose concerns had been raised by the low priority assigned to arms control and whose fears had been confirmed by the administration's hard-line rhetoric toward the Soviet Union. The administration defended its approach by arguing that the West needed to "counter the SS-20" and "establish a balance" in intermediate-range nuclear missiles. When the administration eventually modified the zero-option proposal in 1982, it continued to seek a missile balance even though it invited the Soviet Union to pick a number at which level that balance would be established.

However, the administration's defense of its negotiating position only tended to reinforce the impression of those Europeans who feared that the missiles were being deployed in order to make it easier to limit a nuclear war to Europe; the administration's hard-line policy toward the Soviet Union suggested that such a war had become more likely. The Reagan administration's approach to defending and implementing the 1979 decision therefore created exactly the opposite effect on public perceptions than was intended by the original decision, or even necessitated by the weapons in question.

The vote in the West German Bundestag on 22 November 1983 supporting deployment of the new missiles was a watershed event for both Washington and Moscow. The United States declared victory, and the Soviet Union discontinued the Geneva negotiations. The two principal Reagan administration managers of NATO nuclear policy, Assistant Secretary of State for European Affairs Richard Burt and Deputy Secretary of Defense Richard Perle, pointed accusing fingers at Moscow and charged it was up to the Russians to return to the negotiating table. For most Europeans it was of little concern who was at fault for the failure of the negotiations. The principal European concern was how negotiations might be resumed and how, in the meanwhile, to avoid further deterioration in East-West relations.

If the United States had wanted to reassure allied governments and their publics, the administration could have expressed its willingness to return to negotiations on INF systems in any forum, as it subsequently did when the Geneva negotiations resumed early in 1985. The narrow INF frameworks had proven inadequate for the purposes of reaching an arms control accord, and most analysts outside the administration were coming to the conclusion that limits on intermediate-range systems would likely be possible only as a subcategory of a broader US-Soviet strategic arms control agreement, as had been the original intent prior to the collapse of the SALT process. However, instead of demonstrating their continuing interest in controlling intermediate-range systems, administration sources leaked to the press their fears that a consolidated discussion of intermediate and strategic systems would allow the Soviet Union to use European opinion as an added lever against the United States in the negotiation of strategic arms limitations as well as in the area of intermediate-range weapons.

Although the administration pushed successfully to the beginning of deployments, a substantial price had been paid in terms of public consensus and alliance solidarity. What lessons can be drawn from the experience that might have relevance as the alliance begins to struggle with the implications of the SDI?

INF REFLECTIONS AND SDI IMPLICATIONS

The security of the NATO allies remains ultimately dependent on the viability of the U.S. strategic guarantee. As the INF experience demonstrated, that guarantee is required to serve many masters. It must be a credible threat to the Soviet Union, sufficiently serious to discourage Soviet aggression against Western Europe and to deny coercive political advantages to the Soviets. It must simultaneously be a reassuring commitment to Western Europe, providing the most convincing guarantee of both peace and freedom. Finally, it must be on conditions which are tolerable to the United States both in terms of financial burdens and security risks.

The INF saga highlights a number of very important characteristics of NATO's nuclear dilemma. First, the dilemma is firmly rooted in the geographic separation of the United States from Western Europe. As long as the Soviet Union retains massive military superiority over Western Europe, and the United States and West European nations remain joined in a transatlantic alliance, some form of extended strategic deterrence will likely be essential to Western security. The geographic factor, however, will keep the policy from ever being perfectible. It will for the indefinite future fall short of a total, unconditional guarantee for Western Europe and will include certain risks for the United States beyond those which would likely be incurred in the absence of extended deterrence.

In 1983, the SDI was presented by President Reagan in a way that reflected little concern about the likely impact on the alliance, given the geographic separation between the United States and Western Europe. Subsequently, the administration has argued that a strategic defense system against ballistic missiles could protect Western Europe as well as the United States. The technological feasibility of this, as well as other aspects of the initiative, remains to be demonstrated, and it is all too easy for Europeans to conceive ways in which the Soviet Union could get around (or under) such a strategic bubble to call Europe's security into question. Until much more convincing evidence has been produced, Europeans will remain skeptical concerning the ultimate effect on their security, and the strategic implications of the proposal will tend to divide rather than unite the allies.

Second, the nuclear relationship between the United States and Europe remains troubled by the fundamentally different attitudes one finds toward vulnerability on either side of the Atlantic. The United States still has not come to terms with its vulnerability in the nuclear age and longs for a return to its historic invulnerability to direct external threats. The policy of extended deterrence for Western Europe, which by its very nature increases US vulnerability, therefore has fundamentally weak foundations in the United States. This peculiarly US psychological orientation lies behind the SDI proposal and helps explain the degreee of support that the concept of strategic defense enjoys among US citizens. The US reluctance to tolerate vulnerability may be just as potent a motivation for US national security policy as is the Soviet Union's deep paranoia for its military programs and policies.

On the other hand, Western Europeans have tended to accept vulnerability as a fact of life and find that the US search for invulnerability incomprehensible. The Strategic Defense Initiative, therefore, appears conceptually absurd to many Europeans.

Third, NATO's nuclear dilemma is a product of the confrontation between East and West, between the United States and the Soviet Union. The forces and questionable intentions of the Soviet Union originally gave rise to the requirement for extended deterrence. History has shown that the Soviet Union, through its weapons deployments and its diplomatic strategy, can directly affect the military credibility and political viability of the nuclear guarantee.

The West cannot afford to ignore Soviet moves which threaten the credibility of Western deterrence—unilateral Western deployments and strategy adjustments have been, and will in the future be, required to preserve the guarantee. At the same time, unilateral actions which invite Soviet retaliatory measures promise only a continued cycle of expensive and potentially destabilizing moves and countermoves. The West's security, therefore, can never be fully ensured by unilateral measures but will depend as well on encouraging a greater degree of Soviet cooperation to stabilize the East-West arms race. The Reagan administration's handing of the INF issue failed to reassure the European allies because it appeared to close off prospects for arms control, relying almost exclusively on deployment to ensure Western interests. By the same token, the Reagan administration's approach to SDI alarms many Europeans because it also has appeared to diminish prospects for negotiated limits on offensive nuclear systems.

SDI AND NATO UNITY

For the next few years, the European-US dialogue on defense strategy and arms control seems likely to be defined in terms of the strategic defense concept and particularly what SDI implies for the current strategy of extended nuclear deterrence for Western Europe. Current US approaches to SDI seem very likely at some point to provoke serious splits in the alliance. From a European perspective, SDI, as originally defined by President Reagan, called into question the very foundation of extended deterrence and, in the near term, blocks prospects for nuclear arms control and threatens a virtually unbounded race in offensive and defensive strategic arms.

The United States faces a serious choice. Is SDI, as it is currently defined, so important to US national security interests that it is worth the risk of dividing the alliance? Perhaps so. If not, what approach to SDI might be more likely to attract European support and avoid a debilitating crisis in transatlantic relations?

If the United States decides that the current approach to SDI does require adjustment for the sake of alliance solidarity, current European attitudes suggest that something like the following arms control and defense policy goals might be required:

Seeking to negotiate with the Soviets a ban on testing and deployment of antisatellite and space-based weapons systems; in other words, agreeing not to build a full-blown strategic defense system.

Attempting also to negotiate a modification of existing US-Soviet understanding to permit each side to improve protection for land-based missile systems, including the use of antiballistic missile technologies not based in space.

Refocusing SDI away from the idealistic objective of population defense toward ways to enhance survivability of land-based missile systems in the United States and in Western Europe; such an approach would be consistent with the arms control objectives described above and compatible with the goals of preserving extended nuclear deterrence for Western Europe and strengthening strategic stability.

Inviting the European allies to play a full role in the research, development, and production of such point-defense systems; the allies could also be invited to join in nonweapons space research, for example, research aimed at improving monitoring capabilities which could enhance verification possibilities.

This approach, combined with continuing US initiatives to achieve offensive nuclear arms limitations, might provide a solid basis for Western consensus. Such an approach, however, would represent a substantial shift from the current Reagan SDI policy. The administration has already modified some of the most idealistic aspects of the proposal, now arguing that current deterrent strategy remains valid and that there currently is no more effective alternative for preventing war. But further adjustments, such as those listed above, might be too substantial for the administration to accept. In any case, the choices which the United States makes among competing concepts and interests, between maximum SDI approaches and European interests, may hold the key to future alliance solidarity as well as to prospects for a less dangerous relationship with the Soviet Union in the years to come.

BREAKING THE DEADLOCK

(By Paul C. Warnke and David Linebaugh)

The nuclear arms race between the United States and the Soviet Union is at the starting line of a dangerous new phase. Genuine and selective reductions in offensive weaponry must be achieved if strategic stability is to be preserved and the integrity of the arms control process maintained. However, the current US fascination with the overblown and oversold Strategic Defense Initiative (SDI) is diverting attention from this immediate, urgent task. Moreover, SDI in any form feasible with existing technology will make achieving such reductions vastly more difficult by putting a premium on more offensive weapons as the surest known countermeasures. A preoccupation with a distant, theoretical panacea is thus undermining the chances for early solutions to today's problems.

The United States cannot solve the problems created by the arms race unilaterally. Lasting solutions will only come from negotiated, mutual restraint. Without such restraint, the arms race will accelerate as each side depolys new destabilizing weapons: more multiple warhead (MIRVed) missiles that encourage "first-strike," "war-fighting" postures; sea-launched cruise missiles (SLCMs) that pose severe verification problems; and antisatellite weapons (ASATs) that threaten vital US and Soviet command and control systems. Further deterioration in US-Soviet relations will surely follow.

Yet, by the Reagan administration's own admission, there is currently little prospect of early results in the US-Soviet arms control talks in Geneva. The Soviets have made it abundantly clear-and there is little reason to doubt their sincerity—that they will not entertain proposals for deep cuts in their nuclear arsenals while the United States refuses to set limits on SDI. To achieve progress in Geneva, the stalemate on SDI must be broken soon.

Progress in Geneva can happen promptly if the United States undertakes three steps. First, SDI should be returned to its rightful status as a research program intended to keep the United States aware of potential defensive technologies. At the same time, the United States and the Soviet Union should reaffirm their commitment to the 1972 Anti-Ballistic Missile (ABM) Treaty as a renewed recognition that defenses have little role to play in maintaining deterrence. Second, the United States should propose a simple, warheads-only nuclear reduction agreement. Finally, as a parallel agreement, the United States should propose a ban on those new weapons that form the cutting edge of the arms race—SLCMs, ASATs, and MIRVed missiles. These steps would both strengthen and restore order to the US strategic program and revive the desiccated negotiations with genuine measures to slow the arms race.

STEP 1—CURBING DEFENSIVE SYSTEMS

To meet the Soviets desire to avoid an extenson of the arms competition into outer space and to preserve the single most effective arms control treaty to date, the United States should propose reaffirmation of the Soviet-US commitment to the ABM Treaty. At the same time, we should seek to negotiate improvements in the treaty to eliminate existing ambiguities. These changes would make clear that, although laboratory research on defensive technologies would be permissible, field testing and deployments would not. Currently, both sides are straining to thrust programs through these loopholes that risk tearing the treaty apart.

The current bundle of Star Wars programs lumped together under the SDI may or may not produce systems that are cost effective, survivable, or stablizing. All but SDI's most ardent advocates concede that its military effectiveness will not be known until sometime in the next century and that genuine population defenses remain a chimera. In the short run, SDI's potential certainly could be diminished or eliminated if the other side chose to offset it by adding new offensive weaponry. Vigorously pursuing defensive technologies without strong limits on offensive weaponry simply threatens to provoke simultaneous offensive and defensive arms races that would leave the world with more nuclear weapons and less security than before. It will require years of research and discussions to determine whether or not SDI will enhance national security.

STEP 2—REDUCING NUCLEAR WARHEADS

The heart of this recommended three-step approach is a proposal to put effective limits on offensive weaponry. The United States should propose a simple, warheads-only reduction agreement. Such an agreement, which could consist of no more than a single clause, could be completed quickly. An agreement between the United States and the Soviet Union to make deep cuts in their arsenals of strategic warheads—a quantitative limit—could improve US-Soviet political relations by providing the first genuine arms control achievement in this decade and could set the stage for much more difficult to achieve qualitative restraints and reductions.

Warheads matter most because these are the most telling single measure of nuclear capacity. The United States should propose dramatic reductions in strategic and intermediate-range nuclear warheads—50 percent from the current 8900 US warheads and 10,400 Soviet warheads to about 5000 on each side. The figure of 5000 warheads corresponds to the ceiling on strategic warheads proposed by the Reagan administration in the START talks. The reductions would be carried out over a five-year period at a rate of about 800 a year for the United States and about 1100 for the Soviet Union.

Limiting warheads, which could be readily embodied in a simple agreement, would provide a short cut to the tortuous pace of the SALT and START negotiations. SALT I required 2½ years to negotiate; SALT II consumed seven years. The complexity of the limits-within-limits approach, combined with a focus on delivery vehicles, permitted the US and Soviet strategic arsenals to increase nearly fivefold during the life of the negotiations. A warheads reduction agreement should require only a few months to complete and would stop and reverse this expansion. Deep cuts would yield important political benefits both domestically and in US-Soviet relations, while still leaving both superpowers with vast quantities of nuclear weapons.

No radical adjustments in US or Soviet force structures would be required by a warheads-only agreement. The fundamental asymmetries in the forces of the two nations—reflecting their different geography, history, and security concerns—has consistently hampered attempts to negotiate limits on delivery vehicles. The United States will not give up its triad of bombers and land-based and sea-based missiles. The Soviet Union will not give up its primary reliance on land-based forces. A nuclear reduction agreement that focuses on warheads would not challenge these basic interests.

The warheads-only agreement would leave the United States and the Soviet Union free to decide which weapons each would eliminate to achieve the required reductions. The United States would not demand that the Soviet Union give up any specific number of its heavy land-based SS-18 and SS-19 missiles, the sources of the "window of vulnerablity" anxiety in this country. However, because of the configuration of Soviet forces—land-based missiles make up 75 percent of its strategic weapons—deep reductions in these systems would be inevitable.

Any weapons eliminated to meet the warheads reductions would have to be dismantled or destroyed with the remaining delivery vehicles providing the basis for verification. The maximum number of warheads each type of missile delivers in its tests is known to the other side through "national technical means." For purposes of verification, each side would assume, as they did in the SALT II agreements, that the other's missiles carried this maximum number.

Intermediate-range, as well as strategic, warheads should be included in the reductions agreement, reflecting the U.S. conviction that the defense of the United States and the defense of Western Europe are one problem, not two. Including these warheads would also resolve the Euro-strategic problem—the artificial focus on the nuclear forces in Europe without regard to the overall balance between East and West. This tunnel vision has strained NATO relations and introduced a new generation of nuclear weapons to the European continent.

In summary, an agreement for deep reductions in nuclear warheads would apply an effective, feasible, and meaningful brake to the current accumulation of ever higher levels of nuclear weaponry on both sides. It could pave the way for other, qualitative agreements to eliminate or control the most dangerous technologies on each side.

STEP 3—BANNING THREE DESTABILIZING WEAPONS

A warheads-only reduction agreement would go a long way toward slowing the pace of the current U.S.-Soviet nuclear competition. To achieve a greater measure of stability, however, it will be necessary to put real limits on the deployment of the most seriously destabilizing types of new weapons. Therefore, as an adjunct to the warheads ban—but not conditioned on it—the United States and the Soviet Union should negotiate a parallel ban on three critical systems: MIRVed missiles, SLCMs, and ASATs.

MIRVed missiles

MIRVed missiles are a sad reminder of the single greatest lost opportunity in arms control history. Multiple warhead missiles were originally developed in the 1960s as a potential counter to the antiballistic missile defense systems being developed by both sides. When the ABM Treaty negotiations made that role moot, MIRVed missiles became one of the first examples of a bargaining chip, whose mere existence was to induce greater Soviet responsiveness in the SALT talks. The US lead in MIRVed missiles technology proved too tempting, however, and, like many other subsequent chips, was never bargained away. When the Soviets destroyed the US lead by deploying their own MIRVed missiles in the mid-1970s, the arms competition took a dangerous new turn.

Put simply, MIRVed missiles created a particular danger by making the possibility of a first strike against an opponent's forces appear theoretically more feasible. Along with improvements in missile guidance that permit greater accuracy, multiple warheads have made both US and Soviet land-based missiles far more vulnerable. In addition, each MIRVed missile becomes far more valuable to its possessor, and far more tempting a target to the other side. In a crisis, a dangerous use-it-or-lose-it mentality may grow, tempting preemptive strikes to escape one's vulnerability.

The new generation of highly accurate MIRVed missiles—the US MX and the Soviet SS-X-24—are the most dangerous and deadly weapons in the arsenal of either country. The essential vulnerability of land-based missiles is inescapable. The Soviets may be able to resolve some of their problems by developing mobile missiles. It is politically unlikely, however, that the United States will ever have access to the vast expanses of land necessary to make mobile missiles a survivable land-based alternative.

The best first step toward solving the MIRVed missile problem, and the vulnerability of land-based missiles as well, would be to negotiate a ban on further deployment of new land-based MIRVed missiles. The time such an agreement would buy could be spent in negotiating a long-term solution to the issue, perhaps an eventual phasing out of all MIRVed missiles and their replacement with single warhead missiles. Knowing the complexity of negotiating changes in each side's force structure, the urgent need is to avoid making the situation any worse. A ban on new MIRVed intercontinental ballistic missiles would accomplish that vital step.

Sea-launched cruise missiles

Land-attack SLCMs are a dangerous oddity in the arms race: a missile without a realistic mission that poses severe verfication problems. Nuclear SLCMs are usually described as part of the strategic reserve, the nuclear forces that will be left to fight a protracted nuclear war once the initial exchanges have taken place. In addition, nuclear SLCMs figure in the grandiose schemes for the "600 ship" US Navy, which include plans to carry out nuclear bombardments of Soviet ports and installations from surface ships standing off the Soviet coast. Neither task is sufficiently plausible to justify the risk that SLCMs pose for arms control.

SLCMs threaten vastly to complicate the process of verifying arms control agreements. They are indistinguishable from their conventional counterparts, and the navy is currently ensuring their unverifiability by changing from their original launchers, which were distinctive, to a new launcher that is also used for a variety of other naval missiles. The navy's rationale is an arms control nightmare; the change in launchers will permit almost all US surface ships to be outfitted with nuclear weapons. In an interview with the *Washington Times* early in 1985, Vice Admiral Joseph Metcalf III, the deputy chief of naval operations, predicted that SLCMs in their new launchers would revolutionize naval warfare, allowing almost any US warship to launch a nuclear attack on the Soviet Union from a range of more than 1000 miles. The virtue of this from a nuclear planner's point of view is that it would complicate Soviet nuclear targeting, but it would also render arms control virtually impossible. It is simply not realistic to think that the United States—and the Soviet Union when it inevitably follows suit with nuclear SLCM deployments of its own—would accept limits or reductions on its navy simply because any of its warships, cruisers, or destroyers could theoretically be a nuclear delivery vehicle.

Since nuclear SLCMs serve no genuine role in the US or Soviet strategic arsenal, the obvious solution is a simple ban on their deployment. There is disagreement about how readily verifiable the ban would be if the two sides want to continue to deploy long-range conventional SLCMs; the simplest answer would be a ban on both conventional and nuclear land-attack SLCMs. If that is not feasible, then it may be possible to develop counting rules for ships carrying conventional SLCMs analogous to those created in SALT II for aircraft carrying cruise missiles. Since the navy's strongest interest in SLCMs is in the shorter-range systems for ship-to-ship or ship-to-air combat, this might prove a workable agreement. It would be worth the price of some battles within the US bureaucracy to secure the necessary limits to this destabilizing new system.

Antisatellite weapons

Both the United States and the Soviet Union have been pursuing ASATs programs off and on since the 1960s. The Soviet Union currently has a crude orbiting interceptor that is launched from rockets, but it can only threaten low-flying satellites. (Most of the important command-and-control satellites are in orbits out of reach of the Soviet system.) The United States has tested an antisatellite device launched from an F-15 fighter plane against an old satellite with reported success. However, although both sides possess a rudimentary antisatellite capability, neither has passed the point where control is impractical.

The problem from an arms control prespective is twofold. ASATs threaten to expand the arms race into a competition in space, which could in and of itself be seriously destabilizing. More particularly, ASATs could add another dangerous element to a crisis situation if they develop to the stage of seriously threatening the US and Soviet command-and-control systems. Both powers, but especially the United States, are highly dependent on satellites for intelligence information and communication. In a crisis, the vulnerability of communications lifelines would be a powerfully destabilizing element.

Since both the United States and the Soviet Union have demonstrated some antisatellite capabilities, but neither has yet developed major systems, the time is ripe to cap this technology. A ban on testing and deployment of ASATs would maintain the integrity of vital communications links and intelligence capabilities and remove a potentially contentious issue from the US-Soviet agenda. Ironically, an effective ASATs ban would also reduce the vulnerability of defensive systems, such as SDI, if any are ever deployed.

CONCLUSION

The arms control agenda is crowded, and it has been a long time since there has been a significant achievement. The integrity of the process—which will inevitably affect the tenor of US-Soviet relations—requires that progress be made in the near future to slow the arms race. The three steps outlined in this essay would represent a genuine breakthrough in the current stalemate. They have the added advantage of being readily negotiable and achievable. Without the sort of progress these measures offer, there is real reason to fear a new, more destabilizing round in the arms race and an exacerbation of the already tense situation between the United States and the Soviet Union. The means to avoid this are available if the will exists.●

EXPANDED CAPITAL OWNERSHIP AND THE IDEOLOGICAL HIGH GROUND

● Mr. LUGAR. Mr. President, today I am introducing the fourth of a series of statements on expanded capital ownership. This series has been presented as background studies for the new Presidential Task Force on Project Economic Justice. The task force was established to recommend to Congress and the President a comprehensive strategy and policy framework for encouraging the use of the employee stock ownership plan [ESOP] and other expanded ownership vehicles within Central America and the Caribbean Basin.

Who can and should own the means of production in any economy is largely determined by a society's laws and institutions, what some call the institutional infrastructure. If, for example, either the society's tax system or capital credit system is defective, workers can never gain access to any significant private property stake in the corporations they work for.

Following the objectives of the original homestead acts and responding to President Reagan's call in 1974 for an "Industrial Homestead Act," Norman G. Kurland, the author of Project Economic Justice, at the request of senior White House officials, prepared a detailed position paper on how to reform basic U.S. institutions to foster the goal of expanded capital ownership for all Americans. In the hope that Kurland's model will be seriously studied, refined, and improved upon by the Presidential Task Force on Project Economic Justice and by others concerned with the future of free enterprise, I invite the attention of my colleagues to the excerpts from Kurland's industrial homestead paper and ask that they be printed in the RECORD.

The excerpts follow:

SOME GUIDING PRINCIPLES FOR DESIGNING AN INDUSTRIAL HOMESTEAD ACT

To shift the Federal Government's role from today's income redistribution policies to the more limited and healthier role of encouraging "economic justice" through free enterprise growth, an Industrial Homestead Act should:

Set a realistic long-term target, based on the nation's industrial growth potential, to achieve a minimum Industrial Homestead Stake for every American family, perhaps $100,000 by the year 2000.

Establish a personal "Industrial Homestead Exemption" (perhaps $500,000 per individual), thus providing every American an opportunity to accumulate over his or her working lifetime an income-producing, space-age equivalent of the 160 acres of land offered to landless Americans under the original Homestead programs, free from capital gains, inheritance, and gift taxes.

Re-create the conditions that resulted from the first Homestead Act of 1862: full employment and declining prices and a broad distribution of property ownership.

Implement a peace-time counterpart of World War II's War Industrialization Board to bring together American's finest minds and prime movers to recommend ways to achieve a balanced Federal budget and a zero inflation rate under the Industrial Homestead Act, including reasonable national ownership targets and priorities.

Link all economic reforms to methods that discourage privileged access to or future monopolistic accumulations of private property ownership of the means of production.

Reform Federal Reserve monetary policy (especially its power to discount "eligible" commercial, industrial and agricultural paper) to bring about a two-tiered, non-subsidized interest rate structure within member banks of the Fed. This reform would encourge more widespread individual access to lower-cost bank credit for ownership-expanding private-sector productivity growth, while allowing savers to receive market interest rates for non-productive or ownership-concentrating uses of credit, including government deficits.

Supply sufficient money and credit through local banks to meet the liquidity and broadened ownership needs of an expanding economy, subject to appropriate feasibility standards administered by the banks.

Radically simplify the existing Federal tax system in ways that make Congress more directly accountable and responsive to all taxpayers.

Eliminate tax provisions that unjustly discriminate against or discourage property accumulations and investment incomes.

Supplement and reduce growth of the Social Security System, by enabling every American to accumulate (through inheritances, gifts, ESOPs, IRAs, and other expanded ownership vehicles sheltered from taxes under the "Industrial Homestead Exemption") sufficient wealth-producing assets to provide each person with a taxable property income, independent of Social Security benefits and incomes from other sources.

Remove economic bottlenecks to effective market competition so that just prices, just wages and just profits can be controlled by the laws of supply and demand, rather than by central planners, by fiat or regulation, by government-sanctioned monopolies, or by other coercive pressures.

Gradually eliminate rigid, artificially-protected wage and price levels and other restrictions on free trade, which afford special privileges to some industries, businesses and workers at the expense of American and foreign customers of U.S. products.

Focus top priority during the next decade on developing a more just "social contract" for persons employed in the private sector, geared to maximum ownership incentives, so that instead of inflationary "wage system" increases, all employees can begin to earn their future gains increasingly through production bonuses, equity accumulations, and profit earnings linked to their personal efforts and to the productivity and success of their work team and the enterprise for which they work.

Restore the original rights of "private property" to all owners of corporate equity, particularly with respect to the right to profits and in the sharing of control over corporate policies, while still safeguarding the traditional functions of professional managers.

Promote the right of non-management employees to form democratic trade unions and other voluntary associations for negotiating and advancing their economic interests, including their ownership rights, vis-a-vis management.

Preserve the family-owned farm as a basic unit for maintaining self-sufficiency in meeting America's food supply, while discouraging the spread of congolmerate and foreign takeovers of prime agricultural lands. Equity sharing among dozens of farm families of large corporate agribusinesses can also meet the "family farm" concept.

Assist farmers who wish to associate together voluntarily in cooperatives and in enterprises jointly owned by farmers and workers, including integrated agribusinesses, for supplementing their farm incomes and reducing the need for subsidies.

Encourage special ownership incentives for those engaged in research and development, especially in the search for new sources of energy and labor-saving technology.

Develop new methods of conserving and re-cycling non-replenishible and limited natural resources that are vital to society's long-term survival, until suitable substitutes can be discovered and developed.

Provide America's military, policemen and firemen, teachers, and other public employees with a growing and more direct equity stake in the free enterprise system, both as a supplement to their costly pension plans and so that they will better understand and defend the institution of private property.

Privatize government-owned enterprises and services, to the maximum feasible extent, by offering their employees (and customers in capital-intensive operations like TVA) opportunities to take over their ownership and control.

Set a model for State and local governments and other countries to promote widespread capital ownership as a major goal for their citizens.

Launch several broadened ownership demonstrations, possibly in areas of high unemployment (like the proposed "free enterprise zones") to evaluate the proposed Federal Reserve reforms, innovative broadened ownership mechanisms and advanced concepts of worker participation in decision-making and self-management.

Provide special encouragement to U.S.-based multinational corporations to become instruments of peace and a more just world economic order, by broadening access to their ownership base to all citizens of the world community, especially for exploiting the resources of the sea and other planets.

STRUCTURAL TAX REFORMS TO PROMOTE SUPPLYSIDE INCENTIVES LINKED WITH BROADENED OWNERSHIP OPPORTUNITIES

Objectives of tax reform

1. To make Congress more directly accountable and responsive to all taxpayers.

2. To improve structural restraints within the tax system on government growth and spending by creating a direct linkage between tax rates and budgetary changes.

3. To encourage savings and investment and otherwise favor growth of the competitive free enterprise system as the direct distributor of consumption incomes for American workers and retired citizens.

4. To reduce and gradually eliminate all redistribution features within the current tax system, including Social Security, except for income exemptions and an income "safety net" for the genuinely poor.

5. To simplify the overall tax system to improve taxpayer feedback and understanding and to make it less costly to administer.

6. To produce neutrality in the taxation of consumption incomes from all sources, and otherwise remove all distinctions between "earned" and "unearned" incomes.

7. To stimulate expanded opportunities for all Americans to acquire, accumulate, and receive incomes from direct equity participation in new and growing enterprises.

8. To abandon today's complicated mixture of tax penalties and discriminatory tax brackets, offset by special tax subsidies, credits and privileges affecting property, wealth accumulations, new productive investments, and so-called "unearned" income, and replacing these tax gimmicks with simple "escape hatches" designed to encourage expanded private sector investment and productivity incentives linked to broadened ownership participation.

9. To eliminate the inflationary impact of the tax system itself on the costs of American-produced goods and services, and to remove artificial tax increases (e.g. "bracket-creep," inventory adjustment profits) wholly due to inflation.

10. To integrate the corporation and personal income tax systems by (a) eliminating the double- and triple-penalty tax on corporate profits, (b) encouraging fuller dividend payouts and (c) attributing non-reinvested corporate earnings as incomes taxable to shareholders.

11. To eliminate (a) the tax penalty on married couples; (b) personal deductions (except for tax deferrals and exemptions for savings and investments); (c) tax credits; (d) tax-free interest on public-sector financing; (e) tariffs on imported goods; (f) tax shelters for speculative and non-productive investment; (g) all forms of indirect taxes not based on consumption incomes.

12. To eliminate the effect of inflation on gains from the sale or exchange of homes, farms and other productive assets.

13. To encourage home ownership as an investment by allowing deductions of mortgage payments on homes but treat "imputed rent" as a form of taxable consumption income.

14. To expand the use of Individual Retirement Accounts (IRA's) as a mechanism for enabling all individuals to accumulate income-producing assets on a tax-deferred and/or exempt basis and permit IRA's, like employee stock ownership plans, to be used for acquiring corporate shares on credit se-

cured and repaid with tax-deductions from future earnings.

15. To relieve pressure on the Social Security System by establishing a lifetime personal "Industrial Homestead Exemption" to enable every American to accumulate (though ESOP's, IRA's, etc) an adequate estate of wealth-producing assets to provide them with taxable property incomes to supplement incomes from other sources.

16. To move toward the deconcentration of capital ownership in private hands for future generations of Americans by replacing estate and gift taxes with a tax on the amount that the recipient does not keep in the form of an income-producing investment or on an amount in excess of the "Industrial Homestead Exemption" mentioned in (15) above.

Specific tax reforms recommended

1. Replace the graduated tax on personal income with a single flat rate on income from all sources, whether "earned" or "unearned", including employment, property incomes, interest, dividends, inflation-indexed gains from sales and exchanges of property, unemployment compensation and welfare, social security and pension incomes, gifts and bequests (that are not reinvested or exempted by the "Industrial Homestead Exemption" described in paragraph (12) below), gambling, etc.

2. Eliminate all existing deductions and tax credits to businesses and individuals, except:

a. Ordinary and necessary business expenses, including full and immediate deductions for current expenditures or full debt service payments to replace existing productive assets and otherwise to maintain current levels of profitability and productivity.

b. All incomes channeled by businesses or individuals into the financing of business growth or transfers of equity ownership through employee stock ownership plans (ESOP's), individual retirement plans (IRA's), pension plans, Keogh plans, or other IRS-"qualified" expanded ownership investment vehicles, but in no case where such amounts cause the accumulations of individual beneficiaries to exceed the "Industrial Homestead Exemption" described in paragraph (12) below. These "savings" could be treated as tax deductible by either the businesses or individuals that make them.

3. Allow the full deduction of the purchase price or the current mortgage payment (principal as well as interest) for the purchase of a home. However, add the "imputed rent" of each dwelling of a taxpayer to his annual taxable earnings in order to provide neutrality between renters and owners.

4. Exempt all household incomes of the genuinely poor by excluding from the flat rate tax all incomes below $2,000 to $3,000 per household member.

5. Allow corporate dividends to be deductible at the corporate level to the extent they are paid out currently to stockholders or are used to repay loans for purchasing newly issued stock or stock ownership transfers through ESOP's, IRA's or similar "qualified" expanded ownership mechanisms.

6. Tax all dividends and interest income at the personal level without exclusions to the extent the taxpayer's total income from all sources exceeds the exemption levels for the poor.

7. Exempt all capital gains from taxable personal income to the extent that:

a. The taxpayer's gains are reinvested within 60 days (or 18 months for a home) into income-generating investments held within an IRS-qualified capital accumulation mechanism (e.g. ESOP, IRA, etc.) but not exceeding the "Industrial Homestead Exemption" listed in paragraph (12) below.

b. The taxpayer's spendable gains are equal to or less than the inflation-adjusted value of the assets during the period over which the assets were held before being sold.

8. Maintain a tax on corporate net earnings but only to the extent they are not paid out as dividends, cash productivity bonuses, ESOP and profit sharing contributions, purchases or debt service payments on replacement assets, etc.

9. Business expenses would remain deductible as under present laws.

10. Depreciation rules would be liberalized by allowing:

a. Full first year deductions on all purchases of replacement assets (to maintain existing levels of productivity and profits).

b. Full debt service deductions on credit to acquire replacement assets.

c. Full dividend deductibility, thus permitting stockholders to purchase newly issued corporate shares with profits deductible both from corporate as well as personal earnings. In the alternative, stockholders as well as employees through ESOP's could use these tax-deductible dividends to repay loans for the acquisition of larger blocks of stock on a leveraged basis.

d. Expanded use of tax-deductible contributions to a leveraged ESOP for financing new equity issuances representing growth capital of the company. This would effectively allow the current expensing of annual debt service payments for growth financing through the company's ESOP.

11. Allow the tax advantages of a leveraged ESOP to be extended to all taxpayers through IRS-qualified IRA's, to utility customers under consumer stock ownership plans (CSOP's), and to citizen-members of State and local General Stock Ownership Corporations (GSOC's).

12. Integrate with the Social Security System a tax-exempt "Industrial Homestead Exemption" to encourage every man, woman, and child to accumulate through ESOP rollovers, Keogh Plans, IRA's, gifts, bequests, savings, etc., a personal lifetime estate of wealth-producing assets, aimed at providing all Americans with growing property incomes and direct ownership participation in the competitive free enterprise system. To establish a long-range target and to motivate working Americans to maximum rates of investment and productivity, this "minimum floor of capital self-sufficiency" should be set high, perhaps $500,000 worth of accumulated investments per American during his lifetime, as the rough equivalent of the value of 160 acres of productive farmland today, the size of land granted under the original Homestead Acts.

13. Eliminate all contribution limits on "savings" through ESOP's, IRA's, Keogh Plans, etc. until individual accumulations exceed the proposed Industrial Homestead Exemption.

14. Provide for the tax-free rollover of the proceeds from the sale of a small business to an ESOP where the proceeds are reinvested in another small business within 18 months, thus encouraging employee participation in ownership as well as providing a new source of equity financing for new and growing businesses.

15. Allow an ESOP to assume the estate tax liability for the value of employer stock transferred to an ESOP by the executor of an estate, provided the company guarantees payment of the tax over a seven year period. (Contained in several bills before Congress.)

16. Permit an ESOP to be treated as a charitable organization for income, gift, and estate tax purposes provided the donated stock is not allocated to the donor, family members of the donor or 25 percent shareholders. (Contained in several bills before Congress.)

17. Amend Subchapter U of the Internal Revenue Code to allow the use of General Stock Ownership Corporations (GSOC's) for land planning, acquisition and development of "free enterprise zones" so as to encourage comprehensive, large-scale development of an area combined with widespread participation among residents in the ownership, profits, and appreciated real estate values that would otherwise flow exclusively to outside land speculators. (Several members of Congress are now seriously considering this and other "expanded ownership" linkages to the enterprise zone concept.)

18. Absorb the annual cost of the Social Security System entirely within the single flat rate income tax imposed on all taxpayers. As expanded growth and expanded ownership provide non-inflationary property incomes for retiring Americans, social security benefits can become stabilized and perhaps reduced eventually.

19. Move toward a balanced budget by adjusting the flat rate income tax proposed in paragraph (1) to a single percentage rate that all taxpayers will pay on their non-exempt incomes anticipated for that year to cover all budgeted Federal expenditures for the same year. The single rate tax can be adjusted from year-to-year, but its very existence will create a highly focused pressure on Congress to keep the flat rate as low as possible.●

ENCOURAGING TECHNOLOGICAL ADVANCES FOR THE DEAF

● Mr. BRADLEY. Mr. President, I recently received an article by Mr. Frank Borsky for the Deafness Research Foundation which I would like to share with my colleagues. This article concerns a technological breakthrough, which enables profoundly deaf individuals to feel sound vibrations. The invention of a device called a vibrotactile aid can help deaf children understand others more easily and aid them in learning to speak.

I would like to take this time to commend the Deafness Research Foundation for its outstanding efforts on behalf of the deaf. The foundation's commitment to directing public attention and support for clinical research on deafness and hearing disabilities is admirable.

The affliction of deafness is devastating—it cuts one off from the world and creates a serious barrier to communication. We must support research efforts such as this which help the deaf participate fully in society. The talents of the hearing impaired should be fully developed for their benefit and for the benefit of our society.

Mr. President, the Deafness Research Foundation's article shows what modern technology can do for

our hearing-impaired citizens. I urge my colleagues to review it, and ask that the text of the article be printed in the RECORD.

The article follows:

MODERN SCIENCE GIVES PROFOUNDLY DEAF CHILDREN SENSE OF SOUND; ENABLES PROGRESS IN LEARNING

NEW YORK.—Modern science is giving profoundly deaf children a sense of sound—and helping them in the learning process.

It is being done through new vibrotactile devices—or "baby buzzers"—that use electronic circuitry to translate sound vibrations into ones that a profoundly deaf child can feel on the sensitive part of the chest.

"The vibrotactile aid helps deaf children acquiring speech to understand others by improving auditory perception and auditory discrimination, thus improving lipreading," says Dr. Adele Proctor of the Deafness Research Foundation.

"And comprehending the speech of others improves the child's vocabulary. When the child communicates, the aid helps their own speech production and vocal quality. It also provides the cues from which to respond appropriately in social interactions."

The prototype model of a wearable single-channel vibrotactile aid was developed by Moise Goldstein, a Johns Hopkins University electrical engineering professor.

The device is composed of a tiny microphone, circuitry and a button-like vibrator that presses against the breastbone. It began as a cloth covered vest and evolved into a set of elastic straps with a leather or metal package containing the electronic equipment.

Children who wear the single channel vibrotactile aid range from 7 weeks to 5 years.

Here's how a vibrotactile aid works, according to Dr. Proctor:

Vibrotactile aids convert sound energy (acoustic wave form) into a movement or vibratory sensation felt on the skin through the use of an oscillator or vibrator.

Electrotile aids convert sound energy into electrical energy and stimulation is felt through electrodes placed on the skin.

The device was first tested on a 2-year old Baltimore girl in 1977 who was deaf from birth.

"Before this device she had no sense of sound," Goldstein said. "She didn't know there was such a thing as sound. My main impression was the device gave her that sense. It let her know that when people move their mouths there is sound."

The child's progress with the tactile aid was measured by tracking progress in lip reading.

"This child demonstrated impressive gains in lip reading and a pattern of language acquisition similar to that reported for younger hearing children," says Dr. Proctor.

The results of a second prelingual profoundly deaf child were reported from the Central Institute for the Deaf, yielding similar findings.

"When the profound nature of these two children's hearing loss is considered—no response to auditory stimuli as measured audiologically—these children showed unusually rapid rates of acquisition for lip reading," Dr. Proctor, an associate professor at Northeastern University, said.

"Other behaviors, when compared to the performance of prelingual profoundly deaf peers, suggest that these two children performed far above average.

"The Baltimore girl, now 10 years old, caught up to her hearing counterparts and is now enrolled in her grade level in regular public school.

"She performs at or above the grade level in all academic subjects and is generally considered an academic and social leader in her school."

Dr. Proctor says the vibrotactile aid does not enable the deaf to hear the way a normal person does.

"It is intended to be a learning tool to help deaf children learn to lip read and speak properly—and a warning device to alert them to approaching vehicles, or someone entering the room and other possible dangers," she said.●

ARKANSAS TEACHERS WIN JOINT COUNCIL OF ECONOMIC EDUCATION AWARDS

● Mr. BUMPERS. Mr. President, it is my distinct pleasure to note that 25 Arkansas teachers have won awards presented by the Joint Council on Economic education for their excellence in the teaching of economics. Financed by the International Paper Co. Foundation and administered by the joint council, this awards program recognizes superior teachers of economics at all grade levels across the Nation. In addition, it motivates other teachers to develop and implement economic education programs in their classrooms.

Although Arkansas teachers comprise only one three-hundredths of all the teachers in the Nation, they have won one-third of all the awards in this competition. Although it rarely makes the front page, economics education flourishes in Arkansas classrooms.

The Arkansas winners will be honored at a dinner sponsored by the Arkansas State Council on Economic Education, the Arkansas Department of Education, the Arkansas State AFL-CIO, Arkansas Bankers Association, Arkansas League of Savings Institutions, Arkansas State Chamber of Commerce, and the Associated Industries of Arkansas. I am proud to note that these organizations have joined together to pay tribute to a group that plays a major role in preparing our young people to enter the worlds of banking, business, industry, and education.

I believe there is a renewed commitment in Arkansas to education and I am positive that it will bear fruit. I see these 25 recipients of the council's award as representatives of one of the most dedicated professions in our Nation. Too often teachers do not know the results of their hard work in guiding and encouraging their students. But I would like to take this opportunity to say a heartfelt "thank you" to these winners as well as all the other teachers who play a major role in shaping our future. I ask that the names of the recipients of these awards to be printed in the RECORD.

The names follow:

Third Place, Primary Division: Paula Findley, Springdale, AR.

Fourth Place, Primary Division: Donna Stringer, Jonesboro, AR.

Honorable Mention, Primary Division: Marilyn Ransom, Fort Smith, AR.

Honorable Mention, Primary Division: Becky Kremers and Marietha Neal, Fort Smith, AR.

Honorable Mention, Primary Division: Jean Humphrey, Fort Smith, AR.

Honorable Mention, Primary Division: Blanche Hill, Fort Smith, AR.

Honorable Mention, Primary Division: Colleen Jones and Carol Shurr, Barling, AR.

First Place, Intermediate Division: Brenda Smith and Joyce Taylor, Fort Smith, AR.

Third Place, Intermediate Division: Barbara Kell and Suzanne Karr, Fort Smith, AR.

Honorable Mention, Intermediate Division: Pamela Robertson, Fort Smith, AR.

Honorable Mention, Intermediate Division: Nancy Braden, Barling, AR.

Honorable Mention, Intermediate Division: June Haley, Fort Smith, AR.

Honorable Mention, Intermediate Division: Patricia Jackson and Sandra West, Batesville, AR.

Honorable Mention, Intermediate Division: Helen Branum, AR.

First Place, Junior High Division: Opal Robinson, Fort Smith, AR.

Honorable Mention, Junior High Division: Susanne Braithwaite, Stuttgart, AR.

Second Place, Senior High Division: Ellen Southall, Stuttgart, AR.

First Place, Open Division: Helen Holland, Kathy Workman, Fort Smith, AR.

Honorable Mention, Open Division: Charlotte Pillow, Batesville, AR.●

AIR BAGS

● Mr. DANFORTH. Mr. President, each year approximately 45,000 people are killed in motor vehicle accidents and another 300,000 are injured. Congress, the Federal Government, and States have taken important actions in recent years to improve highway safety, especially in such critical areas as drunk driving, child passenger safety, and motor carrier safety. Nevertheless, more needs to be done.

Mr. President, Ford Motor Co. and Mercedes-Benz have announced that they are going to do something more to combat this slaughter. The something more that they are going to do is a very important something, indeed. Ford and Mercedes-Benz are going to make air bags more widely available to the American public.

On November 4, Ford Motor Co. announced that it will offer its supplemental driver-side air bag system as an option on 1986 Ford Tempo and Mercury Topaz four-door sedans, starting with March production. Ford has been offering this system on a limited basis on the Tempo since early this year to fleet customers. The experience with these air bags has been excellent.

Mr. President, I commend Ford for moving forward on this "better idea." As it did when it decided to offer consumers automobile bumpers capable of withstanding a 5 m.p.h. impact, rather than the more common 2.5 m.p.h. bumpers, Ford is once again taking a

lead among American manufacturers on an important technology. The Department of Transportation estimates that 8,500 lives would be saved and more than 130,000 injuries would be prevented each year if air bags were in general use.

Mercedes-Benz is also moving forward on air bags. It has announced plans to install its supplemental restraint system, which consists of a driver-side air bag and an enhanced seat belt system that tightens around the front-seat passenger in a crash, on all its 1986 model cars expected to be sold in the United States. Mercedes has been offering this supplemental restraint system in the United States on some of its 1984 and 1985 model cars.

Mr. President, I am very pleased by these positive, prosafety actions of Ford and Mercedes-Benz. I am hopeful that more automobile manufacturers will follow the lead of Ford and Mercedes and make this life-saving technology available on an even broader scale.

Mr. President, I ask that six newspaper articles describing these recent airbag developments be printed in the RECORD in their entirety.

The articles follow:

[From the Wall Street Journal, Nov. 4, 1985]

FORD PLANS TO OFFER AIRBAGS AS OPTION ON TWO COMPACTS CARS

(By Christopher Conte)

WASHINGTON.—Ford Motor Co. plans early next year to offer airbags as an option on two compact models, marking the first time in nearly a decade that a U.S. auto maker will offer the safety device to the general public.

Ford Chairman Donald E. Petersen is expected to announce today that the No. 2 U.S. auto maker will offer driver-side airbags in Tempo and Topaz models. Both are front-wheel-drive models.

General Motors Corp. last included airbags as an option in some 1974-1976 Buicks, Pontiacs and Oldsmobiles.

Last year, Ford sold 5,000 airbag-equipped Tempos to the government. In addition, several insurance companies have bought about 2,500 Tempos with airbags. Those airbags, which weren't available to individuals, were priced at about $85 each.

Mercedes-Benz currently includes airbags in some models, but Ford would be the first to offer the gear on non-luxury vehicles since the mid-1970s. Mercedes-Benz is expected to announce this week that it will install airbags as standard equipment in all 1986 cars sold in the U.S.

Airbags are large bags designed to inflate almost instantly and cushion car occupants in an accident. Safety advocates long have recommended them as a way to prevent serious injury in head-on collisions. But Detroit has resisted them for years as too costly.

In 1981, the Reagan administration rescinded a Carter administration regulation that would have required passive restraints—either airbags or seat belts that fasten automatically—in all new cars. But an appeals court rejected that action, calling it arbitrary and capricious.

That led to a complicated decision by Transportation Secretary Elizabeth Dole in July 1984. The decision would have required auto makers to phase in either airbags or automatic seat belts over three years, beginning with 10% of their new car fleets in September 1986. Mrs. Dole said she would cancel the requirement if states representing two-thirds of the U.S. population pass laws requiring people to buckle up with current manually operated belts.

Since Mrs. Dole adopted that regulation, auto makers have been lobbying state legislatures for mandatory seat belt laws. As of this summer, 14 states representing 39% of the population had passed such laws, according to the Highway Users Federation, a trade group.

Safety advocates and some insurance companies say most or all of those laws were deliberately designed to be too weak to meet Mrs. Dole's minimum criteria for being counted in determining whether to cancel the passive-restraint rule. But Mrs. Dole has refused to rule on their adequacy.

She has argued that auto makers will have to offer some passive restraints beginning in September because too few states will have adopted mandatory belt laws by then. Most observers had expected auto makers to try to meet the passive-restraint requirement by offering automatic seat belts, which cost less than airbags.

[From the New York Times, Nov. 4, 1985]

FORD TO OFFER AIR BAGS AS OPTION ON '86 COMPACTS

(By John Holusha)

DETROIT.—The Ford Motor Company will soon offer air bags as optional equipment on one line of compact cars, sources within the company said Friday. It will be the first time that air bags have been available to the general public in an American car since the mid-1970's.

The official announcement of the airbag program is to come on Monday in a speech by Donald E. Petersen, chairman of Ford. The decision by the No. 2 auto maker breaks Detroit's united front against the safety devices.

In Washington, meanwhile, Mercedes-Benz said it would put the automatic crash bags on all of its 1986 cars to be sold in the United States. The company had offered the air bag as optional equipment some models, but the decision by Mercedes makes it the first auto maker to provide the air bags as standard equipment.

A. B. Shuman, spokesman for Mercedes-Benz of North America, told The Associated Press that his company expected to sell 90,000 new cars in the United States next year. All of them will be equipped with air bags on the driver's side, he said.

Sources at Ford said the bags would be installed on the driver's side of the car in four-door Ford Tempo and Mercury Topaz models. They said the company would be able to make about 1,000 cars a month equipped with the bags, which, one official said, "we think will meet the demand." Ford sells about 300,000 Tempo and Topaz models a year.

COST CITED AS FACTOR

In a head-on collision, an air bag inflates in a fraction of a second preventing an occupant from crashing into the interior of the car itself. The bags have long been favored by safety advocates but generally resisted by Detroit on the ground of cost.

The General Motors Corporation has argued that a test program it conducted in the 1974, 1975 and 1976 model years showed that buyers were not willing to pay for air bags. It made the devices available as options on two lines of the large cars of that era, but only about one-half of 1 percent of the cars sold were so equipped.

However, as American cars became smaller after the two fuel supply scares, some in the industry have begun to wonder if air bags might have gained in popularity. Safety experts agree that a person in a larger car is safer in a crash than in a small vehicle, in otherwise equal circumstances.

Ford has been edging toward installation of air bags for more than a year, selling 5,000 bag-equipped cars to the Federal Government and another 2,400 to private fleets. The sources would not say what the additional cost of the air bag would be when it was offered to the general public, but noted that it cost the fleet buyers $815 a vehicle.

BAG DEFLATES AFTER CAR HALTS

The Ford bag is to be mounted at the end of the steering column inside the steering wheel. When a sensing unit reacts to a crash, a plastic-coated nylon bag 26 inches in diameter will inflate in a twenty-fifth of a second to hold the driver in place until everything comes to a halt. The bag will then deflate.

Safety specialists in the auto industry have warned about the possibility of injury to children riding in the front seat if a bag designed to restrain adults inflates. This is apparently the reason the Ford cars will have the devices only on the driver's side.

Although the bags do not provide protection in side collisions, or if the car rolls over, outside safety experts note that a high percentage of fatal injuries occur in head-on crashes.

A Ford official said the company offered air bags on a limited basis as an option about 15 years ago, but said the response did not indicate enough interest to continue. He said any decision on whether to make them standard equipment on cars, as some safety advocates have urged, will depend on how many buyers order them as options.

[From the Journal of Commerce, Nov. 6, 1985]

INSURERS PRAISE FORD FOR AIR BAG DECISION

The decision by Ford Motor Co. to install air bags in two of its compact cars as an $815 option has been praised by insurance companies and trade groups.

"It's good news for the customer," said Paul A. Donald, president of Nationwide Mutual Insurance Co. The insurer said it plans to offer a new price discount for auto medical coverages for policyholders whose cars are equipped with air bags.

Ford said its driver-only air bags worked so well in 20 accidents that it will build 1,000 cars a month equipped with the devices beginning in March. The federal government and insurance companies have already purchased 7,400 air bag-equipped Tempos and Topazes, and in 20 out of 200 accidents, the impact was violent enough to cause the air bags to shoot out and surround the driver, Ford said.

An employee of Travelers Insurance Co., who drives a Ford Tempo company car walked away from a head-on collision with a propane tanker truck last summer. The combination of the air bag and a fastened seat belt saved her life, said Melanie Stephenson, a 23-year-old field representative for the Hartford, Conn.-based insurer.

Mercedes-Benz, which has been offering a driver-only bag as an option announced last week that it will make the item standard equipment in its 1986 models.

General Motors Corp. had offered the bags as an option on larger cars in 1974, 1975 and 1976 but only 10,000 were sold and the idea was dropped.

Ford said it will lose money on the air bags even if they are a sellout, although the price would drop if the program is expanded. Company Chairman Donald Petersen said Ford had no immediate plans to do that.

Auto manufacturers have opposed mandatory installation of air bags and Mr. Petersen reiterated the carmakers' position when making his announcement. American car manufacturers favor mandatory seat belt laws by the states. Currently 17 states have such laws, and the District of Columbia is awaiting Congressional approval.

"This is good news for both the public and the insurance companies," said Clifford H. Whitcomb, president of Prudential Property and Casualty Insurance Co., Holmdel, N.J. "We are certain that it will significantly reduce deaths and serious injuries which result from automobile crashes."

Prudential has had available an air bag discount, "and we welcome the opportunity to actually use this discount," said Mr. Whitcomb. He urged other auto manufacturers to make full front seat air bags available on a variety of models.

[From the Washington Post, November 2, 1985]

MERCEDES MAKES AIR BAGS STANDARD EQUIPMENT

Mercedes-Benz, which has offered driver-side air bags on some models, will put the automatic crash cushions on all its 1986 cars, the company said yesterday. That makes Mercedes the first company to make air bags standard equipment.

The manufacturer is planning to announce the air bag program next week and follow with an advertising campaign highlighting the equipment. The system includes an air bag on the driver side and an enhanced belt system that tightens around the front-seat passenger in a crash.

Meanwhile, industry, sources said Ford Motor Co. is expected to announce Monday that, for the first time, it will make driver-side air bags available to customers on its Mercury Topaz and Ford Tempo models.

The two developments give a boost to air-bag proponents, who for a decade have fought the government and auto industry in trying to get the cushions required in all cars for all front-seat passengers.

The government will begin requiring auto makers to introduce passive passenger restraints next September. Most manufacturers have decided to use automatic passive belts, which automatically wrap a car occupant on getting in the car, instead of the air bag.

The more expensive air bag is contained in the steering column or dashboard. In a crash, it opens up in a fraction of a second to protect the occupant.

A.B. Shuman, spokesman for Mercedes-Benz of North America, said driver-side air bags and the enhanced belt will be installed in all 90,000 Mercedes 1986 model cars that are expected to be sold in the United States over the next year. The cars range in price from $23,000 to $58,000.

As an option on some of its 1984 and 1985 models, Mercedes sold more than 15,600 air-bag-equipped cars, according to Shuman. "Now we feel it's such a good system that it's advisable to have it" as standard equipment, he continued.

Ford has been offering the bags to Tempo fleet customers during the past year and has about 7,500 on the road, according to Ford spokesman Richard Judy. About 5,000 of those cars have been bought by the federal government and most of the others by two insurance companies.

Judy said he could not confirm plans to make the devices available to regular customers, but other sources said the announcement will be made by Ford Chairman Donald Petersen in a speech Monday to the Economics Club of Detroit.

[From the Washington Post, November 8, 1985]

INDUSTRY COMPETITION MAY MAKE AIR BAGS STANDARD EQUIPMENT

(By Warren Brown)

Marketplace competition may accomplish what federal regulation has failed to do for two decades—force auto makers to install air bags in all new cars sold in the United States.

Daimler-Benz AG, maker of Mercedes-Benz cars and trucks, and Ford Motor Co. took actions last week that could spark the contest.

Daimler-Benz announced that it was installing driver-side air bags in all 1986 models. Ford announced two days later that it will offer air bags as options in its compact four-door Tempos and its Mercury Topaz family sedans.

Both companies had done extensive market and performance testing of their so-called "supplemental restraint systems" before introducing them to a larger audience.

Daimler-Benz offered air bags as standard equipment in its 1985 model 500 SEC cars, which carried a base price of $58,000. The West German auto maker also offered air bags as an $800-plus option in other 1985 cars.

Ford took a more cautious route. The U.S. auto maker teamed up with the National Highway Traffic Safety Administration to provide federal fleets with 5,000 driver-side air bag-equipped, 1985 model Tempo and Topaz cars. Ford also sold 2,400 similar models to commercial fleet operators, mainly insurance companies.

The air bags were a hit. Mercedes-Benz of North America, Daimler-Benz's passenger car sales operation in the United States, sold 15,600 air bag-fitted cars. The least expensive of the 1985 Mercedes-Benz models, the 190 series, started at about $23,000, without the air bag.

The willingness of a large number of customers to spend $800 more for a non-glamorous safety option in a glamorously expensive machine persuaded Daimler-Benz to install air bags as standard equipment in all of its cars, said A.B. Shuman, Mercedes-Benz North America spokesman.

The 1985 Ford air bag fleet yielded another kind of success. Some 200 of those cars were involved in accidents, including 20 serious enough to cause the air bags to deploy. In those 20 accidents, 17 drivers were wearing seat belts, which are regarded as primary restraints in the auto industry.

According to a Ford summary of the accidents: "There were no fatalities, no serious injuries, and only 13 minor injuries in the accidents, which included a head-on crash with a propane tanker. In all cases, the air bags deployed as expected, and there have been no reports by operators of inadvertent deployment."

Mercedes-Benz and Ford, as a result, can be expected to tout their supplemental restraint systems in 1986 model advertising. And that, according to auto safety advocates such as Ralph Nader, is bound to put pressure on General Motors Corp. and other auto makers to produce air bag fleets.

"It's an image thing," Nader said. "GM does not want to be perceived as being behind in technology of any sort. GM people know that Ford is trying to develop an image as a technology leader" in the area of safety.

GM people point out that their company offered air bags as an option on 10,000 luxury cars in the 1970s and that most of those cars were shunned by consumers. But Nader and other critics argue that GM, long on record as opposing mandatory installation of air bags in cars, did not use much advertising muscle to push its air bag program.

Mercedes-Benz is not about to make the marketing mistake allegedly made by GM. Not only is Mercedes-Benz spending money to advertise air bags; the company is also investing a bundle in telling the public about its "antilock braking system"—computer-operated brakes designed to stop the car from skidding and spinning out on slippery roads during panic stops. Mercedes-Benz has also come up with another safety device for two 1986 models—remote-controlled "headlight wipers" that remove grit and grime from car lights during snowstorms and other inclement weather.

Ford also is offering antilock brakes. The betting in the industry is that antilock brake systems will become standard equipment, without federal prompting, within a few model years.

[From the New York Times, November 8, 1985]

AIR BAGS MAKE IT TO THE SHOWROOM

(By Peter Passell)

Cheers for the Ford Motor Company for making it possible to buy an American car with an air-bag safety restraint. The company will soon offer the devices as options on its 1986 Tempo and Topaz compacts. The decision could mark the beginning of the end of Detroit's long, bitter campaign against this life-saving technology.

Air bags work. They were installed in several thousand General Motors cars in the early 1970's and have saved dozens of lives. What's more, the automatically inflating devices have been shown to be reliable over a decade of use, deploying only in injury-threatening collisions. Fears that malfunctioning air bags might actually cause accidents have proved groundless.

According to a study by President Ford's Transportation Department, air bags could reduce auto deaths by about 40 percent. The same study estimated that the medical and disability cost savings alone would exceed the expense of installing the equipment.

But in spite of their technical triumph, air bags bombed in Buick and Oldsmobile showrooms: only one car in 200 was ordered with the option. Stung by this commercial failure, G.M. led Detroit in a successful crusade against mandatory installation.

A few auto makers kept an open mind. Mercedes-Benz has discovered that people willing to pay $30,000 for a luxury sedan are willing to shell out an extra $900 for an air bag. Next year, all 90,000 of the Mercedes cars exported to America will come with the devices.

Ford, too, has apparently decided that safety sells, at least to the affluent. It was the first domestic car maker to equip top-of-

the-line models with anti-skid brakes. And after delivering 7,400 air-bag-equipped compacts to Government and private fleets in the last two years. Ford is making driver-side air bags available to individual buyers. Other makers will probably follow Ford's and Mercedes's lead.

This evidence that the market will respond, finally, to intelligent consumer demand isn't especially comforting. If Washington had ordered air bags in all cars in the mid-1970's, thousands of Americans would have been spared death or disability.

But profit incentives are helping. Mercedes-Benz makes money on air bags; Ford thinks it might. And a small industry is now competing feverishly to produce a new generation of air bags based on simpler technology that could become as cheap, and common, as power steering. Safer cars are coming, albeit slowly.●

ANNIVERSARY OF GETTYSBURG ADDRESS

● Mr. D'AMATO. Mr. President, I rise today to pay tribute to a short, but long-remembered, speech delivered by President Abraham Lincoln on November 19, 1863: the Gettysburg Address. Today marks the 122d anniversary of this address, which Lincoln gave at ceremonies to dedicate part of the battlefield at Gettysburg as a cemetery for those who lost their lives during this bloody Civil War battle.

Many Civil War battles proved extremely costly for both Northern and Southern forces. An army expected to lose 25 of every 100 men in every major battle. But some regiments at Gettysburg lost 80 of every 100. Despite some 38,000 dead or wounded on both sides, the North achieved a decisive victory against the South, what some believe to be the turning point for the North in a war to preserve the Union.

After victory at Chancellorsville, and confident of victory, Gen. Robert E. Lee decided to invade the North again. In June, he swung his Confederate Army up the Shenandoah Valley route into Pennsylvania. Following behind him, George G. Meade led his Union Army of the Potomac northward. Neither general had planned to fight in Gettysburg, but shooting began when a Confederate brigade, searching the town for badly needed shoes, ran into Union cavalry on July 1, 1863.

The two armies spent the first day maneuvering for position. By the end of the day, Meade settled his 90,000 men south of the town in a strong defensive position. From Culp's Hill on the right, running left across the length of Cemetery Ridge, Meade established a 3-mile front. On the second day, with 75,000 men, Lee tried to crack the Union left and roll up Cemetery Ridge. A Northern corps was crushed during the ensuing battle, but Meade retained control of the ridge.

On July 3, Lee decided to drive directly at the Union center. He ordered 15,000 men under Gen. George E. Pickett to charge the Union line. Ignoring murderous Northern fire, Pickett marched his men in perfect parade formation across an open field up Cemetery Ridge. Only a fraction of his soldiers reached the top of the ridge where Meade's men held their ground, crushing the Confederate drive. Lee lost 20,000 men, dead or wounded, and retreated to Virginia. Meade lost 18,000, but it was Lee who would never again have the strength to undertake a major offensive.

Six months following this great battle, on November 19, 1863, Lincoln addressed a modest gathering of war-wearied civilians outside the small Pennsylvanian town of Gettysburg. His simple, noble words were chosen with such care that, since that day, they have stirred the deepest emotions of Americans. His words set forth the spirit and unfinished work of a war which had been raging for 3 years, a war which sought the destruction of the Union.

Although few were present to hear him, Lincoln's words were intended for all Americans. "Four score and seven years ago our forefathers brought forth, upon this continent, a new nation, conceived in Liberty, and dedicated to the proposition that all men are created equal." Lincoln stressed that those who died at Gettysburg and all those who died in the Civil War to preserve the Union should not have died in vain, "* * * that this nation shall have a new birth of freedom; and that this government of the people, by the people, for the people, shall not perish from this earth."

As we celebrate the 122d anniversary of the Gettysburg Address, let us, as Americans, recommit ourselves to the preservation of this great Nation, that we shall never again raise up a sword against each other. Let us stand ever united in our pursuit of liberty, not only for ourselves, but for all peoples worldwide.●

DONALD REGAN ASKED TO RETRACT AND APOLOGIZE

● Mr. KERRY. Mr. President, women have made great advances in American political life in recent years. Last year witnessed a historic turning point—the nomination of Geraldine Ferraro by the Democratic Party for the Office of Vice President of the United States. Today, 2 women serve as Members of the U.S. Senate, and 23 women are Members of the U.S. House of Representatives. These numbers indicate progress, but they also indicate how far we have to go before we achieve true equality of opportunity for women in this country.

An indication of just how far we still have to go in eliminating sexist attitudes in this country appears in this morning's edition of the Washington Post. White House Chief of Staff Donald Regan, who is widely reputed to be the most powerful person in this administration after the President, is quoted with reference to the views of women on the Geneva summit meeting. Mr. Regan said:

> They're not . . . going to understand throw-weights or what is happening in Afghanistan or what is happening in human rights. Some women will, but most women . . . would rather read the human-interest stuff of what happened."

I wonder whether Mr. Reagan's former Ambassador to the United Nations, Jeane Kirkpatrick, would agree with that statement. I wonder whether my distinguished colleague on the Foreign Relations Committee, Senator NANCY KASSEBAUM, would concur in Mr. Regan's statement. I wonder whether the outgoing Secretary of Health and Human Services, Margaret Heckler, would agree with Mr. Regan's statement. I wonder whether Secretary of Transportation Elizabeth Dole or Justice Sandra Day O'Connor agree with Secretary Regan's statement. American women are leaders in every public policy issue debated in this Nation today from education to social justice and nuclear strategy.

This administration has shown an unprecedented insensitivity to the rights and the concerns of women. It has consistently opposed the views of the vast majority of American women on issues such as the equal rights amendment, affirmative action, and a woman's right of choice. Under the guise of family values, this administration has sought to promote the view that a woman's place is only in the home.

White House Chief of Staff Donald Regan's comment is a revealing example of the attitude toward women which prevails at the top level of this administration. His comments are an insult to American women everywhere. I call upon Mr. Regan to retract his comments, and to apologize to the American people for his lack of sensitivity.

Unfortunately, Mr. Regan's comments are all too typical of the attitude toward women that we have seen displayed during the past 5 years of the Reagan administration. Let them serve as a reminder to all of us of how far we still have to go in eliminating sexism in our Government, and in our country.●

DISPLACED HOMEMAKERS CELEBRATE 10TH ANNIVERSARY

● Mrs. HAWKINS. Mr. President, 10 years ago, activist Tish Sommers coined the term displaced homemaker to name a phenomenon that had reached crisis proportions. Displaced homemakers are women who, because of a spouse's death or disability, divorce, or separation, enter the workforce in order to pay the mortgage or

feed her family. They are our mothers, grandmothers, and aunts.

There are an estimated 4 to 5 million such women in the United States today according to the Displaced Homemakers Network, the national umbrella organization that coordinates almost 700 programs addressing women's concerns. The Network works to strengthen these programs, providing the technical assistance and program models to the organizations that, in turn, provide counseling, workshops, skills training and job placement assistance to displaced homemakers. They also advocate and provide information on public policy issues that affect displaced homemakers.

On November 18-20, 1985 the Network will celebrate the progress of the displaced homemakers movement over its first decade—both in raising awareness about the problems of displaced homemakers and in taking action to solve them. Approximately 300 displaced homemakers, service providers, job training and vocational education personnel, and advocates for older women, will come to Washington not only to celebrate, but also to chart the course of the movement for the next decade.

While the Network feels it has much to celebrate, it is also worried that the new and often misleading reports of the improving economic status of the elderly and the focus on working women may erode the fragile gains of the past decade. Network leaders are working to ensure that displaced homemakers continue to be a part of Federal and State policy agendas.

Behind many successful women and men in America, is a displaced homemaker. They need our continued support to be certain that they have the opportunity to achieve economic self-sufficiency. I commend the Network for their on-going efforts on behalf of displaced homemakers.●

HEALING FROM THE WAR

● Mr. KERRY. Mr. President, I want the record to note the publication of a new work by the Vietnam veteran psychologist whose research project was chosen to fulfill the congressional mandate of 1978 for a definitive study of the war's impact. The new work is "Healing From the War," by Dr. Arthur Engendorf. He has made the results of his research and clinical work accessible to a general readership through telling a deep, moving and personal story that declares an age of healing, not only for individual veterans, but for the American spirit. "Healing From the War" is the first book by a psychological expert to tell from the inside what it's like to face the pain of Vietnam and come out whole. Arthur Engendorf brings a sense of history to his psychological work and puts the challenge of healing in a light that exults us all. His policy suggestions will help renew the dialog over the real meaning of the American dream.●

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

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

ORDERS FOR WEDNESDAY

RECESS UNTIL 9 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that, once the Senate completes its business today, it stand in recess until the hour of 9 a.m. on Wednesday, November 20, 1985.

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

RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Mr. President, I further ask unanimous consent that, following the two leaders under the standing order, there be special orders in favor of the following Senators for not to exceed 15 minutes each: Senators PROXMIRE, MOYNIHAN, and HEFLIN.

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

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business for not to extend beyond the hour of 10 a.m. with Senators permitted to speak therein for not more than 5 minutes each.

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

PROGRAM

Mr. DOLE. Mr. President, as I have previously indicated, following routine morning business the Senate will resume consideration of S. 1714, the farm bill.

Mr. President, with the consent of the managers at that time, it would be my hope that we could offer the second-degree amendment which, hopefully, we are now about to have copies distributed to Members on each side or staff on each side.

Mr. President, I ask unanimous consent that the amendment be printed. I would indicate there may be minor modifications of the amendment in the morning, but it would be helpful if it were printed in the RECORD.

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

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

Mr. DOLE. Yes.

Mr. BYRD. That would be no more problem for the public printers than it would be if the amendment had to be read. And no one wants to ask that the clerk read it. But if they did, we would stay here tonight until it was read.

So the Senator's request, it seems to me, saves the time of the Senate and accomplishes the purpose of having it appear in the RECORD. And then, as he has indicated, he may want to modify it slightly tomorrow when he offers it. If someone gets the yeas and nays on it tonight, he could not modify it.

Mr. DOLE. That is correct. That is why I decided not to offer it.

I know it seems like it is taking a long time, but it is very technical and sometimes 10 minutes becomes an hour because they are dealing with very important matters.

So I believe it would be helpful to have it available in the morning. That way, if there were modifications—and I can assure my colleagues if there are they are going to be minor in nature. There may not be any, but I would want to reserve that right.

I thank the distinguished minority leader for not objecting to that.

Mr. President, I have been advised that it may not be possible for the entire amendment to be printed in the RECORD in time to reach Senators by the time we are on the bill.

But I am advised that the Service Department can do that without any real difficulty.

So I ask unanimous consent that I might withdraw my request that the amendment be printed in the RECORD.

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

RECESS UNTIL 9 A.M. TOMORROW

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move, in accordance with the order just entered, that the Senate stand in recess until the hour of 9 a.m. tomorrow, Wednesday, November 20, 1985.

The motion was agreed to; and, at 8:51 p.m., the Senate recessed until tomorrow, Wednesday, November 20, 1985, at 9 a.m.